



May 2011

Senator Donna Mercado Kim

Serving District 14

Moanalua
'Aiea
Fort Shafter
Kalihi Valley
Halawa Valley

Community Boards

Kalihi Palama No. 15
Kalihi Valley No. 16
Aiea No. 20
Moanalua Gardens Association
Moanalua Valley Association

Leadership and Committees

Vice President of the Senate

Chair:

Committee on Tourism
Committee on Accountability

Member:

Committee on Ways and Means

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Aloha Friends and Neighbors,

The 2011 legislative session has been filled with familiar issues and concerns frequently seen over the past years. The most pressing issue, as it has been in recent years, was to effectively balance the state budget during increasingly difficult economic times. Our challenge was further complicated throughout the session with the ever changing tax revenue forecasts and the disasters that occurred in Japan.

Coming into the legislative session, the State forecasted an \$800 million deficit for the next two years. This figure rose to nearly \$1 billion when the Council on Revenues (COR) downgraded their revenue growth projection from 3.0% to 0.5% on March 10th.

The March projection occurred hours before the earthquake in Japan and before the culmination of the political turmoil in Northern Africa. The anticipated downturn of Japanese tourism arrivals and the increasing oil prices stemming from these global events further put into question the future of the State's finances.

The House sent over their draft of the budget based on a \$844 million deficit. After careful consideration of the economic situation, the Senate balanced the budget assuming a \$1.3 billion deficit. This figure came from the advice of the Department of Budget and Finance, who determined the COR projections were too optimistic as it would require unprecedented tax revenue collections.

After two weeks of negotiations between the Senate Ways and Means and the House Finance Committees, HB200 or the Budget Bill has passed through conference and was approved by the State Legislature.

The State's deficit is being addressed primarily through three means; approximately \$618 million in spending cuts to programs and departments, another \$600 million in additional revenue measures, and an anticipated annual \$88.2 million in employee pay reductions from labor negotiations.

Tough decisions such as proposals to tax pensions and raise the GET were at the forefront of discussions. Instead, we found ways to balance the budget without severely impacting those who are the most vulnerable such as our retirees and underprivileged.

While the Governor and the House Finance Committee strongly pushed for a tax on pensions, the Senate consistently looked at all available options before placing the burden on pensioners. During conference negotiations, the Senate rejected House demands for a tax on pensions and successfully had SB570 amended to remove the pension tax provision.

The measures passed will address the deficit by removing GET exemptions on certain businesses, removing income tax deductions on high income earners, capping the TAT given to the counties, and diverting moneys from other sources to the general fund.

More information about the 2011 session can be found in the bulletin mailed to your homes next month.

Mahalo,



Schedule of Community Meetings

Neighborhood Board Meetings

Kalihi Palama Neighborhood Board No. 15

Wednesday, May 18, 7:00 p.m.

Wednesday, June 15, 7:00 p.m.

Kalihi Union Church

Kalihi Valley Neighborhood Board No. 16

Wednesday, May 11, 7:00 p.m.

Wednesday, June 8, 7:00 p.m.

Akira Sakima Recreational Center

Aiea Neighborhood Board No. 20

May (No Meeting)

Monday, June 13, 7:30 p.m.

Aiea Library Conference Room

Community Association Meetings

Moanalua Gardens Community Association

Tuesday, May 3, 7:00 p.m.

Tuesday, June 7, 7:00 p.m.

Moanalua Middle School

Moanalua Valley Community Association

Wednesday, May 11, 7:00 p.m.

Wednesday, June 8, 7:00 p.m.

Moanalua Golf Course

Community Meeting for the Former Kam Drive-In

Robertson Properties Group will be hosting a public forum regarding the planned project for the site

Monday May 16th, 2011

7:00 PM—9:00 PM

Pearl Ridge Elementary School

Aiea/Pearl City Town Meeting Disaster Preparedness

Come hear from emergency response and weather personnel on disaster preparedness and other important information

May 26, 2011

7:00-8:30 PM

Pearl Ridge Elementary School

For more info call 586-8455



The Institute for Human Service (HIS) partnered with the Women's Legislative Caucus to benefit clients of homeless shelters with "Welcome Home Easter Baskets."

Over 150 baskets of donated food and household items were delivered to HIS for distribution.

Support Success for Hawaii's Students

Step Up is a community-wide campaign of Hawaii P-20 Partnerships for Education, the Hawaii State Board of Education and the Department of Education. It promotes career and college readiness for Hawaii's high school students.

Students sign a Step Up pledge form, along with their parents, to signify their commitment to earn the BOE "Step Up" Recognition Diploma, which includes more rigorous requirements than the regular high school diploma in science, math and English, as well as the completion of a senior project.

Students who pledge to earn this diploma will be enrolled in the Step Up Scholars program and receive a number of benefits, including information on college preparation and financial aid, and invitations to college-prep events throughout their years in high school. Upon graduation, students receive special consideration for scholarships, admission into Hawaii colleges, and job application advancement with various employers.

For more information on the Step Up campaign visit: www.StepUpHawaii.org



Legislature Honors Hawaii Five-0

Hawaii 5-0 was honored by State Legislators for the production's contribution to Hawaii's economy and tourism industry.

Cast and crew of the show in attendance were commended for their support, including stars Alex O'Loughlin, Daniel Dae Kim, and CBS Senior Vice President of Current Programming Glenn Geller.

CBS Executives have stated that the show has invested over \$40 million into the local economy and that they have a policy of hiring nearly 80% of all workers from Hawaii.

19th Annual Model Schools Conference

Moanalua High School has been selected as one of 15 model high schools for 2011 by the International Center for Leadership in Education. The chosen schools will share their best practices at the 19th Annual Model Schools Conference, June 26 – 29 in Nashville, Tennessee.

Each year, the Conference attracts thousands of educators, who come to learn about exemplary elementary, middle, and high schools in addition to career and technical education programs. Model schools are selected annually based on high student achievement in all subgroups, providing every student with a rigorous and relevant curriculum, personalized instruction and student learning time, parent and community involvement, use of data to make instructional decisions, and other best practices. Case studies on Moanalua High School and the other model schools serve as a resource for educators and policymakers.