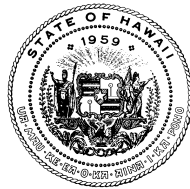


JOSH B. GREEN, M.D.
GOVERNOR OF HAWAII
KE KIA'ĀINA O KA
MOKU'ĀINA 'O HAWAI'I



Katherine Aumer, PhD
COUNCIL CHAIRPERSON
LUNA HO'OMALU O KA PAPA

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

STATE COUNCIL ON MENTAL HEALTH

Testimony to the Senate Committee on Ways and Means
In Support of S.B. 1448 S.D.1

**MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HEALTH FOR THE
CONSTRUCTION DEFECT REMEDIATION AT THE HAWAII STATE HOSPITAL
February 27, 2025 10:30 a.m., Room 211 and Video**

Chair Dela Cruz, Vice-Chair Moriwaki, and Members of the Committee:

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1st VICE CHAIRPERSON

Kathleen Merriam, LCSW
CSAC

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Behavioral Health
Administration

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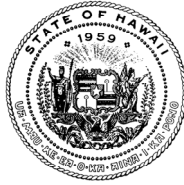
EMAIL ADDRESS:

doh.scmhchairperson@
doh.hawaii.gov

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

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

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



JOSH GREEN, M.D.

STATE OF HAWAII
DEPARTMENT OF HEALTH
P. O. Box 3378
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KENNETH S. FINK, M.D., M.G.A., M.P.H.

Testimony in SUPPORT of S.B. 1448 SD1

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

SENATOR DONOVAN M. DELA CRUZ, CHAIR
SENATOR SHARON Y. MORIWAKI, VICE CHAIR
SENATE COMMITTEE ON WAYS AND MEANS

Hearing Date: February 27, 2025, 10:30 AM Room Number: 211

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

4 **Department Position:** The Department strongly supports S.B. 1448 SD1, making an emergency
5 appropriation to implement crucial design and construction defect analysis and remediation in
6 the Hale Ho'ōla Building of the Hawaii State Hospital (HSH).

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

9 The Department supports an emergency appropriation of \$8,260,000 to the Department
10 of Health for construction defect remediation at the HSH. This funding is inclusive of \$6,160,000
11 for mold abatement, facility repairs and defect analysis, \$2,000,000 for legal fees and costs of
12 special deputy attorneys general to explore all possible avenues of remediation, and an
13 additional \$100,000 for the immediate procurement and installation of ultraviolet (UV) lights
14 for the heating, ventilation, and air conditioning (HVAC) system.

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

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

9 1. Short-term response

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

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

- 13 a. Investigate and identify water leaks and standing water in the building
14 and at entry points.
- 15 b. Conduct mold abatement, including removal and cleaning of mold growth
16 in all affected areas.
- 17 c. Perform emergency HVAC repairs to replace failed components and
18 investigate HVAC system to evaluate system performance.
- 19 d. Install UV lights in the HVAC system to sanitize the air circulating through
20 the system.

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

22 a. Potential reroofing of the building and repairs and improvements to
23 other elements of the building envelope, plumbing, and other major
24 building systems, to provide a lasting solution to issues of water
25 intrusion.

- 1 b. Repair and adjust the HVAC system to improve air circulation and
2 moisture control.

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

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

10 **Offered Amendments:** The Department respectfully requests an additional \$100,000 in
11 funding for the immediate procurement and installation of UV lights in the HVAC system, as
12 recommended by the contractor who inspected the system. UV lights improve indoor air quality
13 by sanitizing the air circulating through the system, exposing microorganisms and harmful
14 airborne contaminants—such as mold and mildew—to ultraviolet radiation, thereby preventing
15 them from reproducing or causing infection. Additionally, UV lights can enhance the energy
16 efficiency of the HVAC system and extend its lifespan.

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

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



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

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

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

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

COMMITTEE ON WAYS AND MEANS

FEBRUARY 27, 2025, 10:30 A.M.
CONFERENCE ROOM 211 AND VIA VIDEOCONFERENCE, STATE CAPITOL

S.B. 1448, S.D. 1

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

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee, thank you
for the opportunity to submit testimony on S.B. 1448, S.D.1.

The Department of Accounting and General Services (DAGS) offers testimony in
support of this bill which makes an emergency appropriation of \$8,160,000 from the
general fund to the Department of Health (DOH) to fund construction defect
remediation, including the payment of legal fees and cost of special deputies attorney
general, of the Hale Ho'ola Building of the Hawai'i State Hospital (HSH) and declares
that the general fund expenditure ceiling for fiscal year 2024-2025 has been exceeded.

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

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

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

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

The HSH has been working closely with DAGS to cure these issues, and DAGS will continue to work closely with DOH and the hospital in that regard. This emergency appropriation is crucial to fund the intermediate responses that can be implemented to ensure the health and safety of the patients and staff who live and work at the HSH.

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

**Written Testimony of Dave Fields, APRN-Rx
Former Clinician at Hawaii State Hospital
To The**

Senate Committee on Ways and Means

Chair: Donovan M. Dela Cruz

Vice Chair: Sharon Y. Moriwaki

Members: Henry J.C. Aquino, Lynn DeCoite, Brandon J.C. Elefante, Troy N. Hashimoto,
Lorraine R. Inouye, Dru Mamo Kanuha, Michelle N. Kidani, Donna Mercado Kim,
Chris Lee, Glenn Wakai, Kurt Fevella

IN OPPOSITION TO SB 1448 SD1

Are you serious?

How did we get here: Four years ago, the State proudly touted the brand-new Hale Ho‘ōla Building at Hawai‘i State Hospital. This was supposed to solve overcrowding, enhance safety, and generally show that Hawai‘i can actually construct something on time and on budget. Now, the Department of Health returns, hat in hand, requesting millions more from taxpayers—on top of the \$160 million we already shelled out. Suddenly, we find water leaks, mold, corroded pipes, and a dire need for “emergency” funds.

Really?

In Hawai‘i, if a local family hires a contractor and discovers gaping defects after the contractor says, “Yeah, job pau,” no one says, “Oh, no worries, here’s another big chunk of money. Maybe try again.” We’d be calling lawyers, demanding recourse, and asking, “Why wasn’t it done right the first time?” Some people would even try to “scrap!” Yet here, the State is poised to throw another \$8 million—while politely saying, “Could you please fix it? We are so sorry.”

Are you serious?

It’s even more frustrating to see this framed as “helping staff.” Yes, of course, we need to remove mold—no one wants to breathe spores at work. But I’m a former clinician at HSH, and I can assure you that administration does not prioritize staff. They push out workers who don’t toe the line (just ask Dr. Mark Chinen, the local psychiatrist fired a day after suggesting more legislative engagement last session), ignore union grievances, and dismiss the fact that older buildings have showers coated in mold and toilets that barely function. While I was there, patients were sleeping in classrooms, in closets, on floors, meanwhile, leadership hires friends, fosters retaliation, and points to “compliance memos” like that solves safety. If the Department of Health really cared about staff, we wouldn’t be juggling an ethics and discrimination fiasco on top of the construction fiasco.

Are you serious?

Deputy Health Director Marian Tsuji now complains about the contractor’s “fix it, watch it fail, fix it again” cycle. Maybe it’s because DOH leadership never enforced warranties or held Hensel Phelps accountable from the start. Administrator Mark Linscott likewise seems to ignore staff in older buildings, leaving them to face mold, broken

plumbing, or worse. Each year, new outraged articles appear, more legislative briefings happen, and the same “leadership” does the bare minimum. Now we’re asked to cough up multi-millions for the new building’s fiasco—while the rest of AMHD remains a mess.

Are you serious?

Even if you argue this bill is “necessary,” there’s zero language to hold anyone accountable. Where’s the demand that DOH fix its dysfunctional management? Why isn’t anyone fired for negligence or mismanagement? Why does a local-born psychiatrist lose his job for reaching out to lawmakers, yet no one in leadership loses theirs after a staff member is murdered or \$160 million goes down the drain? It’s galling that no one steps up to accept blame, yet we’re told to sign another blank check.

Are you serious?

The Ways and Means Committee’s core mission is to handle the state’s finances responsibly. Is it financially prudent to funnel even more money to the same people and processes that let a brand-new building rot from within in less than four years? If any normal homeowner wouldn’t just hand a shady contractor more cash to “try again,” then the Legislature shouldn’t either—at least not without demanding a real plan, real recoupment from the builder, and real structural changes at HSH. Please do not pass this bill as currently written.

Mahalo for your time, and I hope you share the shock and frustration that many of us HSH veterans feel. Let’s fix our hospital, but let’s do it with common sense, accountability, and no more blank checks for the same people who allowed this to happen.

SB-1448-SD-1

Submitted on: 2/26/2025 2:55:02 AM

Testimony for WAM on 2/27/2025 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Gregory Misakian	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB1448 SD1.

Why are funds being allocated to pay for attorney costs when there are already attorneys who are on the payroll and work for the State?

And because this issue is clearly front and center in the news, and it's clear the contractor(s) failed to deliver properly on the contract, why is it so difficult to file an insurance claim against the contractor(s)? Isn't there a surety bond in place?

Questions that need answers and action, but not taxpayer money.

Gregory Misakian