



GOV. MSG. NO. 888

EXECUTIVE CHAMBERS
HONOLULU

LINDA LINGLE
GOVERNOR

July 8, 2008

The Honorable Colleen Hanabusa, President
and Members of the Senate
Twenty-Fourth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

Dear Madam President and Members of the Senate:

I am transmitting herewith SB2840 SD2 HD1 CD1, without my approval, and with the statement of objections relating to the measure.

SB2840 SD2 HD1 CD1

A BILL FOR AN ACT RELATING TO SELF-SUFFICIENCY.

Sincerely,

A handwritten signature in black ink, appearing to read "L. Lingle".

LINDA LINGLE

EXECUTIVE CHAMBERS

HONOLULU

July 8, 2008

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 2840

Honorable Members
Twenty-Fourth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 2840, entitled "A Bill for an Act Relating to Self-Sufficiency."

The purpose of this bill is to require the Department of Business, Economic Development and Tourism to establish and update biennially a self-sufficiency standard that reflects, at a minimum, costs relating to housing, food, child care, transportation, health care, clothing and household expenses, federal and state tax obligations, family size, children's ages, geography, and the number of household wage earners.

Each year, the federal government publishes the federal poverty guidelines which states can use for administrative purposes, such as determining financial eligibility for certain federal programs. The federal poverty guidelines are an established, tested measure that provides uniform analysis and application across the 50 states.

This bill is objectionable because it requires the Department of Business, Economic Development, and Tourism to develop an alternative standard without any funding or staff with which to do it. As such, this bill represents an unfunded mandate. In the coming months, State agencies will be forced to focus staff and limited funding on their core mission and goals.

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Further, establishing and updating the standard described in this bill could lead to the use of this standard for "official" purposes, creating expectations that the State can raise benefit levels at a time when fiscal constraints limit this ability.

For the foregoing reasons, I am returning Senate Bill No. 2840 without my approval.

Respectfully,

A handwritten signature in black ink, appearing to read "Linda Lingle", written in a cursive style.

LINDA LINGLE
Governor of Hawaii

A BILL FOR AN ACT

RELATING TO SELF-SUFFICIENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that a self-sufficiency
2 standard that is measured appropriately and updated consistently
3 for the State of Hawaii would much more accurately reflect the
4 actual income needed to afford the basic necessities of life.

5 In 2003, a study conducted for the Hawaii state commission
6 on the status of women calculated the bare-minimum costs for
7 housing, child care, food, transportation, health care, clothing
8 and household costs, and federal and state tax obligations. The
9 result was a measurement of the cost of living in Hawaii that
10 took into account family size, children's ages, geography, and
11 number of household wage-earners. The study found that certain
12 households in Hawaii could require as much as double to triple
13 the amount listed in the federal poverty guidelines to meet
14 their basic living needs. A self-sufficiency standard for
15 Hawaii would be an excellent tool for lawmakers, the business
16 and education communities, and the nonprofit sector to improve



1 efforts to help lower-income families reach economic
2 sufficiency.

3 The purpose of this Act is to establish and update
4 biennially a self-sufficiency standard for Hawaii.

5 SECTION 2. Section 201-3, Hawaii Revised Statutes, is
6 amended to read as follows:

7 **"§201-3 Specific research and promotional functions of the**
8 **department.** Without prejudice to its general functions and
9 duties the department of business, economic development, and
10 tourism shall have specific functions in the following areas:

- 11 (1) Industrial development. The department shall
- 12 determine through technical and economic surveys the
- 13 profit potential of new or expanded industrial
- 14 undertakings; develop through research projects and
- 15 other means new and improved industrial products and
- 16 processes; promote studies and surveys to determine
- 17 consumer preference as to design and quality and to
- 18 determine the best methods of packaging, transporting,
- 19 and marketing the State's industrial products;
- 20 disseminate information to assist the present
- 21 industries of the State, to attract new industries to
- 22 the State, and to encourage capital investment in



1 present and new industries in the State; assist
2 associations of producers and distributors of
3 industrial products to introduce [~~such~~] these products
4 to consumers; and make [~~such~~] grants or contracts as
5 may be necessary or advisable to accomplish the
6 foregoing;

7 (2) Land development. The department shall encourage the
8 most productive use of all land in the State in
9 accordance with a general plan developed by the
10 department; encourage the improvement of land tenure
11 practices on leased private lands; promote an
12 informational program directed to landowners,
13 producers of agricultural and industrial commodities,
14 and the general public regarding the most efficient
15 and most productive use of the lands in the State; and
16 make [~~such~~] grants or contracts as may be necessary or
17 advisable to accomplish the foregoing;

18 (3) Credit development. The department shall conduct a
19 continuing study of agricultural and industrial credit
20 needs; encourage the development of additional private
21 and public credit sources for agricultural and
22 industrial enterprises; promote an informational



1 program to acquaint financial institutions with
2 agricultural and industrial credit needs and the
3 potential for agricultural and industrial expansion,
4 and inform producers of agricultural and industrial
5 products as to the manner in which to qualify for
6 loans; and make [~~such~~] grants or contracts as may be
7 necessary or advisable to accomplish the foregoing;

- 8 (4) Promotion. The department shall disseminate
9 information developed for or by the department
10 pertaining to economic development to assist present
11 industry in the State, attract new industry and
12 investments to the State, and assist new and emerging
13 industry with good growth potential or prospects in
14 jobs, exports, and new products. The industrial and
15 economic promotional activities of the department may
16 include the use of literature, advertising,
17 demonstrations, displays, market testing, lectures,
18 travel, motion picture and slide films, and [~~such~~]
19 other promotional and publicity devices as may be
20 appropriate; [~~and~~]



1 (5) Tourism research and statistics. The department shall
2 maintain a program of research and statistics for the
3 purpose of:

4 (A) Measuring and analyzing tourism trends;

5 (B) Providing information and research to assist in
6 the development and implementation of state
7 tourism policy;

8 (C) Encouraging and arranging for the conduct of
9 tourism research and information development
10 through voluntary means or through contractual
11 services with qualified agencies, firms, or
12 persons; and

13 (D) Providing tourism information to policy makers,
14 the public, and the visitor industry. This
15 includes:

16 (i) Collecting and publishing visitor-related
17 data including visitor arrivals, visitor
18 characteristics and expenditures;

19 (ii) Collecting and publishing hotel-related
20 statistics including the number of units
21 available, occupancy rates, and room rates;



1 (iii) Collecting and publishing airline-related
2 data including seat capacity and number of
3 flights;

4 (iv) Collecting information and conducting
5 analyses of the economic, social, and
6 physical impacts of tourism on the State;

7 (v) Conducting periodic studies of the impact of
8 ongoing marketing programs of the Hawaii
9 tourism authority on Hawaii's tourism
10 industry, employment in Hawaii, state taxes,
11 and the State's lesser known and
12 underutilized destinations; and

13 (vi) Cooperate with the Hawaii tourism authority
14 and provide it with the above information in
15 a timely manner[-];

16 and

17 (6) Self-sufficiency standard. The department shall
18 establish and update biennially a self-sufficiency
19 standard that shall incorporate existing methods of
20 calculation, and shall reflect, at a minimum, costs
21 relating to housing, food, child care, transportation,
22 health care, clothing and household expenses, federal



1 and state tax obligations, family size, children's
2 ages, geography, and the number of household wage
3 earners. The department shall report to the
4 legislature concerning the self-sufficiency standard
5 no later than twenty days prior to the convening of
6 the regular session of 2009, and every odd-numbered
7 year thereafter. The recommendations shall address,
8 among other things, the utilization of any federal
9 funding that may be available for the purposes of
10 establishing and updating the self-sufficiency
11 standard.

12 The department shall be the central agency to coordinate
13 film permit activities in the State."

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

16 SECTION 4. This Act shall take effect on July 1, 2008.

