HB 2170

LINDA LINGLE



In reply, please refer to:

SENATE COMMITTEE ON HEALTH

and

SENATE COMMITTEE ON TRANSPORTATION, INTERNATIONAL AND INTERGOVERNMENTAL AFFAIRS

H.B. 2170, H.D.1, Relating to Vital Statistics

Testimony of Chiyome Leinaala Fukino, M.D. Director of Health

March 10, 2010, 2:15 p.m.

Department's Position: The Department of Health respectfully opposes the current draft. However, we are submitting a draft SD1 proposal for the committee's further consideration.

Fiscal Implications: Currently, verification will cost \$5, per record. Given recent figures provided to DOH by all 4 counties, there would be a need for verification of approximately 230,000 real property owners. However, if the proposed SD1 draft is accepted and adopted, the Department of Health's Vital Statistics Office shall upon submission of an electronic list of names from each county at agreed upon intervals provide the counties with an electronic verification of death of any person on the list. The fee for verification of electronic lists for the counties for the purposes of this bill shall be established through a subsequent Memorandum of Agreement with the counties establishing the fee at \$50 per request and shall be deposited to the credit of the vital statistics improvement special fund.

Purpose and Justification: The Department of Health is submitting a proposed SD1 for consideration that lays the groundwork towards a future of fiscal self-sufficiency for the

Department of Health's Office of Health Status Monitoring (OHSM), while effectively responding to the needs of the counties, as motivated by the initial introduction of this proposal.

In its current version, this measure proposes to perpetuate an outmoded and inefficient use of government resources and unnecessarily discloses confidential information on individuals to the counties. The county clerks and county real property assessment divisions maintain lists of eligible voters and real property owners with homeowners' tax exemptions. The county clerks want their lists to be current and contain only individuals who are alive and eligible to vote. The property tax assessors want their lists to be current and contain only real property owners who are still living to claim a homeowners' tax exemption. The Department of Health, with the assistance of the legislature, anticipated the need and developed a process called verification in lieu of certified copies (HRS 338-18(g)) that directly addresses the needs of the county clerks and county real property assessors.

As a result of this statute, the State of Hawaii pioneered a nationally utilized process called Electronic Verification of Vital Events (EVVE). This process is extensively used across the nation by federal agencies such as the Social Security Administration, the State Department's Passport Office, and the Federal Office of Personnel Management and should be adapted for these purposes of this bill as well. The process is very simple, efficient, and accurate:

- 1) The requestor, at agreed upon intervals, submits an electronic list of names of individuals to the Department of Health (DOH) and;
- 2) DOH returns the names of all individuals on the list whom have died.

 This process is efficient because it searches for only names that are contained in the agencies' respective lists that have died. The process proposed by DOH is accurate because it is done by the state agency responsible for matching death records and acknowledged for its expertise in

this process. The process proposed by the counties in H.B.2170, HD1 is inefficient and includes death information of individuals not on any of the agencies' lists.

We are submitting alternative language for H.B. 2170, H.D.1, Proposed SD1, that incorporates the process we have described above. In addition, we have proposed several other amendments that provide the means to support the process. This includes a change in the fee structure for verification that allows flexibility to the DOH to charge a nominal fee for verifications. This flexibility should remove most barriers to the use of the verification process. The DOH long term goal is to make the statewide vital statistics system self-sufficient. We would like the statewide system to operate on the revenue they collect for their services through the vital statistics special improvement fund. The legislature eliminated all general funds from the vital statistics operating budget in FY 2010 and substituted special funds to operate the statewide system. We agree with this initiative to move toward self-sufficiency and use of the special improvement funds to assist with offsetting operating costs of the vital statistics system.

We appreciate your support of these amendments to improve and enhance the services that are vital statistics system provides to county clerks and county real property assessors.

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

H.B. 2170, **HD1** – **Proposed SD1 Draft**:

RELATING TO VITAL STATISTICS.

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

- SECTION 1. Section 338-4, Hawaii Revised Statutes, is amended to read as follows:
- 3 "\$338-4 Deaths reported to county clerks[-] and real property
 - assessment divisions. [The department of health shall within six

- 1 weeks after the end of each month-deliver, or forward by mail, to the
- 2 county clerk of each county a list of the names of all citizens of
- 3 voting age or over whose deaths have been recorded in the department
- 4 during each month. The list shall-set forth such portion of the
- 5 information contained in the death record of each citizen whose death
- 6 is so reported as will be of assistance to the county clerk in
- 7 identification.] (a) The department of health shall, at agreed upon
- 8 intervals, receive from the county clerk of each county an electronic
- 9 list of the names of all citizens who are registered to vote in the
- 10 State of Hawaii. The names on the list shall include the citizen's
- 11 full name, date of birth, last four digits of the citizen's social
- 12 security number, and the last known address of the citizen, if
- 13 available. The department of health shall then provide electronic
- 14 verification of death, including the date of death, to the county
- 15 clerk of each county, of any of the names on the list that match the
- 16 death records kept by the department of health.
- 17 (b) The department of health shall, at agreed upon intervals,
- 18 receive from the real property assessment divisions of each county an
- 19 electronic list of the names of all individuals who are real property
- 20 owners with homeowners' tax exemptions in the State of Hawaii. The
- 21 names on the list shall include the individual's full name, date of
- 22 birth, last four digits of the individual's social security number,
- 23 and the last known address of the individual, if available. The
- 24 department of health shall then provide electronic verification of
- 25 death, including the date of death, to the real property assessment

- divisions of each county, of any of the names on the list that match
- the death records kept by the department of health.
- 3 (c) Fees for verification shall be subject to section 338-14.3."
- 4 SECTION 2. Section 338-14.3, Hawaii Revised Statutes, is
- 5 amended to read as follows:
- 6 "§338-14.3 Verification in lieu of a certified copy. (a)
- 7 Subject to the requirements of section 338-18, the department of
- 8 health, upon request, shall furnish to any applicant, in lieu of the
- 9 issuance of a certified copy, a verification of the existence of a
- 10 certificate and any other information that the applicant provides to
- 11 be verified relating to the vital event that pertains to the
- 12 certificate.
- 13 (b) A verification shall be considered for all purposes
- 14 certification that the vital event did occur and that the facts of
- 15 the event are as stated by the applicant.
- 16 (c) Verification may be made in written, electronic, or other
- 17 form approved by the director of health.
- 18 (d) The fee for a verification in lieu of a certified
- 19 copy shall be a maximum of one half of the fee established in section
- 20 338-14.5 for the first certified copy of a certificate issued and
- 21 shall be deposited to the credit of the vital statistics improvement
- 22 special fund in section 338-14.6."
- 23 [(e)][f] Fees received for verifications in lieu of certified
- 24 copies shall be remitted, and one half of the fee shall be deposited
- 25 to the credit of the vital statistics improvement special fund in

- 1 section 338-14.6 and the remainder of the fee shall be deposited to
- 2 the credit of the state general fund."
- 3 SECTION 3. Section 338-14.6, Hawaii Revised Statutes, is
- 4 amended to read as follows:
- 5 "\$338-14.6 Vital statistics improvement special fund. (a)
- 6 There is established within the state treasury a special fund to be
- 7 known as the vital statistics improvement special fund. The fund
- 8 shall be administered and expended by the department of health.
- 9 (b) Moneys in the fund shall be used by the department of
- 10 health for the modernization and automation of the vital statistics
- 11 system in this State. [These proceeds shall not be used to supplant
- 12 any other moneys previously allocated to this program necessary for
- 13 the daily operation of the system of vital-statistics.] These
- 14 proceeds may be used to assist in offsetting costs for the daily
- 15 operations of the system of vital statistics.
- 16 (c) The fund shall consist of fees remitted pursuant to
- 17 [section] sections 338-4, 338-14.3, and 338-14.5. All realizations
- 18 of the fund shall be subject to the conditions specified in
- 19 subsection (b)."

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- 20 SECTION 5. Statutory material to be repealed is bracketed and
- 21 stricken. New statutory material is underscored.
- 22 SECTION 6. This Act shall take effect on July 1, 2010.

TESTIMONY BY GEORGINA K. KAWAMURA DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE STATE OF HAWAII TO THE SENATE COMMITTEES ON HEALTH AND TRANSPORTATION, INTERNATIONAL AND INTERGOVERMENTAL AFFAIRS ON HOUSE BILL NO. 2170, H.D. 1

March 10, 2010

RELATING TO VITAL STATISTICS

House Bill No. 2170, H.D. 1, requires the Department of Health, within six weeks after the end of the month, to provide to the County Clerk and to the Real Property

Assessment Division of each county, a list of the names of all citizens of voting age or over whose deaths have been recorded in the department at no cost.

We oppose this bill. The proposed amendment will limit the Department of Health's ability to charge a reasonable fee to cover the cost of providing required services to the counties. The proposed amendment also would not provide any flexibility to account for any adverse fiscal conditions.

DEPARTMENT OF BUDGET AND FISCAL SERVICES

CITY AND COUNTY OF HONOLULU

REAL PROPERTY ASSESSMENT DIVISION
842 BETHEL STREET, 2ND FLOOR * HONOLULU, HAWAII 96813
PHONE: (808) 768-7901 * FAX (808) 768-7782
www.honolulu.gov

MUFI HANNEMANN Mayor



March 8, 2010

RIX MAURER III

MARK K. OTO DEPUTY DIRECTOR

GARY T. KUROKAWA ADMINISTRATOR

Honorable David Y. Ige Chair, Committee on Health State Senate Hawaii State Capitol, Room 016 415 South Beretania Street Honolulu, HI 96813

J. Kalani English
Chair, Committee on Transportation, International and Intergovernmental Affairs
State Senate
Hawaii State Capitol, Room 016
415 South Beretania Street
Honolulu, HI 96813

RE: Proposed HB2170, HD1 - Relating to Vital Statistics

The City and County of Honolulu strongly supports the intent of HB2170, HD1, which would require the department of health, within six weeks of the last day of each month and at no charge, to provide each county's real property assessment division a list of all persons age eighteen and older whose deaths were recorded by the department during the previous month.

Under existing law, only the county clerks of each county are provided with a list of citizens of voting age or older whose deaths have been recorded in the department, for purposes of removing their names from the general county register. The county clerks are precluded by the State from sharing the list with any other county agencies or using it for any other purpose.

As a point of emphasis, the counties' are not requesting a certified copy of a record or a verification of the person's death. Our request is for the same list of individuals provided to the county clerks. The counties' request should not be subject to a redaction of the SSN (only the last 4 digits). HRS 487J-2(b)(5) clearly entitles local government entities to the **entire** SSN when provided by a government agency. A copy of the encrypted electronic file, containing the requested data, currently sent to the city clerk's office, would be adequate.

The Department of Health ("DOH") submitted testimony in opposition to the companion bill SB2611 SD1 and claims the counties' proposal "unnecessarily discloses **confidential** information on individuals to the counties." However, DOH information regarding who has died, including date of birth and Social Security Number is not kept confidential by DOH. DOH sells this information to a national data base for a fee.

DOH further claims its verification process is efficient and that "[t]he process proposed by the counties in SB2611 SD1 is inefficient and includes information of individuals not on any of the agencies' lists." Again, this claim is misleading. The counties' data consists of confidential information on approximately 700,000

Honorable David Y. Ige J. Kalani English March 8, 2010 Page 2

living individuals whereas DOH's data applies to only an estimated 12,000 deceased individuals. DOH's verification process is the one that is inefficient because it requires the counties to expose confidential date-of-birth and Social Security Number information on thousands of living individuals that are not on the DOH's list of roughly 12,000 deceased persons. Moreover, the Uniform Information Privacy Act's personal privacy exception only applies to living individuals. OIP advisory opinions have established that the right to privacy is a personal right that is generally extinguished upon an individual's death. On balance, privacy rights of living individuals should be protected and the counties' proposal does this.

DOH's "move toward self-sufficiency" comes on the backs of taxpayers who will ultimately bear the cost to the counties of obtaining death information. In 2005, this body of lawmakers saw fit to adopt legislation where the State and counties agreed to share confidential information without cost, see HRS Sec. 231-18. The sharing of information between governmental agencies so that each can better serve the public is the goal we should be striving to achieve.

Finally, as provided for in HRS 487J-2(b)(5), we respectfully request that HB2171 HD1 be further amended with appropriate language that provides that the full Social Security number of deceased persons be transmitted to the counties without any redaction.

We thank you for the opportunity to testify on this matter.

Sincerely.

Gary T. Kuroka Administrator

Real Property Assessment Division



BERNICE K.N. MAU City Clerk

ELECTIONS

OFFICE OF THE CITY CLERK 530 SOUTH KING STREET, ROOM 100 HONOLULU, HAWAII 96813-3077 TELEPHONE: (808) 768-3800

Comments on HB 2170 HD1
Relating to Vital Statistics

Committees on Health and
Transportation, International and Intergovernmental Affairs
March 10, 2009, Rm. 016
2:15 p.m.

Chairs Ige, English, and Committee Members:

The Office of the City Clerk takes no position of the policy decision of whether death information should be reported to the County Real Property Taxation Offices but note that the Real Property Offices had previously received the information similar to the Offices of the County Clerks.

However, our concern is that any amendments to §338-4 HRS not change the present reporting requirement or limit the Department of Health's reporting of decedents' personal information as per the attached memorandum.

We understand that the Senate Committee on Ways and Means amended HB2170's companion measure (SB 2611) to include language that would change §338-4 HRS from a reporting requirement into a process whereby the Department of Health would perform periodic verifications on the voter list for a fee.

If the HTH and TIA Committees are inclined to do the same, the Office of the City Clerk opposes such an amendment.

It is our belief that the existing law operates efficiently by minimizing the potential exposure of registered voters' personal information. Unlike SB2611 SD2, the present law instead requires monthly reporting (to the County Clerks) of a much smaller number of records of decedents (roughly 12,000/year).

Notwithstanding the Department of Health's likely position, we believe the existing law is the most efficient means of accomplishing the desired end of maintaining the general county registry.

Furthermore, the existing law obviates the need for periodically transferring the personal information of 671,000+ registered voters (outside of the custody of the County Clerks) to identify the roughly 5,500 deaths of registered voters that occur each year.

Thank you for the opportunity to testify.

William P. Kenoi

Mayor



Nancy E. Crawford

Deanna S, Sako
Deputy Director

County of Hawaii

Finance Department

25 Aupuni Street, Suite 2103 • Hilo, Hawaii 96720 (808) 961-8234 • Fax (808) 961-8248

March 9, 2010

The Honorable Senator David Y. Ige, Chair,
and Members of the Senate Committee on Health
The Honorable Senator J. Kalani English, Chair,
and Members of the Senate Committee on Transportation, International and Intergovernmental
Affairs
Hawai'i State Capitol
415 South Beretania Street
Honolulu, Hawai'i 96813

Dear Chairs Hee and English, and Members of the Committees:

RE: Testimony in Support of H.B. 2170, H.D.1 Relating to Vital Statistics Hearing Wednesday, March 10, 2010, at 2:15 p.m., Conference Room 016

The County of Hawai'i strongly supports House Bill 2170, H.D.1, relating to vital statistics, requiring the Director of the Department of Health to provide a list of all reported deaths to the real property assessment division of each county monthly and free of charge.

The County of Hawai'i Department of Finance, Real Property Tax Division is tasked with assessing real property and maintaining current ownership records for Ad Valorum tax purposes. The real property tax division must maintain current information on the owners of all real property to insure fair and equitable assessments. Maintaining the correct status of each owner is critical, but transfer of data has been lacking for several years. This makes the task of the real property divisions very difficult, and limits the accuracy of the information. The lack of up-to-date data often results in required adjustments to tax amounts, and causes undue hardship for taxpayers.

Other jurisdictions around the country have similar mechanisms in place requiring the rapid and accurate transfer of this data regularly because they recognize the vital nature of this link.

We urge the committee to pass this bill to give the counties the means to administer real property tax programs in a timely, cost effective manner, and to eliminate costly adjustments to taxpayers. Implementation should not be difficult since the Department of Health already provides this list to the County Clerks for election purposes.

Sincerely,

Nancy Grawford

Director of Finance



County of Hawaiʻi Office of the County Clerk

25 Aupuni Street Hilo, Hawai'i 96720 Telephone: (808) 961-8255 Facsimile: (808) 961-8912

Testimony of Kenneth Goodenow, County Clerk, County of Hawaii on HB 2170 HD1 Relating to Vital Statistics

To the Senate committee on Health and
The Senate committee on Transportation, International and Intergovernmental affairs
March 10, 2009, 2:15 p.m., Room. 016

Chairs Ige, English, and Committee Members:

The Office of the County Clerk, County of Hawaii, takes no position of the policy decision whether death information should be reported to the County Real Property Taxation Offices.

Currently, there is a Memorandum of Agreement, dated June 1, 2008, between the State office of Elections and the State Department of Health that requires the Department of Health to periodically report to the Office of Elections decedent's personal information to enable the County Clerks to update the general county registry.

The Senate Committee on Ways and means amended HB2170's companion measure SB 2611 to include language that would change Haw. Rev. Stat. 338-4 from a reporting requirement into a process whereby the Department of Health would perform periodic verifications on the voter list for a fee.

The Office of the County Clerk opposes such an amendment.

I believe the existing law minimizes the potential exposure of registered voters' personal information and is the most efficient means of accomplishing the desired end of maintaining the general county registry.

Thank you for the opportunity to testify.

KENNETH GOODENOW County Clerk, County of Hawaii

Serving the Interests of the People of Our Island Hawai'i County is an Equal Opportunity Provider and Employer



KALBERT K. YOUNG Director of Finance

AGNES M. HAYASHI Deputy Director of Finance

> SCOTT K. TERUYA Administrator

GERY MADRIAGA Assistant Administrator

COUNTY OF MAUI DEPARTMENT OF FINANCE REAL PROPERTY TAX DIVISION

70 E. KAAHUMANU AVENUE, SUITE A-16, KAHULUI, MAUI, HAWAII 96732 Assessment: (808) 270-7297 | Billing and Collection: (808) 270-7697 | Fax: (808) 270-7884 www.mauipropertytax.com

March 9, 2010

COMMITTEE ON HEALTH
Honorable Senator David Y. Ige, Chair

COMMITTEE ON TRANSPORTATION, INTERNATIONAL AND INTERGOVERNMENTAL AFFAIRS Honorable Senator J. Kalani English

County of Maui, Department of Finance, Real Property Tax Division Tuesday. March 10, 2010

RE: Proposed HB 2170, HD1, Relating to Vital Statistics

The County of Maui, Real Property Tax Division strongly supports the intent of HB 2170, HD1, relating to vital statistics, which would provide each county's Real Property Tax Division with a monthly list of recorded deaths in its county from the State Department of Health (DOH) within six weeks after the end of the month and free of charge.

Obtaining the list of death certificates in a timely manner enables the Counties to promptly maintain their ownership records, update exemptions, audit circuit breaker applications and bill current taxpayers. Under existing law, the DOH is only required to furnish the county clerk of each county a list of names of all citizens of voting age or over whose deaths have been recorded in the department during each month.

For the years leading up to 2005, the DOH was providing the County of Maui Real Property Tax Division with the list of death certificates. We were informed that the DOH was no longer required to provide this information to the assessment offices and this has caused hardship to affected taxpayers. When deaths are not reported to our office in a timely manner, exemptions are removed after the fact, and recalculations of taxes are made for all of the years the exemption should not have been granted. Many times when our office is not notified of a death, tax bills will be sent to an outdated mailing address resulting in non-payment of taxes, adding penalty and interest; and this may lead a parcel into tax sale foreclosure proceedings.

The DOH submitted testimony in opposition to the companion bill SB2611 SD1 and claims the counties' proposal "unnecessarily discloses confidential information on individuals to the counties." However, DOH's records regarding who has died, including date of birth and Social Security Number is not kept confidential by DOH. The DOH sells this information to a national database for a fee.

DOH further claims its verification process is efficient and that "the process proposed by the counties in SB2611 SD1 is inefficient and includes information of individuals not on any of the agencies' lists." Again, this claim is misleading. The counties' data consists of confidential information on approximately 55,000 living individuals whereas DOH's data applies to a lower number of annual deceased individuals within the County of Maui. DOH's verification process is the one that is inefficient because it requires the counties to expose confidential date of birth and Social Security Number information on thousands of living individuals that are not on the DOH's list of deceased persons. The Uniform Information Practices Act's personal privacy exception only applies to living individuals. OIP

Honorable David Y. Ige Honorable J. Kalani English March 9, 2010 Page 2 of 2

advisory opinions have established that the right to privacy is a personal right that is generally extinguished upon an individual's death. On balance, privacy rights of <u>living</u> individuals should be protected and the counties' proposal does this.

DOH's "move toward self-sufficiency" comes on the backs of taxpayers who will ultimately bear the cost to the counties of obtaining death information. In 2005, this body of lawmakers saw fit to adopt legislation where the State and counties agreed to share confidential information without cost, see HRS Sec. 231-18. The sharing of information between governmental agencies so that each can better serve the public is the goal we should be striving to achieve.

We urge you to pass this important amendment and give the Counties the means to maintain their records in a timely manner. Thank you for the opportunity to testify on the matter.

Sincerely,

Scott K. Teruva

Real Property Tax Division Administrator



OFFICE OF THE COUNTY CLERK

COUNTY OF MAUI 200 SOUTH HIGH STREET WAILUKU, MAUI, HAWAII 96793 www.mauicounty.gov/county/clerk

Testimony of Jeffrey T. Kuwada, County Clerk, County of Maui on HB 2170 HD1 Relating to Vital Statistics

To the Senate Committee on Health and
The Senate Committee on Transportation, International and Intergovernmental Affairs
March 10, 2009, 2:15 p.m., Room. 016

Chair Ige, Chair English, and respective Committee Members: The Office of the County Clerk, County of Maui, takes no position on whether death information should be reported to the respective County real property tax offices.

Presently, there is a Memorandum of Agreement ("MOA"), dated June 1, 2008, a copy of which is attached for your reference, between the State Office of Elections ("OE") and the State Department of Health ("DOH") that requires the DOH to periodically report to OE decedents' personal information in order to enable the County Clerks to periodically update the general county registry. The MOA was entered into pursuant to various provisions of Federal law and Haw. Rev. Stat. §338-4. I respectfully request that the respective Committees refrain from amending Haw. Rev. Stat. §338-4 so as not to impair the present reporting requirement or limit the DOH's reporting of decedents' personal information.

I understand that the Senate Committee on Ways and Means amended SB2611, the companion measure to HB2170, to include language that would change Haw. Rev. Stat. §338-4 from a reporting requirement into a process whereby the DOH would perform periodic verifications of the voter list for a fee.

I respectfully oppose such an amendment.

I believe the existing law efficiently accomplishes the desired end of maintaining the general county registry by minimizing the potential exposure of registered voters' personal information. Unlike SB2611 SD2, the present law instead requires monthly reporting (to the County Clerks) of a much smaller number of records of decedents (roughly 12,000/year). Furthermore, the existing law obviates the need for periodically transferring the personal information of 671,000+ registered voters (outside of the custody of the County Clerks) to identify the roughly 5,500 deaths of registered voters that occur each year.

Thank you for the opportunity to testify.

County Clerk, County of Maui

Courage

MEMORANDUM OF AGREEMENT BETWEEN THE DEPARTMENT OF HEALTH AND OFFICE OF ELECTIONS OF THE STATE OF HAWAII

SCOPE OF SERVICES AND PURPOSE

Pursuant to 42 U.S.C.A. §§15483(a)(1)(A)(iv), 15483(a)(2)(A)(i), 15483(a)(2)(A)(ii)(II), 15483(a)(4)(A), and Haw. Rev. Stat. §338-4, the DOH shall provide, by secure electronic transmission or by mail, to the county clerk of each county a list of the names of all citizens of voting age or over whose deaths have been recorded in the DOH during each month within six weeks after the end of each month. The list shall set forth such portion of the information contained in the death record of each citizen whose death is so reported as will be of assistance to the county clerks. The purpose of the provision of lists to the county clerks is to allow the STATE OF HAWAI'I to periodically update the statewide voter registration list.

The lists shall contain the following:

- The full name of each deceased person,
- The date of birth of each person,
- The date of death of each person,
- The gender of each person, and
- The social security number of each person.

The contents of the lists of deceased persons, except for the names of the persons, shall be strictly confidential, and shall be used by the county clerks for voter registration purposes only, and shall not be re-disclosed.

TIME OF PERFORMANCE

The terms of the Agreement shall commence on August 31, 2007, and continue until 42 U.S.C.A. §§15483(a)(1)(A)(iv), 15483(a)(2)(A)(i), 15483(a)(2)(A)(ii)(II), and 15483(a)(4)(A) are repealed or amended, or until this MOA is amended or terminated in writing by mutual agreement of the parties hereto.

The undersigned parties agree to abide by the terms and conditions of this Memorandum of Agreement.

Date

Chief Elections Officer, State of Hawai'i

June 16, 2008

Date

Bernard P. Carvalho, Jr. Mayor

Gary K. Heu
Administrative Assistant



Wallace Rezentes, Jr.

Belma Baris Deputy Director

DEPARTMENT OF FINANCE

Real Property Assessment Division
County of Kaua'i, State of Hawai'i
4444 Rice Street, Suite A-454, Lihu'e, Hawai'i 96766
TEL (808) 241-4224 FAX (808) 241-6252

March 10, 2010

Honorable David Y. Ige Chair, Committee on Health House of Representatives Hawaii State Capitol, Room 016 415 South Beretania Street Honolulu, HI 96813

Honorable J. Kalani English
Chair, Committee on Transportation, International
and Intergovernmental Affairs
House of Representatives
Hawaii State Capitol, Room 016
415 South Beretania Street
Honolulu, HI 96813

Dear Chairs Ige and English:

RE: Proposed HB 2170, HD1 - Relating to Vital Statistics

The County of Kauai strongly supports the intent of HB 2170, HD1, which would require the department of health, within six weeks of the last day of each month and at no charge, to provide each county's real property assessment division a list of all persons age eighteen and older whose deaths were recorded by the department during the previous month.

Under existing law, only the county clerks of each county are provided with a list of citizens of voting age or older whose deaths have been recorded in the department, for purposes of removing their names from the general county register. The county clerks are precluded by the State from sharing the list with any other county agencies or using it for any other purpose.

As a point of emphasis, the counties' are not requesting a certified copy of a record or a verification of the person's death. Our request is for a list of such individuals. The counties' request should not be subject to a redaction of the SSN (only the last 4 digits). HRS 487J-2(b)(5) clearly entitles local government entities to the **entire** SSN when provided by a government agency. A copy of the encrypted electronic file, containing the requested data, currently sent to the city clerk's office, would be adequate.

The Department of Health ("DOH") submitted testimony in opposition to the companion bill SB 2611 SD1 and claims the counties' proposal "unnecessarily discloses **confidential** information on individuals to the counties." However, DOH information regarding who has died, including date of birth and Social Security Number is not kept confidential by DOH. DOH sells this information to a national data base for a fee.

DOH further claims its verification process is efficient and that "[t]he process proposed by the counties in SB 2611 SD1 is inefficient and includes information of individuals not on any of the agencies' lists." Again, this claim is misleading. The counties' data consists of confidential information on approximately 700,000 living individuals whereas DOH's data applies to only an estimated 12,000 deceased individuals.

DOH's verification process is the one that is inefficient because it requires the counties to expose confidential date-of-birth and Social Security Number information on thousands of living individuals that are not on the DOH's list of roughly 12,000 deceased persons. Moreover, privacy laws that apply to living people do not apply to deceased individuals. OIP advisory opinions have established that the right to privacy is a personal right that is generally extinguished upon an individual's death. On balance, privacy rights of living individuals should be protected and the counties' proposal does this.

DOH's "move toward self-sufficiency" comes on the backs of taxpayers who will ultimately bear the cost to the counties of obtaining death information. In 2005, this body of lawmakers saw fit to adopt legislation where the State and counties agreed to share confidential information without cost, see HRS Sec. 231-18. The sharing of information between governmental agencies so that each can better serve the public is the goal we should be striving to achieve.

As provided for in HRS 487J-2(b)(5), we respectfully request that HB 2171 HD1 be further amended with appropriate language that provides that the full Social Security number of deceased persons be transmitted to the counties without any redaction.

Finally, the County of Kaua'i's real property assessment and collection divisions cannot properly do their job without timely accurate data from the DOH. The absence of such data severely impacts our daily operations and ultimately hurts both our real property tax payers and the counties ability to receive revenue.

In conclusion, I want to thank you for the opportunity to testify on this matter.

Respectfully Submitted,

John W. Herring Real Property Administrator County of Kauai