



# Upcountry Update

Aloha,

The 2010 Legislature has passed the midway point of the session, and I want to update you on our progress.

As you may know, the Legislature is legally required to pass a balanced budget prior to the adjournment of the session. We must find a way to close a budget deficit of \$1.2 billion over the next biennium.

The focus of the session continues to be the economy and jobs. We have reviewed dozens of bills that propose to increase revenue for the state, in addition to bills that make further cuts to state programs and expenses. State program cuts mean that services provided by the state will no longer be available, or may be highly inconvenient for state residents. The decisions before us involve determining at what point we may have to raise certain taxes in order to provide for the needs of the public.

In addition, we are working on bills that address funding for the Department of Education to restore furlough days, but this is contingent upon the parties coming to an agreement on the teacher's union contract.

This year, the legislative calendar has been shortened by about one week in order to keep our focus on the budget and economic issues; the shorter session will also result in cost savings. We are scheduled to adjourn on April 29<sup>th</sup>, and I will be working with my colleagues around the clock to ensure that we do everything possible to keep Hawaii financially stable and moving forward during this difficult time.



Mahalo, 

## KULA HOSPITAL RECEIVES FUNDING

Kula Hospital has received \$5 million in state funding to add 15 long-term care beds. This project is in the design phase and with the funding released, the expansion at the Kula Hospital facility is scheduled to be completed within 12 to 18 months.

The Kula Hospital project is part of an overall plan to increase beds that can be used by patients who need a lower level of care than acute care who now stay at Maui Memorial while they wait for long-term care beds elsewhere.



*Kula Hospital from the main entrance*

"The patients are also treated at the more appropriate level of care, and this frees up space for acute-care patients at critical times," said Wes Lo of Maui Memorial Medical Center.

Last year, it cost Maui Memorial \$1,300 per day to provide acute-level care for a long-term-care patient. A patient transferred to Kula Hospital would cost \$80 per day, officials said.

As our population grows older, Maui health facilities need to be prepared in providing more long-term care beds. It is important for local families to be able to take care of elderly loved ones. Equally important for the elderly, is to be able to be treated close to home.

# 2010 LEGISLATIVE SESSION HIGHLIGHTS



Maui County Council, Boy Scouts of America celebrating 100th year anniversary.

At the mid-point of the 2010 legislative session, the House reviewed thousands and ultimately passed over 200 bills. Some of the major highlights are:

**The State Budget.** The House passed its version of the state budget totaling \$4.8 billion in general funds, and \$10 billion including all means of financing for FY2011. The House draft saves approximately \$41 million from the Governor's proposed budget, but includes \$50 million from the general fund to use toward teacher furloughs, provided the parties come to agreement on the teachers' contract. (HB2200)

The House's budget bill restores agricultural inspector positions responsible for ensuring that island produce is transported in a timely manner and preventing the spread of invasive species.

The bill also restores child and adult protective services workers who handle the state's most severe cases involving the safety of families and children.

## PROMOTING ECONOMIC ACTIVITY

### **Expedited Stimulus Spending; Procurement.**

Improves procedures for construction and other government spending by:

- Requiring certain state and county agencies to award contracts within 30 days of the bid opening date; (HB2441)
- Establishing other contract award deadlines and streamlining the contract formation process; and
- Requiring the Procurement Policy Board to adopt rules benefiting Hawaii small businesses, including a five percent price preference (HB2133).

### **Residential Construction and Remodeling Tax Credit.**

Stimulates Hawaii's economy by establishing a tax credit for residential construction and remodeling (HB2381).

## HELPING OUR STUDENTS

### **"Rainy Day Fund"; General Fund.**

Provides an end to "Furlough Fridays" by transferring \$50 million for fiscal year 2009-2010 to the general fund (HB2963).

### **Appointed Board of Education.**

Improves the accountability of Hawaii's public education system. These bills propose an amendment to the Hawaii Constitution to require that the members of the Board of Education are appointed by the Governor. Presently, Board members are elected. (HB2376, HB2377).

**Instructional Hours.** Ensures that students spend a sufficient amount of quality time in the classroom, by establishing a minimum number of instructional hours per school year for each grade level. (HB2486)



Rep. Yamashita presented the 2010 Maui Teacher of the Year Certificate to Emily Haines – Swatek

## SUPPORTING OUR WORKFORCE

**Unemployment Insurance (UI).** On March 11, 2010, HB2169 HD2 was signed into law (Act 2). This law will save businesses an estimated \$77 million in unemployment insurance tax payments over the next four years.

Act 2 will reduce average unemployment insurance tax rates for FY 2010 to \$630 from the original projection of \$1,070. The rate jumps to an average of over \$1,500 per employee by 2012. This measure sets the wage base for paying the taxes at 90 percent of the annual wage average, equal to \$34,900.

## KEEPING HAWAII HEALTHY

**Medicaid Payments.** This bill requires the Department of Human Services to pay health plans according to their Medicaid contract with each plan. This ensures that providers who deliver health care to Medicaid beneficiaries are paid in a timely manner, and imposes interest on late payments.



# 2010 LEGISLATIVE SESSION HIGHLIGHTS

**Hospitals Disclosure.** This bill ensures the health and safety of persons who work or receive health care services in a hospital by requiring hospitals to report hospital-acquired infection rates and the Department of Health to establish procedures for collecting infection rate information and disclosing it to the public. (HB2829).

**QUEST Programs.** Helps ensure the provision of Medicaid benefits to non-pregnant adults over 18 years of age in a fiscally responsible manner by requiring the Department of Hu-

**locks.** Promotes safety on Hawaii's roadways by enacting the final recommendations of the Ignition Interlock Implementation which includes the placement of a device that prevents a vehicle from being started and driven by an intoxicated individual on a vehicle of an individual convicted of certain instances of DUII (HB2752).

**Highway Maintenance; Government Efficiency.** Increases efficiency in the maintenance of highways in Hawaii by establishing a pilot project that provides for the transfer

inspection, quarantine, biosecurity, and eradication programs of the Department of Agriculture (HB2294).

## PROTECTING CONSUMERS

**Foreclosures; Mortgage Counseling.** Strengthens protections for mortgage consumers by requiring lenders, at least 45 days prior to initiating foreclosure proceedings, to mail to their mortgagors a notice of default advising the mortgagor of the availability of counseling through federal Department of Housing and Urban Development (HUD) approved counseling agencies, and the toll-free telephone number and website address for information on no-cost mortgage counseling services approved by HUD (HB2132).

## BILLS OF INTEREST

**Graffiti.** Increases penalties for graffiti, including a requirement to remove graffiti within 30 days of sentencing, and performing community service to remove other graffiti within 100 yards of the site of the offense. (HB2129)

**Gambling Loss.** Repeals last year's act and applies retroactively to allow reporting of gambling losses as well as winnings.

**Fireworks.** Takes steps to stem the overuse of fireworks by establishing that importing fireworks without a license or selling or using fireworks without a permit is subject to nuisance abatement proceedings and possible forfeiture of certain property, including the fireworks (HB1987).



Rep. Yamashita presented a certificate congratulating Zachary Jarman of Upcountry Maui for winning the 2010 Gene Freedman Memorial Youth of the Year award. Zachary went on to become the State Youth of the Year.

- man Services (DHS) to ensure that:
- Each managed-care health plan include provisions for a DHS-reviewed copayment for certain services provided under QUEST programs;
  - A formulary for prescription-drug coverage is developed and mandated for use by each managed-care health plan; and
  - The medical necessity provisions currently in state law are applied to health care coverage provided under each managed-care health plan (HB2774).

**TRAFFIC SAFETY AND TRANSPORTATION INFRASTRUCTURE**  
**Driving Under the Influence of an Intoxicant (DUII); Ignition Inter-**

of all state highway maintenance functions, including the necessary staff and funding, on the islands of Maui, Molokai, and Lanai now being carried out by the state Department of Transportation to the County of Maui (HB2301).

## CULTIVATING AGRICULTURE

**Department of Agriculture Staffing Special Fund.** Provides an alternative source of funding for the salary and benefits of Department of Agriculture staff by establishing a new special fund (HB2293).

**Pest Inspection, Quarantine, and Eradication Service Fee.** Provides a dedicated source of funding for the



Rep. Yamashita with Vernon Nakamoto of the Dept. of Agriculture discussing invasive species during the Agriculture Sustainability Day at the Capitol.

**Capital Improvement Projects for Upcountry Maui**

**Upcountry Maui Watershed: \$3.4 Million**

Installation of pipeline for the Upcountry Maui Watershed, Maui.

**Haleakala Highway Widening at Milepost 0.8: \$2 Million**

Construction for widening the highway from one lane to two lanes, extending A box culvert, and constructing headwalls and wing walls.

**Makawao Avenue: \$2.5 Million**

Construction to extend left turn lane at Makawao Avenue to Haleakala highway.



Representative Kyle Yamashita

State Capitol

415 South Beretania Street Room 422

Honolulu, Hawaii 96813