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



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

## REP. GREGG TAKAYAMA, CHAIR HOUSE COMMITTEE ON HEALTH

Hearing Date: March 14, 2025 Room Number: 329

- 1 **Department Testimony:** The Department of Health (DOH) strongly supports SB1449 SD1,
- 2 which is part of the Governor's Administrative Package, to repeal the birth defects special fund
- and redirect deposits from the birth defects special fund to the vital statistics improvement
- 4 special fund; to redirect deposits for certified copies of vital records from the general fund to the
- 5 vital statistics improvement special fund; and to appropriate funds out of the vital statistics
- 6 improvement special fund.
- 7 Report No. 21-03 published by the Hawaii Office of the Auditor found that the birth defects
- 8 special fund did not meet the criteria of a special fund, in part because there was no clear link
- 9 between the birth defects program and marriage license fees, and recommended its repeal.
- 10 Repealing the birth defects special fund will satisfy these concerns.
- It is essential to redirect the deposits from the birth defects special fund into the vital statistics
- special fund to support a complete overhaul vital statistics business functions. There previously
- have been lengthy backlogs in customer requests due to a decades-old, unreliable computer
- system that drives a sub-optimal manual workflow, as well as overall increases in customer
- orders.
- The redirection of deposits from the general fund to the vital statistics improvement special fund
- will provide a more reliable stream of resources to offset costs for the daily operations of the
- vital statistics systems and to support modernization and automation of the system than a budget

- 1 increase or appropriation would provide. The department processes approximately 125,000
- 2 customer requests a year, which is increasing steadily year after year due to a growing population
- 3 and additional requirements for which vital records are essential, such as the REAL ID Act of
- 4 2005 (Pub.L. 109-13). Along with the increase in the number of transactions, the cost of security
- 5 paper, printers and toner, postage, and other supplies continues to rise. Recovering a greater
- 6 share of the fees for certified copies would allow the department to meet operational needs, and
- 7 make more immediate investments in business operations, quality improvement, and customer
- 8 service.
- 9 Furthermore, the deteriorating condition of bound volumes, some dating back to the Kingdom of
- Hawaii, prompt the need for digitization of those records to improve operations, such as
- 11 genealogical research, and preservation for historical purposes. A larger share of the fees would
- 12 permit interim preservation and protective actions to be taken, in concert with potential longer-
- term interventions. The additional revenue from fees provides more certainty and flexibility than
- a base budget appropriation.
- 15 Thank you for the opportunity to testify.