DAVID Y. IGE
Governor

SHAN S. TSUTSUI
Lt. Governor

SCOTT E. ENRIGHT
Chairperson, Board of Agriculture

PHYLLIS SHIMABUKURO-GEISER
Deputy to the Chairperson

State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512
Phone: (808) 973-9600 FAX: (808) 973-9613

TESTIMONY OF SCOTT E. ENRIGHT
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS

April 5, 2016
9:00 a.m.
CONFERENCE ROOM 211

HOUSE BILL NO. 1700 HD1
RELATING TO THE STATE BUDGET

Chairperson Tokuda and Members of the Committee:

Thank you for the opportunity to testify on House Bill No. 1700 HD 1. This bill amends Act 119, Session Laws of Hawaii 2015 and other appropriations and authorizations effective during fiscal biennium 2015-2017. The Department supports the intent of this bill and offers comments.

One major concern with House draft budget is the deletion of 32 positions from the Department's base budget. These reductions may require the re-organization of various programs and an alteration of current operating procedures to account for reduced staff. It is anticipated that service levels to the public will be diminished.

Other items that were deleted from the Executive request that are of significant importance to the Department are the Personnel Management Specialist and Farm to School Coordinator positions.

We realize the budget will undergo further iterations before reaching its final form and look forward to working with the committees to craft a budget that is amenable to all of those involved.

Thank you, again, for the opportunity to testify on this measure.

DAVID Y. IGE
GOVERNOR

DOUGLAS MURDOCK
COMPTROLLER

AUDREY HIDANO
Deputy Comptroller

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
P.O. BOX 119, HONOLULU, HAWAII 96810-0119

TESTIMONY
OF
DOUGLAS MURDOCK, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
SENATE COMMITTEE
ON
WAYS AND MEANS
ON
APRIL 5, 2016

H.B. 1700, H.D. 1

RELATING TO THE STATE BUDGET

Chair Tokuda and members of the Committee, thank you for the opportunity to testify on H.B. 1700, H.D. 1. The Department of Accounting and General Services (DAGS) supports H.B. 1700, H.D. 1 (the measure).

We support this measure as it includes funding and/or positions for our critical operating needs in the Accounting Division (AGS 101 and 102), Central Services Division (AGS 231and 233), the Office of Elections (AGS 879), and the Enhanced 911 Board (AGS 891). The measure also includes all of our CIP requests except for one. We would request consideration for our CIP request for a new financial system for $15 million to upgrade the State's financial system known as FAMIS which is over 30 years old. The funding is needed in fiscal year 2017 to allow us to solicit, award, and contract for a new financial system to replace FAMIS.

Thank you for the opportunity to testify on this measure.

DAVID Y. IGE
GOVERNOR

TODD NACAPUY
CHIEF INFORMATION OFFICER

OFFICE OF ENTERPRISE TECHNOLOGY SERVICES
P.O. BOX 119, HONOLULU, HI 96810-0119
Ph: (808) 586-6000 | Fax: (808) 586-1922
ETS.HAWAII.GOV

INFORMATION AND COMMUNICATION SERVICES DIVISION

OFFICE OF INFORMATION MANAGEMENT AND TECHNOLOGY

Testimony of
TODD NACAPUY
Chief Information Officer, State of Hawai‘i

Before the

SENATE COMMITTEE ON WAYS AND MEANS
Tuesday, April 5, 2016; 9 a.m.
State Capitol, Conference Room 211

HOUSE BILL NO. 1700, H.D. 1
RELATING TO THE STATE BUDGET

Chair Tokuda, Vice Chair Dela Cruz, and Committee Members:

I am Todd Nacapuy, Chief Information Officer (CIO) of the State of Hawai‘i, offering comments regarding House Bill No. 1700, H.D. 1, which adjusts and requests appropriations for Fiscal Biennium 2015-2017 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

We respectfully request consideration of the budget request as originally submitted, to include the items listed below. Collectively, these items represent total funding for activities that are essential to the Office of Enterprise Technology Services (ETS) meeting its mission-critical objectives to deliver IT governance and cybersecurity governance for enterprise-level projects, as well as to modernize and integrate State business processes. These items will enable ETS to provide the necessary services for statewide initiatives affecting multiple departments in support all of State government.

Since I stepped into the role of State CIO, my new team has demonstrated a strong track record in filling existing vacant positions, and we continue to fill those needed positions (more than 20 since May 2015). Additional skilled positions and funds are being requested to carry out functions and services to departments (including new provisions outlined in H.B. No. 2755, H.D. 2, Relating to Incident Response) as well as to perform 24/7/365 cyber security functions that are now conducted only during regular business hours due to limited staff.

We respectfully request consideration of the following items contained in the original budget request:

One (1) Position and Funds for Chief Security Officer (AGS130)
The creation of this lead position, along with security engineer positions requested, will fill resources and knowledge gaps critically needed to confront growing cyber security dangers. The Chief Security Officer will create standards and best practices for the state, which will include the new responsibilities in H.B. No. 2755, H.D. 2, to create cyber incident response plans for each department.

Five (5) Positions and Funds for Cyber Security (AGS131)
The State has shifted a majority of work being done by contractors to State personnel by providing additional training to the employees. The additional staff will be needed to help departments secure their endpoints and to proactively search for vulnerabilities in our network (not being done today). Without the positions, the State is at higher risk of cyber intrusion and exploitation.

$150,000 for Anti-Virus Software Licenses for Transformation Initiatives (AGS130)
This funding request includes renewing security software licenses in departments, and acquiring new licenses for desktops with outdated or inadequate security software. Without funding for anti-virus and anti-malware software licenses for all departments, the State network, applications and thousands of individual computing devices face increasing risks of cyber attacks and loss of data.

Five (5) Positions and Funds for Network Technicians (AGS131)
As more State agencies require more computing services, the demand for network services also increases. The current staff level cannot support the demand. The creation of these positions will enable the network team to not only meet the demand, but also to support the infrastructure utilized by all State government. Without these positions, the network infrastructure for enterprise initiatives cannot be supported and maintained without expensive consultant services.

$400,000 for Enterprise Adobe Licenses for Statewide Document Management (AGS130)
Without the requested funding, the State's transition to a paperless, digital environment to increase government efficiency will stop. Many departments have already adopted new workflows, new tools and new policies and procedures that have replaced paper documents with digital document handling and signing. Further, this Adobe software platform is required to create documents that comply with the Federal Section 508 disability regulations. Without funding, our State's ongoing, mandated effort to improve access to and use of information and data for people with disabilities will stop, which places the State at risk of federal sanctions for not addressing this requirement.

$200,000 for Migration of Geographic Information System to Cloud (AGS130)
Without this GIS funding, operations in 11 State departments and the Legislature that extensively use this centrally managed GIS mapping data will stop. GIS operating funds were not included in the FY15-17 base budget for the State Geographic Information System created under HRS Section 225M-2(b)(4). Without funding, many county and federal government partners, private industry, and the public who rely heavily on State GIS data and the derived maps produced from this system will have no other alternate GIS sources to conduct their businesses. Further, the State's Open Data Portal, a key state open government and transparency initiative, will stop, as

will the new Statewide Building Asset Management system that provides a comprehensive accurate inventory of public buildings, facilities, sites and other hard assets as required by Act 110.

Nine (9) Positions and Funds for Information Management and Technology Services (AGS130)

These positions will eventually reduce or eliminate the need for the many consultants currently supporting the Hawai‘i Government Private Cloud (GPC). In place of those consultants, these System Engineers will perform essential IT security and governance services in support of statewide enterprise programs. Without these Systems Engineer positions, the reliance on costly external consultants and vendors will continue.

Eleven (11) Positions and Funds for Web Developers (AGS131)

These positions are needed to not only migrate legacy applications that exist on old, antiquated technologies, but also to create new applications for new business processes. These positions will impact all the State agencies by enabling them to migrate all their applications of old platforms to current technology. This will create efficiencies by removing duplicate costs, and by streamlining business processes using current technologies. The development of new application software, with modern protocols and processes, will also secure the data against cyber intrusions and exploitations.

$1,600,000 for Infor Enterprise Licenses (AGS130)

Without funding for Infor software licenses, existing programs and applications will stop in five departments: the Departments of Accounting and General Services (DAGS), Commerce and Consumer Protection (DCCA), Agriculture (DOA), Education DOE), and Land and Natural Resources (DLNR). While ETS is exploring the possibilities to reduce the cost of End-User License Agreement (EULA), the State is currently obligated under the EULA to make one additional payment of $1.6 million in 2017.

$3,139,965 in Reduce Funds for Other Current Expenses (AGS130)

These funds are necessary for ETS to meet its operational obligations with regard to security, performance and reliability of all the network/enterprise services. In addition, there would be no funding available to pay for departments’ Office 365 licenses.

Thank you for the opportunity to testify on this measure.

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: mmurobayashi@lanakilapacific.org
Subject: *Submitted testimony for HB1700 on Apr 5, 2016 09:00AM*
Date: Friday, April 01, 2016 4:40:45 PM

HB1700
Submitted on: 4/1/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Megan Murobayashi	Lanakila Pacific	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

THE SEX ABUSE TREATMENT CENTER

A Program of Kapi'olani Medical Center for Women & Children

Executive Director
Adriana Ramelli

Advisory Board

President
Mimi Beams

Vice President
Peter Van Zile

Joanne H. Arizumi

Mark J. Bennett

Andre Bisquera

Marilyn Carlsmith

Dawn Ching

Senator
Suzanne Chun Oakland

Monica Cobb-Adams

Donne Dawson

Dennis Dunn

Councilmember
Carol Fukunaga

David I. Haverly

Linda Jameson

Michael P. Matsumoto

Robert H. Pantell, MD

Joshua A. Wisch

DATE: April 5, 2016

TO: The Honorable Jill Tokuda, Chair
The Honorable Donovan Dela Cruz, Vice Chair
Senate Committee on Ways and Means

FROM: The Sex Abuse Treatment Center
A Program of Kapi'olani Medical Center for Women & Children

RE: Testimony in Strong Support of H.B. 1700, H.D. 1
Relating to the State Budget

Good morning Chair Tokuda, Vice Chair Dela Cruz, and members of the Senate Committee on Ways and Means.

The Sex Abuse Treatment Center (SATC) strongly supports H.B. 1700 H.D. 1, which adjusts and requests appropriations for FY 2017 to support the operations of Executive Branch agencies and programs. SATC's following comments are limited to Program ID ATG100 (SEQ # 100-001), which would make a supplemental appropriation in the amount of $380,000 in FY 2017 for statewide sexual assault services.

Providing and maintaining comprehensive sexual assault services, which include crisis services, counseling, and prevention education, is the most effective community response to sexual violence. In Hawai'i, these services are delivered by the SATC on O'ahu and subcontracted sexual assault centers, including Child and Family Service in Maui County, the YWCA of Kaua'i, and the YWCA of Hawai'i Island, under a Master Contract with the State Department of the Attorney General.

The requested supplemental appropriation for FY 2017 will fund the sustainability of services, including:

- On O'ahu, meet increased demand for crisis services from such sources as the Children's Justice Center with respect to forensic interviews of child victims and their families; schools, Girls Court, the Juvenile Detention Home, and Home Maluhia for onsite crisis interventions; and community and government agencies with training needs for managing sexual assault disclosures and responding to victims appropriately.

- In Maui County, provide crisis stabilization, outreach, and counseling services, and prevention education and support services.

- On Hawai‘i Island, provide prevention education and outreach programs for preschools, K-12 schools, professionals and community based organizations using DOE-approved curricula developed by SATC.

- On Kaua‘i, provide prevention and education services to deliver the SATC curricula to 4,000 public and private school students and teachers, and mental health care therapeutic services, reducing the waiting period for victims and their families to receive counseling.

We respectfully recommend that the Committee pass H.B. 1700, H.D. 1, Program ID ATG 100 (SEQ # 100-001) to ensure that survivors and their loved ones across the islands will receive the care that is crucial to their recovery from the effects of sexual assault, and enhance the ability of communities statewide to prevent acts of sexual violence.

DAVID Y. IGE
GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: www.hawaii.gov/dbedt

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
LUIS P. SALAVERIA
Director
Department of Business, Economic Development & Tourism
before
SENATE COMMITTEE ON WAYS AND MEANS
Tuesday, April 5, 2016
9:00 AM
State Capitol, Room 211

HB 1700, HD1
RELATING TO THE STATE BUDGET.

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee. Thank you for the opportunity to testify on the Department of Business, Economic Development and Tourism's (DBEDT) budget.

DBEDT supports HB1700 with comments. The HD1 does not include some important operating and capital improvement requests that were included in the Executive Budget Request for FY 2017. Starting on page three of our testimony is a list of DBEDT's Executive Budget requests in program order. DBEDT requests the Senate's help in meeting our mission.

DBEDT's mission is to support the development of a Hawaii economy that embraces innovation; an economy that is globally competitive, dynamic and productive; and provides opportunities for all Hawaii's citizens. The department's overall strategy focuses on growing jobs, raising income and cultivating innovation.

Hawaii is on the right track. Unemployment and inflation are low. Tourism numbers are at peak levels. The real estate market is strong, and construction activity is booming.

Moving forward, we are actively looking to advance our overall growth strategy for the state, by investing in infrastructure, attracting capital and developing talent. Focusing on these foundational principles helps to position Hawaii to become an innovation and knowledge-based economy.

DBEDT's divisions and attached agencies have organized and aligned their programs to support this mission under the banner of the "HI Growth Initiative." The HI Growth Initiative implements programs and investments that support the establishment of new companies with rapid growth potential. These firms also have the potential to

form strong industry clusters that will allow our State to participate in the global economy.

The budget request includes $5 million to help maintain the momentum HI Growth Initiative programs have achieved. The first $20 million of State and Federal funds has successfully been deployed to five active venture funds and three highly successful accelerator programs, all of which encourage startups and companies grow and scale their businesses here in Hawaii.

In order to create a sustainable entrepreneurial ecosystem, we need a network in place with financial and professional resources. A good example of sustainable job growth and opportunity is the goal for Hawaii to reach 100 percent renewable energy goal by 2045. This ambitious goal is both eco-friendly and good for our economy. By growing our clean energy economy, we will increase energy efficiency and utilize new technologies, which will ensure energy security, environmental quality and long-term benefits to residents.

Innovation in Hawaii means setting the bar high to achieve significant positive changes. DBEDT is actively working to create an environment that enables Hawaii's creative and entrepreneurial talent to turn ideas into products and services in today's globally competitive economy. This will, in turn, increase the flow of people, products, services and ideas between Hawaii and the rest of the world.

In conclusion, we need to a take advantage of the current economic cycle, which will inevitably begin to contract. We have the opportunity to make sound investments and policy decisions that will diversify our economy and prolong the "expansion" periods and shorten the "contraction" periods. The innovation sector is what Hawaii needs. It impacts all industries, improves our quality of life, provides high-wage job opportunities, and is the best opportunity to create a vibrant and sustainable economy for the future generation.

We look forward to our continued collaboration to provide best plan for Hawaii's future.

Thank you for the opportunity to provide testimony in support of our budget.

BUSINESS DEVELOPMENT & SUPPORT DIVISION – BED 100
BED 100 - Executive Budget Adjustment:

- $90,000 in the second year of the Biennium to the base budget for salaries and fixed expenses of the State's overseas offices in Beijing and Taipei. The overseas offices promote trade, investment attraction and international student recruitment. As the offices are sanctioned and supported by their respective central governments, the offices also serve to maintain bi-lateral relations.

CREATIVE INDUSTRIES – BED 105
BED 105 - Executive Budget Adjustment:

- $75,000 for Hawaii Film Office Operations, Business Development and Marketing. Hawaii Film Office requests restoration of funding for the Statewide Film Program, including supporting the marketing of Hawaii as a production location, tax incentive program, core operations for the office and shortfall repair and maintenance at the Hawaii Film Studio.

- $1,720,000 for Hawaii Film Office Studio, Various Site Improvements, Phase 3A. This request is a continuation of the ongoing site improvements to the existing facilities.

FOREIGN TRADE ZONE – BED 107
BED 107 Executive Budget Adjustment:

- $1 million CIP for Chiller Replacement – The FTZ is requesting CIP funds to replace its three aging air conditioning chiller units, which service its older makai wing of the Pier 2 facility. Two of these units were installed in 2002 and the third in 2005 so they are already 14 and 11 years old, respectively; and has cost an additional $28,063.18 in repairs this year above the $30,270.00 cost for the base annual maintenance contract for these A/C units.

STATE ENERGY OFFICE - BED 120
BED 120 Executive Budget Adjustment:

- $259,954 and ($257,954) tradeoff request to re-appropriate special funds to Personal Services from Other Current Expenses to cover higher fringe benefit costs.

OFFICE OF AEROSPACE DEVELOPMENT- BED 128
BED 128 Executive Budget Adjustment:

- $250,000 to supplement PISCES operations for space exploration, research, and education/training.

- $150,000 to maintain UAS test site operations in conjunction with Alaska and Oregon as part of FAA Pan Pacific UAS Test Range.

- $15,585 to cover collective bargaining increases for teachers.

- $50,000 to establish the director position within OAD in accordance with Act 149 to lead, coordinate and promote OAD-related activities.

- $55,000 to establish a ceiling for FY 2017 for PISCES Special Fund established by Act 163, SLH 2015.

RESEARCH & ECONOMIC ANALYSIS DIVISION – BED 130
BED 130 - Executive Budget Adjustment:

- $18,944 request for two part-time student intern positions and funds. Student interns are needed to help the program in data collection, entry, verification, and formatting data.

HAWAII GREEN INFRASTRUCTURE AUTHORITY – BED 138
BED 138 - Executive Budget Adjustment:

- Add the part-time HGIA Accountant Position for the Hawaii Green Infrastructure Authority. Position was created to perform essential financial reporting, budgeting and accounting functions.

- Add a $45 million appropriation ceiling for special funds in FY 17 for the issuance of green infrastructure loans.

OFFICE OF THE DIRECTOR & ADMINISTRATIVE SERVICES OFFICE – BED 142
BED 142 Executive Budget Adjustment:

- $100,000 for HBI Project Manager to cover the budgeted salary for one temporary position and operating expenses. The primary purpose of the position is to provide a full range of program planning and development activities, in support of the HBI Program.

- $25,386 request to restore one Management Analyst Position that was abolished in 2010. The management analyst will provide assistance to DBEDT for department-wide support, including coordinating legislative responses. The management analyst will also work on department-wide initiatives to enhance its effectiveness and efficiency, along with conduct organizational analyses, including studies of operational practices and procedures. The cost for the initial year is $25,386 for half-year funding. Thereafter, the funding will be for $50,772.

- $70,750 request to add funds for the purchase of Office 365 licenses. B&F provided an allocation of the FY 2017 Office 365 license cost to the Department.

HIGH TECHNOLOGY DEVELOPMENT CORPORATION – BED 143
BED 143 Executive Budget Adjustment:

- $47,500 request to restore the general funded portion (50 percent) of the Operations Manager, so the agency can hire a full-time person. A full-time Operations Manager is necessary for fiscal oversight and managing the day to day operations.

- Authorize a 100 percent federally funded Project Manager position that was established

in FY16. The Hawaii Center for Advanced Transportation Technologies (HCATT) program received a new six-year, $20 million cooperative agreement. A Project Manager position was established in compliance with the Budget Execution Policies. A Project Manager is required to oversee the micro grid project.

- Adjust the Other Current Expense portion of the current federal appropriation for FY17 by ($15,026,723) since no new federal grants are anticipated to be awarded in FY16-17. The Personal Services portion of the appropriation is needed to cover the ongoing payroll costs.

- Appropriate $3 million in CIP funds for the Entrepreneur Sandbox Kakaako Collaboration Center. The funding is necessary to complete the project and cover additional work to strengthen the foundation and offset rising construction costs.

OFFICE OF PLANNING – BED 144
BED 144 Executive Budget Adjustment:

- $203,278 increase in federal funds ceiling to continue positions funded under prior federal awards. Increase appropriation ceiling due to continuing positions funded under prior federal awards. This is part of the ongoing efforts to more accurately track federal award expenditures.

- $150,000 request to update the Hawaii State Planning Act. Conduct a comprehensive review and update of the Hawaii State Planning Act (HRS Chapter 226) to ensure that the plan responds to changes in economic, physical, and social conditions, technology, and the global marketplace; and addresses new constraints and opportunities as it plans for the future.

- $91,000 request to establish a Sustainability Coordinator position. The position would coordinate numerous activities with the objective of balancing economic development with environmental sustainability and social well-being for Hawaii residents. The position would coordinate with federal, state, and county for plans, policies, programs, projects, and regulatory activities to preserve land, energy, water, and other resources.

HAWAII STRATEGIC DEVELOPMENT CORPORATION – BED 145
BED 145 - Executive Budget Adjustment:

- $5 million general fund replenishment to catalyze more public-private initiatives that contribute to the infrastructure, talent development and capital needs of the innovation ecosystem.

NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY – BED 146
BED 146 Executive Budget Adjustment:

- $5.2 million request in CIP reimbursable GO bond funds to upgrade and make various improvements to the seawater system.

HAWAII COMMUNITY DEVELOPMENT AUTHORITY – BED 150
BED 150 Executive Budget Adjustments:

- $1,450,000 CIP funding for HCDA Community Development Districts for FY2017 to pay the wages for 19 project-funded staff positions converting from funding by general obligation bonds to general funds. These positions have historically been funded by Government Obligation Bond CIP appropriations.

- $6 million CIP funding for Kalaeloa Enterprise Energy Corridor Extension to create an underground utility connection along Enterprise Avenue. The new connection would service significant government assets such as the National Guard, FBI, and Kalaeloa Airport, and would seed further development in the district.

HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION - BED 160
BED 160 Executive Budget Adjustment:

- $15 million for Phase One of the 902 Alder Street mixed-use residential development will provide approximately 180 affordable rental housing units for working families, space for juvenile shelter and services, and parking. The HHFDC and Judiciary have entered into a Memorandum of Agreement to develop the mixed-use residential project in Honolulu, Oahu.

- $75 million request in taxable General Obligation Bond funds for infusion into the Rental Housing Revolving Fund (formerly known as the Rental Housing Trust Fund).

- $25 million request in taxable General Obligation Bond funds for infusion into the Dwelling Unit Revolving Fund

- $6.5 million request for Waiahole Water Systems Improvements for a re-appropriation of funds due to project delays. The requested CIP funds were previously appropriated in FY14-15 for repairs to the access bridge to the Waiahole well pumps and upgrade the potable water system in Waiahole Valley, Oahu, which serves residential and agricultural water users, the Waiahole Elementary School and area fire hydrants.

- $8,459,000 request for the Low Income Housing Tax Credit (LIHTC) Loan Program. The program encourages the development and preservation of rental housing for lower income households by providing a cost-effective financing mechanism for projects that are awarded State LIHTCs. Projects which have been awarded State LIHTCs that demonstrate the inability to find syndicators for their State credits may exchange either credits for a LIHTC loan.

- $100,000 request for HOME Program Ceiling Increase. Need to add a federal funds expenditure ceiling increase to expand the supply of affordable housing in the Counties of Hawaii, Kauai and Maui

DAVID Y. IGE
GOVERNOR

CRAIG K. HIRAI
EXECUTIVE DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
677 QUEEN STREET, SUITE 300
Honolulu, Hawaii 96813
FAX: (808) 587-0600

IN REPLY REFER TO:

Statement of
Craig K. Hirai
Hawaii Housing Finance and Development Corporation
Before the

SENATE COMMITTEE ON WAYS AND MEANS
April 5, 2016 at 9:00 a.m.
State Capitol, Room 211

In consideration of
H.B. 1700, H.D. 1
RELATING TO THE STATE BUDGET.

HHFDC ***supports*** H.B. 1700, H.D. 1, but respectfully requests that the Senate consider fully restoring HHFDC's original Capital Improvement Project (CIP) requests for FY2017, as follows:

902 Alder Street, Honolulu, Oahu (BED 160/HD) $15,000,000 (C)
The proposed mixed-use affordable rental housing project will redevelop the former Juvenile Detention Home site into a mixed-use project consisting of approximately 180 affordable rental housing units for families at 60% and below the HUD area median income and a juvenile services center/shelter. HHFDC is requesting $15 million in CIP funds to finance phase 1 of the juvenile shelter/services component of this mixed-use development. This includes the prorated cost for approximately 24,000 square feet of completed office and shelter space and approximately 10,000 square feet of "shell" space with utility rough-ins on the bottom 3 floors of a high-rise tower and 50 of approximately 250 parking stalls that would be set aside to the Judiciary. In 2015, the Legislature appropriated $1.7 million for plans and design.

Rental Housing Revolving Fund Infusion, Statewide (BED 160/HF) $75,000,000 (C)
For every $10 million dollars infused to the RHRF, it is estimated that approximately 60 new affordable rental housing units would be produced. This Supplemental request would therefore help produce up to 510 new units.

These figures are based on the assumption that 9 percent Low-Income Housing Tax Credit (LIHTC) projects will utilize approximately $15-20 million dollars from the RHRF to produce 150-175 new affordable rental units annually at a cost of approximately $110,000 per unit, and that any additional CIP funds infused into the RHRF would help produce rentals in 4 percent LIHTC projects at an average cost of approximately $165,000 per unit.

Dwelling Unit Revolving Fund Infusion, Statewide (BED 160/HD) $25,000,000 (C)
An infusion of funding into the DURF will provide additional opportunities to facilitate the development of affordable housing, including transit-oriented development projects along the planned rail transit line, and to help finance regional infrastructure improvement projects as contemplated in HB 2305, HD1, Relating to the Dwelling Unit Revolving Fund.

Waiahole Water Systems Improvements, Oahu (BED 160/HD) $6,500,000 (C)
This request is for a re-appropriation of funds previously appropriated in FY2014-2015 due to project delays. The funds are intended for repairs to the access bridge to the Waiahole well pumps and to upgrade the potable water system in Waiahole Valley, Oahu, which services residential and agricultural water users, the Waiahole Elementary School and area fire hydrants.

Low Income Housing Tax Credit Loans, Statewide (BED 160/HF) $8,459,000 (C)
This request is for the Low Income Housing Tax Credit (LIHTC) Loan Program. The Program encourages the development and preservation of rental housing for lower income households by providing a cost-effective financing mechanism for projects that are awarded State LIHTCs. Projects which have been awarded State LIHTCs that demonstrate the inability to find investors for their State tax credits may exchange their credits for a LIHTC loan instead.

Thank you for the opportunity to testify.

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: roxannedarling@gmail.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Thursday, March 31, 2016 1:25:23 PM

HB1700
Submitted on: 3/31/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Roxanne Darling	Bare Feet Studios LLC	Support	No

Comments: As co-owner of a tech and digital media company, I 100% support investing in this sector of the clean, green, tech economy that is a perfect fit for Hawaii!

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

March 31, 2016

Statement of
Rechung Fujihira
Co-Founder Box Jelly

Testimony Presented Before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016 at 9:00 am
State Capitol, Conference Room 211

In Consideration of
HB 1700 HD 1 – Relating to the State Budget, In Relation to BED 145

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

Box Jelly respectfully **offers comments on** HB 1700 HD1 regarding the request by the Department of Business, Economic Development and Tourism (DBEDT) for BED 145. We respectfully request that the $5 million budget appropriation to fund the HI Growth Initiative be restored as requested in the Governor's budget.

We offer our **strong support** for the HI Growth Initiative budget request.

As a member of the startup ecosystem we have seen our clients and partners get the resources they need to educate and bring the community together. Momentum is building but we haven't hit the tipping point yet where this growth can be sustained with out your help.

The HI Growth Initiative invests in critical infrastructure that supports the growth of the innovation economy, including events bringing entrepreneurs and investors together, accelerator programs and Hawaii-based venture capital funds.

Our innovation economy is off to a great start and we need to keep up the momentum to reach critical mass. Today, Hawaii has five nationally recognized Hawaii-based accelerator programs, launching over 40 innovation and tech companies each year; a leading research institution in the University of Hawaii; world-class R&D firms and scientists; financing across globally competitive industries including scalable tech, creative media and clean tech; coworking facilities and incubators and coding bootcamps teaching fundamental workforce skills necessary to support the growing number of businesses in today's digital economy.

We humbly ask for the Legislature's continued support to grow our innovation economy and keep Hawaii on the national map for tech startups and investment.

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

CATHOLIC CHARITIES HAWAIʻI

TESTIMONY RE: HB 1700 HD1: RELATING TO THE STATE BUDGET

- ***In support of <u>BED 160 – HHFDC: Rental Houusing Revolving Fund, and Alder Street Project</u>***

TO: Senator Jill N. Tokuda, Chair; Senator Donovan M. Dela Cruz, Vice Chair; and Members, Committee on Ways and Means
FROM: Betty Lou Larson, Legislative Liaison, Catholic Charities Hawai'i
Hearing: Tuesday, April 5, 2016; 9:00 AM; CR 211

Thank you for the opportunity to provide testimony **in strong support of BED 160 HD1**, to allocate $75 million to the Rental Housing Revolving Fund (RHRF), and $15 million for the construction of the Alder Street Project. I am Betty Lou Larson, from Catholic Charities Hawai'i. We are also a member of Partners in Care.

Catholic Charities Hawai`i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai`i for over 60 years. Our mission is to provide services and advocacy for the most vulnerable in Hawai`i. Catholic Charities Hawai'i has a long history of working in the areas of affordable housing and homelessness. We have supported funding to the RHRF since its inception. We consider it a key resource for the construction of affordable rentals.

We support a **$75 million allocation to the Rental Housing Revolving Fund**. Hawaii has the most expensive housing in the nation—twice the nation average. Rents have increased 65% over the past 10 years. Hawaii also has the highest rate of homelessness per capita of the US states. The Rental Housing Revolving Fund (RHRF) has successfully enabled public private partnerships to create 5,673 units of affordable rental housing. Projects have been created across the State of Hawaii. The RHRF is an effective tool that not only provides gap equity to make projects feasible, but also promotes leveraging these funds with other available resources. At least 22,500 new affordable rental units are needed by 2026. The proposed $75 million would be a significant commitment by the Legislature and State to create much needed affordable rentals.

The **$15 million allocation to the Alder Street Project** would also result in the <u>construction of 180 units of rental housing, designated for families</u>. It is in an ideal location with no roadblocks from sewer or water issues (that may be issues for other sites). Not only are these family rentals of high importance, at-risk youth can be served in a more timely fashion. This project would be the first joint TOD State project to be developed. It could be a model for TOD initiatives by the State. It is imperative for State entities to start working together to create affordable housing opportunities within TOD areas. This $15 million for the Judciary's share of the project will result in the redevelopment of underutilized state land into a mixed-use development that will help to address the State's affordable rental housing and juvenile justice needs. HHFDC stands ready to initiative a RFP for Phase One of this combined project, but it cannot move forward without the funding for the juvenile justice segment of the construction.

The Key to ending homelessness and providing a decent life for many Hawaii citizens is building up the supply of affordable rental units. We urge your support for these budget items.

1000 Bishop St, Suite 505 | Honolulu, HI 96813 USA
P: (808) 237-5050 | energyexcelerator.com

Energy Excelerator is a program of the Pacific International Center for High Technology Research (PICHTR), a Hawaii-based nonprofit.

April 4, 2016

Testimony Presented Before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016 at 9:00 am
State Capitol, Conference Room 211

In Consideration of
HB 1700 HD 1 – Relating to the State Budget, In Relation to BED 145

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

Energy Excelerator respectfully **offers comments on** HB 1700 HD1 regarding the request by the Department of Business, Economic Development and Tourism (DBEDT) for BED 145. We respectfully request that the $5 million budget appropriation to fund the HI Growth Initiative be restored as requested in the Governor's budget.

We offer our **strong support** for the HI Growth Initiative budget request.

Energy Excelerator, a program of the non-profit organization PICHTR, the Pacific International Center for High Technology Research, is a multi-stage national accelerator program that uses Hawaii as a test bed for energy innovation. We recruit entrepreneurs from all across the country to come to Hawaii and work on Hawaii's energy challenges and help us achieve our **100% renewable energy goal**. The HI Growth Initiative has helped Energy Excelerator launch its first proof-of-concept follow-on investment fund to invest in the most successful companies coming out of the program and help sustain their continued growth as they work to solve the world's energy challenges. Without the support of the HI Growth Initiative, we would not have been able to attract the over $1M in matching private capital we were able to.

We strongly support HB 1700 HD 1 for five main reasons:

1) **Bringing together entrepreneurs, businesses, investors, and local government is critical to creating a vibrant innovation ecosystem.** The HI Growth Initiative has helped to catalyze partnerships among Hawaii's entrepreneurs, corporates, investors, non-profits and local governments, establishing a statewide innovation ecosystem successfully branded as "Startup Paradise."

2) **State investment is a catalytic economic development activity.** The Energy Excelerator has provided about $15M to companies to date, and these companies have raised $223M in follow-on funding and generated over $7M in revenue. State support for the innovation economy also leverages significant federal investment in clean energy innovation and solidifies the state's commitment to the long-term development of our entrepreneurial ecosystem.

3) **Innovation companies create high quality jobs in a knowledge-based economy.** For example, Energy Excelerator companies have created over 485 jobs, and provided work experience to more than 20 interns in energy, agriculture, and transportation.

4) **Money spent by innovation companies directly supports the trades.** With a portion of awarded funding going to general contractors, electricians, carpenters, engineers, and other trades, the innovation economy supports not only high-tech jobs but also our local construction base.

5) **Support for groundbreaking innovation elevates Hawaii's image across the U.S. and the Asia-Pacific.** Hawaii's economic conditions and need to produce energy locally enable the state to attract top-tier clean energy technologies for testing. Agriculture has the same key drivers that would allow it to attract public and private investment in new projects that support the development of local food.

The HI Growth Initiative invests in critical infrastructure that supports the growth of the innovation economy, including events bringing entrepreneurs and investors together, accelerator programs and Hawaii-based venture capital funds.

We humbly ask for the Legislature's continued support to grow our innovation economy and keep Hawaii on the national map for tech startups and investment. The

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

EXPERIAD
4009 Black Point Rd, Honolulu, HI 96816

Statement of
Rex Jakobovits, PhD
President,
Experiad Solutions
before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016 9:00 a.m.
State Capitol, Conference Room 211

In consideration of
HB1700 HD1 RELATING TO THE STATE BUDGET.

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee on Ways and Means.

Experiad respectfully submits testimony offering comments requesting that the Capital Improvement Project (CIP) for HTDC's Entrepreneurs Sandbox be restored to the original $3 million requested in HB1700(BED 143). My software startup Experiad, funded by the National Institutes of Health (NIH), is developing software for behavioral therapists who **treat kids with autism**. In this early stage of our development, the Sandbox will help Experiad by providing a collaboration space for meeting with other local companies, and by providing needed resources such as a digital media studio. The fledgling Hawaii technology ecosystem is at a critical juncture, and resources such as the Sandbox are critical for helping to foster a community of interconnected high-tech entrepreneurs and knowledge workers. HTDC has helped Experiad through HiSBIR grants, business consultation, and networking. They are a valuable partner that will help us grow and create more jobs in Hawaii. I strongly believe that the Sandbox project will have a powerful impact. The Sandbox is a smart investment and should not be short-changed.

Mahalo for the opportunity to offer testimony.



Rex Jakobovits, PhD
President, Experiad Solutions

Written Statement of

Caroline Paulic
Software Engineer
HNL.io

before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016
9:00 a.m.
State Capitol, Conference Room 211

In consideration of
HB1700 HD1
RELATING TO THE STATE BUDGET.

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee on Ways and Means.

HNL.io respectfully submit testimony **offering comments** requesting that the Capital Improvement Project **(CIP) for HTDC's Entrepreneurs Sandbox be restored** to the original $3 million requested in HB1700 (BED 143).

I started as a software engineer at HNL.io four months ago, and I'm extremely grateful to have found an interesting, innovative, and downright fun tech startup to work for. HNL.io is located in the Manoa Innovation Center, and the resources that the center has provided for us have been invaluable. These resources include meeting rooms, access to the HiCapacity makerspace, networking connections, and colloboration opportunities, and they have been vital to our success as a tech startup in Hawaii. It's easy to see that the Sandbox would spur the same creative and innovative juices for others that the Manoa Innovation Center has done for me.

The Sandbox is a community innovation center that provides interactive learning for all ages encouraging creativity, entrepreneurship, and formation of new technology companies. The facility will house creative spaces such as makery and a digital media and production studio. The project is over 60% funded by federal and private sources providing good value for the State.

There are few statewide resources available for entrepreneurs looking to extend their ideas beyond the classroom. The Sandbox provides an easy entry point for innovators looking to collaborate, ideate, and rapid prototype new ideas. We support the project as part of HTDC's 80/80 initiative, creating 80,000 tech and innovation jobs paying $80,000 or more by 2030.

HTDC has helped my company through networking events, the tech incubation program at the Manoa Innovation Center, business consultation, and sponsorships. Their assistance has been crucial to our company's growth.

Thank you for the opportunity to offer testimony on this bill.

Written Statement of

Kelli Ann Borgonia
COO & Creative Director
Goma Games LLC

before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016
9:00 a.m.
State Capitol, Conference Room 211

In consideration of
HB1700 HD1
RELATING TO THE STATE BUDGET.

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee on Ways and Means.

Goma Games LLC respectfully submit testimony **offering comments** requesting that the Capital Improvement Project **(CIP) for HTDC's Entrepreneurs Sandbox be restored** to the original $3 million requested in HB1700 (BED 143).

We believe the Sandbox will greatly contribute to the technological advancements and opportunities in the State of Hawaii. Unlike many conventional industries, the tech industry is one of the very few where the greatest achievements often happen in small companies by people working on small projects. In a state where tech is largely underappreciated and undervalued by the business community at large, we are in dire need of a place where we can have the freedom and resources to develop new ideas. Otherwise, the greatest talents will leave for lucrative work opportunities on the mainland. If the Sandbox were to be built, it would serve as the perfect place to foster creativity and engineering in our own state.

Specifically to our company, we would make use of the common meeting rooms to sponsor tech workshops to inform new individuals in the industry about new technologies and opportunities happening locally, or how they can participate in national/international endeavors. We would also host meetings with work clients in a space such as this. The environment of constant activity in a modern state-of-the-art facility would legitimize the work we do by allowing clients to see a high-tech space and thus, demonstrate the high value of the work we do.

The Sandbox is a community innovation center that provides interactive learning for all ages encouraging creativity, entrepreneurship, and formation of new technology companies. The facility will house creative spaces such as makery and a digital media and production studio. The project is over 60% funded by federal and private sources providing good value for the State.

There are few statewide resources available for entrepreneurs looking to extend their ideas beyond the classroom. The Sandbox provides an easy entry point for innovators looking to collaborate, ideate, and rapid prototype new ideas. We support the project as part of HTDC's 80/80 initiative, creating 80,000 tech and innovation jobs paying $80,000 or more by 2030.

HTDC has helped our company through marketing and exposure, business consulting, workshops, seminars, and countless networking opportunities. In 2015 alone we received 2 exposures to the press because of HTDC's constant efforts to support their incubation participants. Because of HTDC's support we have also been able to hire many more subcontractors for our company, and have been able to afford time to develop custom proprietary software— something we have had a lot of support for with HTDC, and something that would be very difficult to fund and develop in a regular office building.

HTDC has been a valuable partner on every public event we have hosted at the Manoa Innovation Center. Earlier this year we hosted the Global Game Jam, a creative event for programmers, artists, and countless creative enthusiasts to gather together to build games and software. Our event had over 60 people in attendance, from both universities and throughout the local developer community. We wouldn't be able to host an event like this anywhere else, since most venues for a 3-day event would be too costly for volunteer staff to organize. HTDC supported us with publicity and space, so we were able to organize the event at a fraction of the cost.

We look forward to the Sandbox project since it will further multiply the opportunities that HTDC has been able to support so far.

Thank you for the opportunity to offer testimony on this bill.

April 1, 2016

Statement of
<<YOUR NAME>>
Chief Connector, GVS Accelerator

Testimony Presented Before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016 at 9:00 am
State Capitol, Conference Room 211

In Consideration of
HB 1700 HD 1 – Relating to the State Budget, In Relation to BED 145

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

GVS Accelerator from the Startup Paradise Community respectfully **offers comments on** HB 1700 HD1 regarding the request by the Department of Business, Economic Development and Tourism (DBEDT) for BED 145. We respectfully request that the $5 million budget appropriation to fund the HI Growth Initiative be restored as requested in the Governor's budget.

We offer our **strong support** for the HI Growth Initiative budget request.

The Hi Growth Iniative has enabled the us to birth the foundation of a new industry in content development from Hawaii. This support has galvanized a community of stortellers and filmmakers and created jobs. The econmic support is vital to sustanability of a succesful launch and providing future work for our communities in this indstry that crosses over many sectors that in a critical mass growth can have a significant positave impact on Hawaii's econemoy.

The HI Growth Initiative invests in critical infrastructure that supports the growth of the innovation economy, including events bringing entrepreneurs and investors together, accelerator programs and Hawaii-based venture capital funds.

Our innovation economy is off to a great start and we need to keep up the momentum to reach critical mass. Today, Hawaii has five nationally recognized Hawaii-based accelerator programs, launching over 40 innovation and tech companies each year; a leading research institution in the University of Hawaii; world-class R&D firms and scientists; financing across globally competitive industries including scalable tech, creative media and clean tech; coworking facilities and incubators and coding bootcamps teaching fundamental workforce skills necessary to support the growing number of businesses in today's digital economy.

We humbly ask for the Legislature's continued support to grow our innovation economy and keep Hawaii on the national map for tech startups and investment.

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

HAWAII FISH COMPANY, INC.

Since 1978

P. O. Box 740
Waialua, HI 96791, USA
Contact: 808-429-3147
E-mail: hawaiifish@gmail.com

City Bank TIGR Award
US SBA Tibbitts Award
US SBA Small Business Award
Special Congressional Recognition

THE SENATE
THE TWENTY-EIGHTH LEGISLATURE

COMMITTEE ON WAYS AND MEANS

Senator Jill Tokuda, Chair
Senator Donovan Dela Cruz, Vice Chair

DATE: Tuesday, April 5, 2016
TIME: 9:00 A.M.
PLACE: Conference Room 211
State Capitol
415 South Beretania Street

RE: HB 1700 RELATING TO THE STATE BUDGET

Aloha Chair Tokuda, Vice Chair Dela Cruz, and Committee Members:

Hawaii Fish Company Inc. (HFC) respectfully requests that the Capital Improvement Project (CIP) for the High Technology Development Corporation (HTDC)'s Entrepreneurs Sandbox be restored to the original $3 million requested in HB 1700 (BED 143). With over 60% of the project being funded by federal and private sources, this CIP provides excellent value for the State while supporting our growing technology and entrepreneurial community.

HFC is the recipient of nine Small Business Innovation Research (SBIR) awards to date for innovative aquaculture technologies to help address our state's food security and sustainability, and bringing in more than $1.8 million in federal SBIR funds. HTDC has assisted HFC in all these efforts, leading to our being honored by the U.S. Small Business Administration with the Tibbitts Award in Washington DC as a National Model of Excellence for the SBIR program.

This CIP effort will ultimately benefit the full range of Hawaii's innovative technology companies, from IT to aquaculture. It will provide creative space for tech entrepreneurs to enhance collaboration, networking, and training in our island State, in near proximity to our growing investment community. The HTDC has been a valuable partner for HFC's innovation efforts through the very important Hawaii SBIR matching grants program and the many services and trainings of INNOVATE Hawaii and the Manufacturing Enterprise Program (MEP). The Manoa Innovation Center has been a focal point of HTDC's support of the tech sector to date. The Entrepreneurs Sandbox expands this valuable support.

Mahalo for your support of this very important CIP budget item in HB 1700 as originally requested.

Sincerely, Ron and Lita Weidenbach, HFC Co-Owners

DAVID Y. IGE
GOVERNOR

TARA M. YOUNG
EXECUTIVE DIRECTOR

HAWAII GREEN INFRASTRUCTURE AUTHORITY

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813 Telephone: (808) 587-3868
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Statement of
TARA YOUNG
Executive Director
Hawaii Green Infrastructure Authority
before the
SENATE COMMITTEE ON WAYS AND MEANS

Tuesday, April 5, 2016
9:00 a.m.
State Capitol, Conference Room 211

in consideration of
HB1700, HD1

RELATING TO THE STATE BUDGET.

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee.

The Hawaii Green Infrastructure Authority (HGIA) supports HB 1700, HD1, the FY17 Executive Supplemental Budget request, and urges the committee to amend the bill to include Governor's Message 10, which requests, among others, an addition of $45 million in special funds in FY17 for the issuance of green infrastructure loans.

The Attorney General has indicated an appropriation ceiling is appropriate for expenditures out of the GEMS special fund. The current FY17 appropriation ceiling of $1 million for the GEMS special fund did not account for this.

We respectfully request your favorable consideration of this request. Thank you for the opportunity to testify on HB1700, HD1.

March 31, 2016

Statement of
BEE LENG CHUA, Ph.D
HiBEAM

Testimony Presented Before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016 at 9:00 am
State Capitol, Conference Room 211

In Consideration of
HB 1700 HD 1 – Relating to the State Budget, In Relation to BED 145

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

HiBEAM respectfully **offers comments on** HB 1700 HD1 regarding the request by the Department of Business, Economic Development and Tourism (DBEDT) for BED 145. We respectfully request that the $5 million budget appropriation to fund the HI Growth Initiative be restored as requested in the Governor's budget.

We offer our **strong support** for the HI Growth Initiative budget request.

As a mentoring organization, HiBEAM relies on a flow of well-developed technology startups to assist them with their growth strategy. We are part of the entrepreneurship ecosystem. The HI Growth Initiative invests in critical infrastructure that supports the growth of the innovation economy, including events bringing entrepreneurs and investors together, accelerator programs and Hawaii-based venture capital funds.

Our innovation economy is off to a great start and we need to keep up the momentum to reach critical mass. Today, Hawaii has five nationally recognized Hawaii-based accelerator programs, launching over 40 innovation and tech companies each year; a leading research institution in the University of Hawaii; world-class R&D firms and scientists; financing across globally competitive industries including scalable tech, creative media and clean tech; coworking facilities and incubators and coding bootcamps teaching fundamental workforce skills necessary to support the growing number of businesses in today's digital economy.

We humbly ask for the Legislature's continued support to grow our innovation economy and keep Hawaii on the national map for tech startups and investment.

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

Statement of
Race Randle
Chairman of the Board of Directors
High Technology Development Corporation
before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016
9:00 a.m.
State Capitol, Conference Room 211

In consideration of
HB1700 HD1
RELATING TO THE STATE BUDGET.

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee.

The High Technology Development Corporation (HTDC) **offers comments on** HB1700 HD1 regarding the request by Department of Business, Economic Development, and Tourism (DBEDT) for BED 143. HTDC respectfully requests that the $3 million Capital Improvement Project (CIP) for the Entrepreneurs Sandbox and one 0.5 general fund position for HTDC be restored as requested in the Governor's budget.

On behalf of the HTDC Board of Directors, I would like to offer our **strong support** for the HTDC budget request. Our team is passionate about improving the quality of life for those who live, work and play in our state. We have been working hard toward making a significant positive change for the state: the increase in our technology and innovation economy through creating 80,000 new jobs earning $80,000 or more by 2030. We are motivated and driven to bring our talented Kama'aina home for a career in the tech industry.

The HTDC team led by the Executive Director have risen to the challenge of the 80|80 initiative. In the past year, without additional staffing, they have launched 3 new funding programs, helped Hawaii secure a Tech Hire community designation by the White House, started a Neighbor Island Innovation Initiative, created a new coworking space on Maui, partnered in creating the Creative Lab Fashion Immersive, and secured vital federal funding for the Entrepreneurs Sandbox. The HTDC CIP request is the final portion of funds needed to bring the job creation opportunities to life at the Entrepreneurs Sandbox and the 0.5 position request will allow us to continue the new programs we have initiated. HTDC is diligent in managing its use of state funds, and has consistently delivered a strong return on investment to the State.

The 80/80 initiative is about thinking differently, thinking big and taking action. We hope the committee sees the value HTDC is delivering in building an innovation economy and creating high wage job opportunities to keep Hawaii's brightest minds home. We respectfully ask for your support. Thank you for the opportunity to offer these comments.

2800 Woodlawn Drive, Suite 100, Honolulu, HI 96822 | Ph: (808)539-3806 | Fax (808)539-3795 | info@htdc.org | www.htdc.org

iFirst Medical Technologies

April 3, 2016

Statement of
Luke Joseph
CEO, iFirst Medical Technologies

Testimony Presented Before the
Tuesday, April 5, 2016 at 9:00 am
State Capitol, Conference Room 211

In Consideration of
HB 1700 HB1 – Relating to the State Budget, In Relation to BED 145

Chair Luke, Vice Chair Nishimoto, and Members of the Committee on Finance:

iFirst Medical Technologies, respectfully submits testimony in **strong support** of HB 1700 HB1, in relation to BED 145, a budget appropriation that allocates $5 million to fund the HI Growth Initiative.

Hi Growth has helped my startup company in providing mentoring, networking and connections to investors. It has also provided my company with opportunities to be seen and connect by helping sponsor events like East Meets West.

The HI Growth Initiative invests in critical infrastructure that supports the growth of the innovation economy, including events bringing entrepreneurs and investors together, accelerator programs and Hawaii-based venture capital funds.

Our innovation economy is off to a great start and we need to keep up the momentum to reach critical mass. Today, Hawaii has five nationally recognized Hawaii-based accelerator programs, launching over 40 innovation and tech companies each year; a leading research institution in the University of Hawaii; world-class R&D firms and scientists; financing across globally competitive industries including scalable tech, creative media and clean tech; coworking facilities and incubators and coding bootcamps teaching fundamental workforce skills necessary to support the growing number of businesses in today's digital economy.

We humbly ask for the Legislature's continued support to grow our innovation economy and keep Hawaii on the national map for tech startups and investment.

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

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee on Ways and Means:

mbloom Ventures would like to express our **strong support** of the $5 million budget appropriation for the HI Growth Initiative (BED 145) per HB 1700. The HI Growth Initiative invests in critical infrastructure that supports the growth of the innovation economy, including events bringing entrepreneurs and investors together, accelerator programs and Hawaii-based venture capital.

The launch and continued development of Hawaii's innovation economy, also known as was catalyzed by the State's initial investments through the HI Growth Initiative since its founding in 2013. We are off to a great start: five nationally recognized Hawaii-based accelerator programs, launching over 40 innovation and tech companies each year; a leading research institution in the University of Hawaii; world-class R&D firms and scientists; financing in industries including scalable tech, creative media and cleantech; coworking facilities and incubators; and coding bootcamps teaching fundamental workforce skills necessary to support the growing number of businesses in today's digital economy.

mbloom was founded in 2013, and with investment by the State through the HI Growth Initiative, we launched the first Hawaii-based seed fund in many years. The State's commitment to our fund allowed us to attract private capital and leverage the State's dollar 1:1, as well as to make investments in innovative, high-growth Hawaii startup businesses.

As a Hawaii-based fund and member of the Startup Paradise contingent -- a private sector led movement of innovative startup businesses driving economic growth and prosperity in Hawaii -- mbloom is committed to investing in and helping to keep innovative startup businesses growing and profitable here in Hawaii.

Venture capital is a necessary source of capital for innovative startups, allowing them to grow and scale. The HI Growth Initiative will continue to help make more of this type of capital available to Hawaii startups, as well as invest in the critical components necessary to build a vibrant innovation economy.

We humbly ask for your continued support of the HI Growth Initiative.

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

Sincerely,



Lauren Primiano
Head of Venture

PARTNERS IN CARE
Oahu Continuum of Care

Partners in Care is a coalition of Oahu's homeless service providers, government representatives and community stakeholders working together in partnership to end homelessness.

TESTIMONY RE: HB 1700 HD1: RELATING TO THE STATE BUDGET
RE: BED 160 – HHFDC: Rental Housing Revolving Fund (RHRF) + Alder Street Project

TO: Senator Jill N. Tokuda, Chair; Senator Donovan M. Dela Cruz, Vice Chair; and Members, Committee on Ways and Means

FROM: Greg Payton, PIC Advocacy Chair

Hearing: Tuesday, April 5, 2016; 9:00 am; Conference room 211

Thank you for the opportunity to provide testimony **in strong support of BED 160**, for funds to the Hawaii Housing Finance and Development Corporation (HHFDC) including: $75 million to the Rental Housing Revolving Fund (RHRF), and $15 million for the construction of the Alder Street Project. I am Greg Payton, Chair of the Advocacy Committee of Partners in Care (PIC).

Partners in Care is a coalition of over 30 homeless service providers and many other in the community on Oahu dedicated to ending homelessness. In the past year on Oahu, we have developed a coordinated entry system to more effectively and strategically help homeless to navigate resources and be linked to housing. The next step and the KEY to ending homelessness is the creation of more affordable rental housing.

Partners in Care supports allocating **$75 million to the Rental Housing Revolving Fund (RHRF).** Creating more affordable rental housing is critical. Our service providers each day see the impact of the lack of affordable housing. This bill puts into action the legislature's commitment to create more housing options. $75 million would be a significant step forward.

The need is great: Hawaii has the most expensive housing in the country, at more than twice the national average. Our rate of homelessness per capita is the top among the US states. Our rents have skyrocketed. The fair market rent for a 2 bedroom unit in Honolulu is $1,810, an increase of 67% over the last 10 years (2005 to 2015). Action must be taken now. Non-profit and for-profit developers stand ready to produce units, but projects are not economically feasible without funding from the RHRF. The gap equity provided is critical, even as it is leveraged with other resources.

Partners in Care also supports a **$15 million allocation to the Alder Street Project.** This state land is underutilized and ideal for redevelopment. It already is zoned A-2 which allows apartment buildings up to 150 feet as well as public uses, such as the juvenile justice services. It has adequate sewer and water capacity in a convenient urban location. The $15 million for the Judiciary's share of the project would also enable the construction of 180 units of rental housing, already designated for families. It has taken much effort by two State entities to develop this TOD project. It is important to move forward as this could serve as a model for future state TOD initiatives. We urge your support so that the people of Hawaii do not lose this chance for affordable housing as well as creating more services for very vulnerable and at-risk children.

We thank you for your dedication to creating solutions for Hawaii's housing needs. We urge your support for these two sections of the State Budget. Please contact me at (808) 529-4554 or gpayton@mhkhawaii.org if you have any questions.

Written Statement of

PyHawaii

before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016
9:00 a.m.
State Capitol, Conference Room 211

In consideration of
HB1700 HD1
RELATING TO THE STATE BUDGET.

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee on Ways and Means.

PyHawaii respectfully submit testimony **offering comments** requesting that the Capital Improvement Project **(CIP) for HTDC's Entrepreneurs Sandbox be restored** to the original $3 million requested in HB1700 (BED 143).

PyHawaii is a community organization with over 240 members that has hosted over thirty community events since its inception in June 2015, making it one of the largest and most active programming user groups on the island. Those events include a Django Girls workshop, PyLadies meetups, and other collaborations aimed not only at increasing the technical literacy of the local tech community, but also its diversity. So far we've presented talks and hosted workshops at a variety of locations such as the The Box Jelly and Iolani School. Each one of these locations has offered a unique set of advantages and as well as their own challenges.

Having a state-funded innovation center in the heart of Kakaako would be an enormous boon to our mission and would make collaboration with local businesses and other programming groups much less difficult and more frequent. We hope to continue to bring the tech community together and by providing a platform to increase people's technical skills while meeting other learners, mentors, and potential employers. We in PyHawaii hope that the state will see the value in supporting this important project.

The Sandbox is a community innovation center that provides interactive learning for all ages encouraging creativity, entrepreneurship, and formation of new technology companies. The facility will house creative spaces such as makery and a digital media and production studio. The project is over 60% funded by federal and private sources providing good value for the State.

There are few statewide resources available for entrepreneurs looking to extend their ideas beyond the classroom. The Sandbox provides an easy entry point for innovators looking to collaborate, ideate, and rapid prototype new ideas. We support the project as part of HTDC's 80/80 initiative, creating 80,000 tech and innovation jobs paying $80,000 or more by 2030.

HTDC has helped our group through its hosting of networking events and its support of HiCapacity, an organization that has been instrumental in our growth by providing advertising, speakers, and help in myriad other ways. PyHawaii would not be what it is today without the help of HTDC and HiCapacity.

Thank you for the opportunity to offer testimony on this bill.

STARTUP
CAPITAL VENTURES

April 3, 2016

Statement of
Donavan Kealoha
Sr. Associate, Startup Capital Ventures

Testimony Presented Before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016 at 9:00 am
State Capitol, Conference Room 211

In Consideration of
HB 1700 HD 1 – Relating to the State Budget, In Relation to BED 145

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

Startup Capital Ventures ("SCV") offers its **strong support for the HI Growth Initiative** budget request. We respectfully request that the $5 million budget appropriation to fund the HI Growth Initiative be restored as requested in the Governor's budget.

The HI Growth Initiative invests in critical infrastructure that supports the growth of the innovation economy, including events bringing entrepreneurs and investors together, accelerator programs and Hawaii-based venture capital funds, including SCV.

SCV invests in early-stage, capital efficient business-to-business technology companies with proof of first revenue. Our initial investment ranges from $250,000 up to $1 million with reserves for future funding rounds.

Our innovation economy is off to a great start and we need to keep up the momentum to reach critical mass. Today, Hawaii has five nationally recognized Hawaii-based accelerator programs, launching over 40 innovation and tech companies each year; a leading research institution in the University of Hawaii; world-class R&D firms and scientists; financing across globally competitive industries including scalable tech, creative media and clean tech; coworking facilities and incubators and coding bootcamps teaching fundamental workforce skills necessary to support the growing number of businesses in today's digital economy.

We humbly ask for the Legislature's continued support to grow our innovation economy and keep Hawaii on the national map for tech startups and investment. Thank you for the opportunity to provide testimony on this bill

Written Statement of

April 2, 2016

Statement of
Jason Sewell
Co-Founder/Curriculum Director - DevLeague
Co-Founder/Solutions Architect - Sudokrew

before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016
9:00 a.m.
State Capitol, Conference Room 211

In consideration of
HB1700 HD1
RELATING TO THE STATE BUDGET.

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee on Ways and Means.

DevLeague and Sudokrew respectfully submit testimony **offering comments** requesting that the Capital Improvement Project **(CIP) for HTDC's Entrepreneurs Sandbox be restored** to the original $3 million requested in HB1700 (BED 143).

We would like to show our **strong support** for the restoration of the initial request for the Entrepreneurs sandbox.

As the partial owner of two growing and prospering companies that are directly impacting local job creation and talent retention we can't emphasize strongly enough how critical resources like this are to the entrepreneur community and an budding innovation economy.

In just over 2 years in working out of the current Manoa Innovation Center we have been able to shift and expand with ease as both companies grew while allowing us the ability to focus on our core business rather than focus on the mental and financial distractions that would come with terminating prior leases and seeking out new ones.

One of the major challenges to a young business is the ability to operate as and have similar resources available as an established company while attempting to be a profitable

business with variable income and no financial guarantees. The prospect and commitment of a long term lease can be a financial deathblow to a young company and can inhibit growth and movement in the early stages of a company to respond to the dynamic landscape of a young venture.

DevLeague started in a small 300 square foot space with it's first 5 students and now is one of the core tenants and occupy two of the larger spaces in the facility as well as being a conduit of activity for attracting other companies and interest to the center. We were easily able to scale literally overnight as demand quickly shifted and as an organization that is completely self funded through tuition with no outside funding sources, this was critical to our success. Because of this ability, we were able to focus on our business, pay for space when we needed it, and a short **2 years later we have grown to a staff of 15** and now are currently looking for retail space at a time when we need it for growth rather than for survival.

Sudokrew also grew in a similar manner and started out as a virtual tenant with only 3 employees. As a young company working with corporate clients, we needed the ability to act as an established company in terms of meeting space. It is very hard for a company to be taken seriously with the level of negotiations we deal with working out of coffee shops and the ability to have "professional" meeting facilities and resources were crucial. Again as a fully self funded startup we did not have the resources to rent office space and deal with long term finanical commitments. As we grew and when the time was right, we were able to easily convert to physical tenants and again not skip a beat in operating as a business as we moved in overnight. We have also now grown into a much larger space and a short **2 years later we have grown to a staff of 10**.

With the other resources available at the facility DevLeague has also been able to offer additional classes, workshops and hackathons at the facility with ease. These events have a net benefit to the economy of creating a more highly skilled workforce and create an excitement and gravity that encourage people to pursue new skills and new opportunities and connect with others with common skills and interests. This is how innovation is born. It comes through community and collaboration. Without central hubs with proper resources to support, these neural connections are never established and opportunity is lost. We cannot afford to lose these opportunites as an innovation economy.

As you can see the ease of access, scalability and growth has enabled both of these young companies to become established entities and have been job multipliers in a short amount of time. I do not know how we would not have succeeded without access to ressources such as this.

The **combination of both companies have created 25 tech jobs in a relatively short period of time and kept skilled and talented workers here in Hawaii**, who myself included, may have had to pursue mainland opportunities in order to further my own career if resources like this were not available here in Hawaii. It may have simply not been financially viable to operate in Hawaii and the Manoa Innovation Center was a key component to reaching this stage of growth.

The downside of the current facility is that it is dated and it does not come without its own challenges in meeting the needs a modern tech company or the larger gravity of a centrally

located technical business community. We collectively, as an economy, need an upgrade to put us on a level playing field in a global economy.

The Sandbox is a community innovation center that provides interactive learning for all ages encouraging creativity, entrepreneurship, and formation of new technology companies. The facility will house creative spaces such as makery and a digital media and production studio. The project is over 60% funded by federal and private sources providing good value for the State.

There are few statewide resources available for entrepreneurs looking to extend their ideas beyond the classroom. The Sandbox provides an easy entry point for innovators looking to collaborate, ideate, and rapid prototype new ideas. We support the project as part of HTDC's 80/80 initiative, creating 80,000 tech and innovation jobs paying $80,000 or more by 2030.

We would also like to acknowledge as instrumental to our growth, the role HTDC has played in the growth of both DevLeague and Sudokrew, through it's technical incubation program by connecting us with strategic partners and initiatives as well as providing financial assistance for events that connect individuals and provide learning opportunities. As a central facilitator they have been able to connect us with potential clients, customers, partners, employees, interns and other opportunities.

We have mentioned this several times in testimony prior, but the ability for other organizations to be able to use HTDC resources to sponsor events and other initiatives and provide funding helps to create a "gravity" around the innovation economy that draws in other individuals, organizations and facilitates overall growth which translates to real job creation and income growth which directly impacts the state as a whole.

Thank you for the opportunity to offer testimony on this bill.

April 2, 2016

Statement of
Jason Sewell
Co-Founder/Curriculum Director - DevLeague
Co-Founder/Solutions Architect - Sudokrew

Testimony Presented Before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016 at 9:00 am
State Capitol, Conference Room 211

In Consideration of
HB 1700 HD 1 – Relating to the State Budget, In Relation to BED 145

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

DevLeague and Sudokrew respectfully **offers comments on** HB 1700 HD1 regarding the request by the Department of Business, Economic Development and Tourism (DBEDT) for BED 145. We respectfully request that the $5 million budget appropriation to fund the HI Growth Initiative be restored as requested in the Governor's budget.

We offer our **strong support** for the HI Growth Initiative budget request.

It is important to note that both **DevLeague** and **Sudokrew** have not been direct recipients of financial awards from the Hi Growth initiative of any kind, and are both fully self supported and separate entities.

Both companies were founded on the premise of job creation, workforce development, and talent retention. We have committed ourselves wholeheartedly to growing the technical talent pool, keeping those individuals in the local workforce by connecting employers and job seekers, and ourselves being job creators as well. Although we do not receive direct funding from this initiative, we are however beneficiaries of the larger body of work in which the Hi Growth Initiative supports.

As common partners in growing an innovation economy however, we do share common interests that must be supported. It is our belief that **state support of this mission is critical** to continue to nurture very strong signs of initial growth in many key areas in just a few short years.

The value, in our opinion, of the HI Growth Initiative is in its ability to provide financial resources to incubate and accelerate the potential of tomorrow's future leaders in a rapid fashion. Education will absolutely the common constant to any of tomorrow's prosperous industries in our quickly changing world. It is vital that education, mentorship, and incubation continue to be available to those individuals who will carry us into that future. Strong minded and motivated individuals do not need continued support but they do need a beginning. Without the support here in Hawaii, they will pursue that inner drive and potential in another location, who will be the beneficiaries of their long term success.

Marketing and events are also vital to the continued growth of the ecosystem. There must continue to be a buzz and an air of excitement about everything that we are doing in order to continue to attract the best and the brightest individuals. We need to maintain a gravity that will continue to attract and inspire and pull in new people, organizations and funding. That is the underpinning of any movement and movements take time to gain full momentum. **In a few short years we have seen a rapid acceleration and maturity of people, ideas, investment and organizations and this is only the beginning.**

We have been graced by mother nature to sew the seeds of a destination tourism industry, we have been graced with strategic geography to attract military resources. We must however, work towards settings the seeds of an innovation economy that is driven not by the grace of naturally given resources and geography but that is driven by a continued commitment to supporting education, incubation and infrastructure.

The HI Growth Initiative invests in critical infrastructure that supports the growth of the innovation economy, including events bringing entrepreneurs and investors together, accelerator programs and Hawaii-based venture capital funds.

Our innovation economy is off to a great start and we need to keep up the momentum to reach critical mass. Today, Hawaii has five nationally recognized Hawaii-based accelerator programs, launching over 40 innovation and tech companies each year; a leading research institution in the University of Hawaii; world-class R&D firms and scientists; financing across globally competitive industries including scalable tech, creative media and clean tech; coworking facilities and incubators and coding bootcamps teaching fundamental workforce skills necessary to support the growing number of businesses in today's digital economy.

We humbly ask for the Legislature's continued support to grow our innovation economy and keep Hawaii on the global map for tech startups and investment.

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

Written Statement of

Jeffrey Hong
Chief Technology Officer
Techmana LLC

before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016
9:00 a.m.
State Capitol, Conference Room 211

In consideration of
HB1700 HD1
RELATING TO THE STATE BUDGET.

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee on Ways and Means.

Techmana LLC respectfully submit testimony **offering comments** requesting that the Capital Improvement Project **(CIP) for HTDC's Entrepreneurs Sandbox be restored** to the original $3 million requested in HB1700 (BED 143).

Providing active community workspaces for members of the technology community to meet, share ideas, and collaborate is vital to building critical mass in the industry. A physical space to hang your hat is still important in a digital world.

The Sandbox is a community innovation center that provides interactive learning for all ages encouraging creativity, entrepreneurship, and formation of new technology companies. The facility will house creative spaces such as makery and a digital media and production studio. The project is over 60% funded by federal and private sources providing good value for the State.

There are few statewide resources available for entrepreneurs looking to extend their ideas beyond the classroom. The Sandbox provides an easy entry point for innovators looking to collaborate, ideate, and rapid prototype new ideas. We support the project as part of HTDC's 80/80 initiative, creating 80,000 tech and innovation jobs paying $80,000 or more by 2030.

HTDC has helped my company through supporting the efforts of local companies. We have hired though the Holiday Tech Job Fair, and have opened new opportunities through events like Wetware Wednesdays.

HTDC has been a valuable partner in providing guidance and a focal point for Hawaii's tech community.

Thank you for the opportunity to offer testimony on this bill.



April 5, 2016

SENATE COMMITTEE ON WAYS AND MEANS
Sen. Jill Tokuda, Chair; Sen. Donovan Dela Cruz, Vice Chair; and Members
Public Hearing, April 5, 2016 at 9:00 a.m., Conference Room 211

TESTIMONY of WILLIAM F. ANONSEN
MANAGING PARTNER/PRINCIPAL of THE MARITIME GROUP, LLC
IN SUPPORT of H.B. 1700 HD 1, RELATED to the STATE BUDGET

My name is William Anonsen and I am the Managing Partner/Principal of THE MARITIME GROUP, LLC. We strongly support HB1700 which proposes to adjust and request appropriations for Fiscal Biennium 2015-17 funding requirements for operations and capital improvement projects. ***We support the supplementary inclusion of funding for HTDC's CIP request of $3 million to construct the "Entrepreneurs Sandbox", an integral component of the first phase of the planned "Kaka`ako Innovation Block". It is recommended that the funding be fully restored, subsequent to the House Committee on Finance reducing the request to $1.5 million.***

The legislature's continued support for technology initiatives such as this are greatly appreciated and visionary, as these projects significantly contribute to the diversification of our island state's economy and our economic competitiveness in the Pacific Basin and the world. Customarily every job in a research community generates an average of 2.57 jobs in the local economy. The Kaka`ako Innovation Block is an excellent model of emerging strategically planned, mixed-use research facilities designed to create an environment that fosters creative collaboration and innovation that promotes the development, transfer and commercialization of technology.

Research communities have become a key element of the technology infrastructure supporting the growth of today's and our future knowledge economy. They are the primary drivers of regional development traditionally established to recruit research & development, and technology companies to locate in strategic areas in order to build a cluster of high technology companies. Technological based research communities exhibit a strong ability to attract and retain talent, which in turn, will permit Hawaii to create a critical mass that can yield high economic opportunities for Hawaii and our global community. These initiatives promise to further upsurge our homegrown business startups, retention and expansion with a focus on providing commercialization and business development support in addition to space for talent retention and innovation infrastructure. These communities are emerging as strong sources of entrepreneurship, talent and economic competitiveness.

Mahalo for the opportunity to comment in support of this measure

Sincerely,

William F. Anonsen

William F. Anonsen
Managing Partner/Principal

1221 Kapiolani Blvd., Suite 1032, Honolulu, Hawaii, 96814
Tel: (808) 589-1223 www.The-Maritime-Group.com

April 4, 2016

Statement of Russel Cheng, Co-founder and Director, DevLeague

Testimony Presented Before the Senate Committee on Ways and Means
Tuesday, April 5, 2016 at 9:00 am, State Capitol, Conference Room 211

In Consideration of HB 1700 HD 1 – Relating to the State Budget, In Relation to BED 145

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

DevLeague respectfully **offers comments on** HB 1700 HD1 regarding the request by the Department of Business, Economic Development and Tourism (DBEDT) for BED 145. We respectfully request that the $5 million budget appropriation to fund the HI Growth Initiative be restored as requested in the Governor's budget.

DevLeague is an immersive accelerated learning program where we teach in-class modern software development skills to adults and real coding to middle and high school students. As Hawaii's first and only software development boot camp, we design curriculum and conduct 12-week courses for motivated individuals. Our target outcome is that our graduates gain the necessary skills, confidence and project work to earn their career start as a web software developer--an industry that is high-growth, high-salary and in-demand by savvy employers.

DevLeague has graduated 62 graduates to date with a 94 percent success/hire rate. The alumni have a combined $2.1MM in starting salaries (aka taxpayers) with 86 percent working in Hawaii.

Our alumni work in software development jobs at Microsoft, Hawaii Pacific Health, DSD Labs, Sudokrew, Uber, Thetus Corp, Internet Brands, Pono Health, DevLeague, MVNP, Upspring Media, State of Hawaii, SkyCatch, Goma Games, SparrowOne, KoaIT, DTL Hawaii, JamBIOS, LiveAction, Revacomm, Anthology Group, Better Way, Ike, Comprendio, Wall to Wall, VuNote and Team Praxis. One graduate was accepted into Stanford Graduate School computer science program and two graduates started the social network Grumble were funded $25,000 by Blue Startups accelerator program.

The HI Growth Initiative invests in critical infrastructure that supports the growth of the innovation economy, including events bringing entrepreneurs and investors together, accelerator programs and Hawaii-based venture capital funds.

Our innovation economy is off to a great start and we need to keep up the momentum to reach critical mass. Today, Hawaii has five nationally recognized Hawaii-based accelerator programs, launching over 40 innovation and tech companies each year; a leading research institution in the University of Hawaii; world-class R&D firms and scientists; financing across globally competitive industries including scalable tech, creative media and clean tech; coworking facilities and incubators and coding bootcamps teaching fundamental workforce skills necessary to support the growing number of businesses in today's digital economy.
We humbly ask for the Legislature's continued support to grow our innovation economy and keep Hawaii on the national map for tech startups and investment.

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

Mahalo!

Russel Cheng, Co-founder, Director

FISHER HAWAII

OFFICE PRODUCT WAREHOUSE
WHOLESALE CLUB

950 MAPUNAPUNA ST. HONOLULU, HAWAII 96819 • TELEPHONE 808-524-8770

Written Statement of

Al Hirata
General Manager & Vice President
Fisher Hawaii

before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016
9:00 a.m.
State Capitol, Conference Room 211

In consideration of
HB1700 HD1
RELATING TO THE STATE BUDGET.

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee on Ways and Means.

Fisher Hawaii respectfully submit testimony **offering comments** requesting that the Capital Improvement Project **(CIP) for HTDC's Entrepreneurs Sandbox be restored** to the original $3 million requested in HB1700 (BED 143).

As a significant part of our customer base, the heart of Fisher Hawaii has always been to serve the small to middle businesses of Hawaii and as of recent, the educators of our Keiki. Making Hawaii a place where meaningful businesses are developed producing effective employment opportunities for our residents has always been the primary goal of Fisher Hawaii. Equipping our educators with resources to aid them in the development of our Keiki has taken center stage for us. As an extension of our efforts, the Sandbox will provide small businesses and educators with resources and opportunities far beyond our capabilities.

The Sandbox is a community innovation center that provides interactive learning for all ages encouraging creativity, entrepreneurship, and formation of new technology companies. The facility will house creative spaces such as a makery and a digital media and production studio. The project is over 60% funded by federal and private sources providing good value for the State.

There are few statewide resources available for entrepreneurs looking to extend their ideas beyond the classroom. The Sandbox provides an easy entry point for innovators looking to collaborate, ideate, and rapid prototype new ideas.

We support the project as part of HTDC's 80/80 initiative, creating 80,000 tech and innovation jobs paying $80,000 or more by 2030.

At Fisher Hawaii, we see the HTDC's Sandbox as being a tremendous resource for all small to middle size businesses in Hawaii. Startups will definitely benefit most. In addition, as a partner of ours, together we will provide our educators with an extension of the tools and resources that are presently unavailable to them through their schools as well as our State's Department of Education.

HTDC has been a valuable partner to many of the small business we currently service. Their effectiveness in bringing success to our small to middle businesses market speaks for itself.

Thank you for the opportunity to offer testimony on this bill.

Written Statement of

Edward Kim
Main Point of Contact at HICapacity LLC
Senior Software Engineer at Slickage Studios

before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016
9:00 a.m.
State Capitol, Conference Room 211

In consideration of
HB1700 HD1
RELATING TO THE STATE BUDGET.

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee on Ways and Means.

HICapacity LLC respectfully submits testimony **offering comments** requesting that the Capital Improvement Project **(CIP) for HTDC's Entrepreneurs Sandbox be restored** to the original $3 million requested in HB1700 (BED 143).

HICapacity is a **local makerspace** devoted to the ongoing outreach of STEM education and supporting the local entrepreneurs and startup movement. We are a collective of artists, software/hardware engineers, and business professionals. Our membership extends throughout the islands, with a few members worldwide. **We have been in existence for nearly 7 years and have since grown to nearly 250 members.** We produce events open to the public on a wide variety of topics that range from introductory programming to advanced electrical engineering and on to business development.

We have been one of the few places where people can come together to discuss topics and potentially start new ventures. We often run into issue with space and venue availability for many of our public events. The Manoa Innovation Center (MIC) has been our best option as a venue in part to their flexible hours and central location. With the **MIC being shut down** in the near future, we believe that the **Entrepreneur's Sandbox is a crucial element** to the future of the technology sector in Hawaii.

The Entrepreneur's Sandbox is a community innovation center that provides interactive learning for all ages encouraging creativity, entrepreneurship, and formation of new technology companies. The facility will house creative spaces such as makery and a digital media and production studio. The project is over 60% funded by federal and private sources providing good value for the State.

There are few statewide resources available for entrepreneurs looking to extend their ideas beyond the classroom. The Sandbox provides an easy entry point for innovators looking to collaborate, ideate, and rapid prototype new ideas. We support the project as part of HTDC's 80/80 initiative, creating 80,000 tech and innovation jobs paying $80,000 or more by 2030.

HICapacity members have gone into one of the local technology accelerators and then on to further **success**. Most recently, **AreaMetrics,** a local startup whose co-founder is one of our members, raised $**2MM in funding**. **Hobnob**, another local startup, also raised **2.25MM** and employs 2 HICapacity members due to their expertise.

Other HICapacity members have been employed at many great companies and often returned home to share their knowledge and experience. Among them are: **LivingSocial, Jefferies Global Investment Bank, Lockheed Martin, Mozilla, Opera, and many other startups**.

The process of building a vibrant technology sector in Hawaii requires many moving parts. The foundation of which is the **partnership of the local tech community (HICapacity) and the State (HTDC/Sandbox) working together** to find ways to get entrepreneurs the resources they need. From there one of the local accelerators can take over and fast track their business. Co-working spaces can then provide offices to those growing companies. Lastly, the community steps in again when the company is growing their workforce. **This synergy between the community and the state is crucial to the success of a technology sector in Hawaii.**

Thank you for the opportunity to offer testimony on this bill.



2800 WOODLAWN DRIVE
HONOLULU, HI 9622

Written Statement of

Dave Kozuki
CEO
Tow Choice

before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016
9:00 a.m.
State Capitol, Conference Room 211

In consideration of
HB1700 HD1
RELATING TO THE STATE BUDGET.

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee on Ways and Means.

Tow Choice respectfully submit testimony **offering comments** requesting that the Capital Improvement Project **(CIP) for HTDC's Entrepreneurs Sandbox be restored** to the original $3 million requested in HB1700 (BED 143).

Tow Choice was born at the Manoa Innovation Center. Having spent considerable time in Silicon Valley and experiencing what makes that ecosystem work, I am very aware of the benefits the Entrepreneurs Sandbox will bring to the technology/Startup ecosystem in Hawaii.

With the federal funding already committed, this project seems to be a no brainer. It would be a shameful situation to waste this opportunity.

This project will support HTDC's 80/80 initiative, creating 80,000 tech and innovation jobs paying $80,000 or more by 2030. Although I disagree with the $80,000 job goal. I believe salaries will well exceed $80,000.

HTDC has helped my company through the management of the Manoa Innovation Center and the numerous industry programs and events they host.

Thank you for the opportunity to offer testimony on this bill.

Written Statement of

Alexander Anich
Software Engineer
Comprendio

before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016
9:00 a.m.
State Capitol, Conference Room 211

In consideration of
HB1700 HD1
RELATING TO THE STATE BUDGET.

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee on Ways and Means.

I respectfully submit testimony **offering comments** requesting that the Capital Improvement Project **(CIP) for HTDC's Entrepreneurs Sandbox be restored** to the original $3 million requested in HB1700 (BED 143).

The Sandbox is a community innovation center that provides interactive learning for all ages encouraging creativity, entrepreneurship, and formation of new technology companies. The facility will house creative spaces such as makery and a digital media and production studio. The project is over 60% funded by federal and private sources providing good value for the State.

There are few statewide resources available for entrepreneurs looking to extend their ideas beyond the classroom. The Sandbox provides an easy entry point for innovators looking to collaborate, ideate, and rapid prototype new ideas. We support the project as part of HTDC's 80/80 initiative, creating 80,000 tech and innovation jobs paying $80,000 or more by 2030.

Thank you for the opportunity to offer testimony on this bill.

SMART YIELDS
CROP PROTECTION & YIELD ENHANCEMENT

March 31, 2016

Statement of
Vincent Kimura
CEO, Smart Yields

Testimony Presented Before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016 at 9:00 am
State Capitol, Conference Room 211

In Consideration of
HB 1700 HD 1 – Relating to the State Budget, In Relation to BED 145

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

Smart Yields Inc respectfully **offers comments on** HB 1700 HD1 regarding the request by the Department of Business, Economic Development and Tourism (DBEDT) for BED 145. We respectfully request that the $5 million budget appropriation to fund the HI Growth Initiative be restored as requested in the Governor's budget.

We offer our **strong support** for the HI Growth Initiative budget request.

As a new startup in Hawaii focusing on improving local production for a sustainable future for food security, efforts such as the HI Growth initiative are crucial for continuing the momentum and supporting innovation and technology in Hawaii. These efforts are a huge impact in supporting not only the growth of new companies, but also the retention of key talent that make up these companies.

The HI Growth Initiative invests in critical infrastructure that supports the growth of the innovation economy, including events bringing entrepreneurs and investors together, accelerator programs and Hawaii-based venture capital funds.

Our innovation economy is off to a great start and we need to keep up the momentum to reach critical mass. Today, Hawaii has five nationally recognized Hawaii-based accelerator programs, launching over 40 innovation and tech companies each year; a leading research institution in the University of Hawaii; world-class R&D firms and scientists; financing across globally competitive industries including scalable tech, creative media and clean tech; coworking facilities and incubators and coding bootcamps teaching fundamental workforce skills necessary to support the growing number of businesses in today's digital economy.

We humbly ask for the Legislature's continued support to grow our innovation economy and keep Hawaii on the national map for tech startups and investment.

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

Sincerely,



Vincent Kimura, CEO, Smart Yields Inc.

Statement of
Robbie Melton
Executive Director & CEO
High Technology Development Corporation
before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016
9:00 a.m.
State Capitol, Conference Room 211

In consideration of
HB1700 HD1
RELATING TO THE STATE BUDGET.

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee on Ways and Means.

The High Technology Development Corporation (HTDC) **offers comments on** HB1700 HD1 regarding the request by Department of Business, Economic Development, and Tourism (DBEDT) for BED 143. HTDC respectfully requests that the $3 million Capital Improvement Project (CIP) for the Entrepreneurs Sandbox and one 0.5 general fund position for HTDC be restored as requested in the Governor's budget.

The $3 million CIP request is for the Entrepreneurs Sandbox in Kakaako. Partnered with the Hawaii Community Development Authority (HCDA) in 2014, HTDC was awarded a $3.0 million U. S. Dept. of Commerce, Economic Development Authority (EDA) grant and secured a $1.3 million matching commitment from the private sector to fund construction. The Sandbox is not a replacement for the Manoa Innovation Center (MIC). It is a 13,500 sq. ft. community innovation center that provides learning for all ages that enhances the program offerings to the community that MIC does not have the capacity to produce. The Sandbox provides community collaboration spaces and resources to encourage innovation and formation of new technology companies. Planned amenities include a creative digital media lab, production studio, makery for prototype development, video conference/workforce/training room, co-working and collaboration space, private offices, and meeting rooms. It will be adjacent to an office tower/retail space built by the private sector.

The Sandbox is currently in the final phase of design and scheduled to start construction in the first quarter of 2017. As part of the site assessment, environmental engineers discovered that the soil conditions are poor and requires pilings for the foundation. In addition, rising construction costs on Oahu have pushed the estimated

construction costs to $7.3 million. The $3.0 million CIP funds are required to complete the project.

Without the CIP funding, the project cannot be completed and HTDC will have to return the $3 million grant it received from EDA. A condition of the federal award is that the Sandbox project must be complete with a final report submitted and approved by the EDA prior to September 2019 or the award will be forfeited and return to the federal general treasury. Extensions are not allowed. With an estimated 20-month timeline for construction and budgeting 6 months to wrap up the reporting requirements, construction must begin in early 2017 to complete the project. Returning grant funding will negatively impact HTDC's ability to receive EDA grant funding in the future.

The 0.5 position is to restore a position for an Operations Manager lost during the 2014-2015 session. The general funded portion of the position was lost as a result of not being filled, and not filled due to budget restrictions and hiring freezes. The position is 0.5 special funded and 0.5 general funded. HTDC is currently budgeted to fund the 0.5 special funded portion of the position and has the workload for a full time staff person. Last year, HTDC launched several new initiatives as part of a vision to create 80,000 new innovation jobs in Hawaii earning $80,000 or more by 2030. The new initiatives were launched through the commitment of the existing staff and will require additional support to build out and maintain.

In the past year HTDC's activities have grown with:

- **3 new grant programs** - for manufacturers, technology R&D, energy
- **Entrepreneurs Sandbox** in Kakaako, master planning & design. To be constructed with the assistance of a $3 million U.S. Economic Development Authority federal grant and $1.3 million private sector funding
- **TechHire Hub Hawaii** - Awarded by President Obama to help accelerate technology training and increase tech jobs in Hawaii
- **Neighbor Island Innovation Initiative (NI3)** - a new initiative making HTDC truly statewide providing business mentoring on Kauai and Hawaii island.
- **$20 million** new federal contract for HTDC's HCATT federal programs with Air Force Research Lab.
- **3 technology parks** (geriatric research, cyber security and astronomy/ aerospace)
- **new coworking space** at HTDC's Maui Research and Technology Center
- **The Creative Lab Fashion Immersion** launched in partnership with INNOVATE Hawaii and the DBEDT Creative Industries Division

These new initiatives are added to our current program responsibilities that include:

- managing 2 tech incubators supporting 49 startup companies with 8 graduating this past year
- sponsoring and supporting 21 training workshops and networking events serving over 50,000 participants on Oahu, Maui, Kauai and Hawaii island
- assisting 25 manufacturing companies with over $22 million in revenue
- awarding $520,000 of matching grants to 14 SBIR awardees that won $1.3 million in federal phase I SBIR awards

HTDC is currently operating with a total staff of 18 employees, 8 of which are federally funded and dedicated specifically to two federal projects. An Operations Manager is imperative to ensure the continued success of HTDC programs. If the existing staff is left to focus on administration, we cannot continue the work we have started to achieve our goals for the 80/80 Initiative. The 80/80 initiative is about creating 80,000 new tech and innovation jobs so that Hawaii's young people have interesting and high paying jobs here so they can stay in Hawaii. We hope the committee sees the value HTDC is delivering in building an innovation economy and creating high wage job opportunities to keep Hawaii's brightest minds home.

Finally, the authorization of the 100% federally funded position is a housekeeping request to have the Project Manager position for the waste-to-energy micro grid project by HTDC's Hawaii Center for Advanced Transportation Technologies (HCATT) program authorized through the legislative process so it can be listed on the BJ-Table. The position was established and approved by administration in compliance with the Budget Execution Policy last year. The position is in both HB1700 and HB1700 HD1.

We respectfully ask for your support. Thank you for the opportunity to offer these comments.

Statement of:
Todd J. Robertson
Hyperspective
Before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016
9:00 a.m.
State Capitol, Conference Room 211

In consideration of

HB1700 HD1

RELATING TO THE STATE BUDGET.

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee on Ways and Means.

Hyperspective respectfully submit testimony **offering comments** requesting that the Capital Improvement Project (**CIP**) for **HTDC's Entrepreneurs Sandbox be restored** to the original $3 million requested in HB1700 (BED 143).

Hyperspective is a digital creative agency, focused on developing cutting edge technology for communications, media and products within the State of Hawaii for global export. As a technology company, Hyperspective needs facilities and infrastructure support like those provided by the Entrepreneurs Sandbox. This facility provides space to have important community and industry sector events as well as meeting space and an important digital media studio for use by local companies like ours. Not only does this place pose a huge potential to grow the economy, but also helps to build an ecosystem of companies that attract large-scale business, talent and investments to Hawaii.

The Sandbox is a community innovation center that provides interactive learning for all ages encouraging creativity, entrepreneurship, and formation of new technology companies. The facility will house creative spaces such as makery and a digital media and production studio. The project is over 60% funded by federal and private sources providing good value for the State.

There are few statewide resources available for entrepreneurs looking to extend their ideas beyond the classroom. The Sandbox provides an easy entry point for innovators looking to collaborate, ideate, and rapid prototype new ideas. We support the project as part of HTDC's 80/80 initiative, creating 80,000 tech and innovation jobs paying $80,000 or more by 2030.

HTDC has already helped my company through the incubation program, SBIR

HYPERSPECTIVE 2800 WOODLAWN DRIVE SUITE 253 HONOLULU, HI 96822 808.353.3618 HYPERSPECTIVE.COM

support, seminars and workshops, important industry networking events, business consultation and various other support services and my company has grown from 3 employees to 12 and increased revenue by 400%.

HTDC has also been a valued partner with supporting growth of the creative arts and digital media industry through all the various support services, events, sponsorships and consultation services.

We believe it is key to restore the budget requested for the Entrepreneurs Sandbox, as this location will be integral to the growth of the innovation economic sector in Hawaii.

Thank you for the opportunity to offer these comments.

HYPERSPECTIVE 2800 WOODLAWN DRIVE SUITE 253 HONOLULU, HI 96822 808.353.3618 HYPERSPECTIVE.COM

Written Statement of

Joseph Gefroh
Co-Owner
HNL.IO

before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016
9:00 a.m.
State Capitol, Conference Room 211

In consideration of
HB1700 HD1
RELATING TO THE STATE BUDGET.

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee on Ways and Means.

HNL.IO respectfully submit testimony **offering comments** requesting that the Capital Improvement Project **(CIP) for HTDC's Entrepreneurs Sandbox be restored** to the original $3 million requested in HB1700 (BED 143).

HNL.IO is a startup creating a unified event calendar and community platform for Hawaii's tech and startup sectors. Our goal is to improve collaboration and develop a unified representation of Hawaii's tech and startup sectors to promote investment from outside sources and grow local companies. The sandbox will help our company by centralizing many of the distributed efforts that currently exist, and by providing direct access to passionate and talented people who share similar goals. Face-to-face collaboration is extremely critical when building a community, and the collaboration space and networking events will allow us to closely cooperate with many in the innovation sectors. Training workshops will also help us improve our skills, allowing us to give back to the community even more. The sandbox requires the full amount of $3 million to succeed.

The Sandbox is a community innovation center that provides interactive learning for all ages encouraging creativity, entrepreneurship, and formation of new technology companies. The facility will house creative spaces such as makery and a digital media and production studio. The project is over 60% funded by federal and private sources providing good value for the State.

There are few statewide resources available for entrepreneurs looking to extend their ideas beyond the classroom. The Sandbox provides an easy entry point for innovators looking to collaborate, ideate, and rapid prototype new ideas. We support the project as part of HTDC's 80/80 initiative, creating 80,000 tech and innovation jobs paying $80,000 or more by 2030.

HTDC has helped HNL.IO establish a foothold in the tech community through their advice and connections. They've provided valuable business consultation which has helped us set and refine our direction and goals to operate and thrive in Hawaii's distinct innovation climate. Their networking events like Wetware Wednesday and coffee hours has given us opportunities to approach and gather many tech professionals under our banner who otherwise would never have met. HTDC creates opportunities which entrepreneurs and business owners like myself desperately need to succeed and thrive. Their help has been invaluable.

Thank you for the opportunity to offer testimony on this bill.

SW HNL

Startup Weekend Honolulu

Google for Entrepreneurs

Testimony Presented Before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016 at 9:00 am

Written Statement of
Kenneth Huang
Lead Organizer
Startup Weekend Honolulu

In Consideration of
HB 1700 HD1 - RELATING TO THE STATE BUDGET

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee,

Startup Weekend Honolulu respectfully submit testimony **offering comments** requesting that the Capital Improvement Project **(CIP) for HTDC's Entrepreneurs Sandbox be restored** to the original $3 million requested in HB1700 (BED 143).

Startup Weekend is a global startup event bringing together communities of entrepreneurs, investors, students, and curious individuals into one space. Global events like ours are made possible locally by generous sponsorship and support by private and public individuals and organizations.

The Sandbox is a community innovation center for all ages that provides community collaboration spaces and resources to encourage innovation and formation of new technology companies. The project is over 60% funded by federal and private sources providing good value for the State.

There are few statewide resources available for entrepreneurs looking to extend their ideas beyond the classroom. The Sandbox provides an easy entry point for innovators looking to collaborate, ideate, and rapid prototype new ideas. We support the project as part of HTDC's 80/80 initiative, creating 80,000 tech and innovation jobs earning $80,000 or more by 2030.

As an integral part of developing the next generation of aspiring entrepreneurs for an innovation economy, Startup Weekend Honolulu is committed to working with HTDC and we fully agree on the relevance and importance of this CIP request.

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

SW HNL

Startup Weekend Honolulu

Google for Entrepreneurs

Testimony Presented Before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016 at 9:00 am

Written Statement of
Kenneth Huang
Lead Organizer
Startup Weekend Honolulu

In Consideration of
HB 1700 HD1 - RELATING TO THE STATE BUDGET, **In Relation to BED 145**

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee,

Startup Weekend Honolulu respectfully **offers comments** on HB 1700 HD1 in relation to BED 145. We respectfully request that the **$5 million budget appropriation to fund the HI Growth Initiative be restored** as requested in HB 1700 of the Governor's budget. We offer strong support for the HI Growth Initiative's budget request.

Startup Weekend is a global startup event bringing together communities of entrepreneurs, investors, students, and curious individuals into one space. Global events like ours are made possible locally by generous sponsorship and support by private and public individuals and organizations.

The HI Growth Initiative invests in critical infrastructure that supports the growth of the innovation economy, including events like our that brings local entrepreneurs and investors together, accelerator programs and Hawaii-based venture capital funds.

Our innovation economy is off to a great start and we need to keep up the momentum to reach critical mass. Today, Hawaii has five nationally recognized Hawaii-based accelerator programs, launching over 40 innovation and tech companies each year; a leading research institution in the University of Hawaii; co-working facilities, incubators and coding bootcamps teaching fundamental workforce skills necessary to support the growing number of businesses in today's digital economy.

As an integral part of developing the next generation of aspiring entrepreneurs for an innovation economy, Startup Weekend Honolulu is committed to working with HSDC and we fully agree on the relevance and importance of this appropriation.

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

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: ajc@aloha.net
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Thursday, March 31, 2016 9:44:03 AM

HB1700
Submitted on: 3/31/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Alika Campbell	Individual	Support	No

Comments: I strongly support the following efforts to address homelessness in our community; BED 160 which provides funding for the Rental Housing Revolving Fund as well as the Alder Street project, and HMS 224 which funds Housing First, Rapid Rehousing, and Outreach services.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

April 2, 2016

Statement of Burt Lum, Individual

Testimony Presented Before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016 at 9:00 am
State Capitol, Conference Room 211

In Consideration of HB 1700 HD 1 – Relating to the State Budget, In Relation to BED 143

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

I cover the science and technology scene in Hawaii on Hawaii Public Radio, Hawaii News Now and Civil Beat and am also the Executive Director of Hawaii Open Data, a non-profit dedicated to advancing open data principles in Hawaii. I submit this testimony as an individual.

I respectfully **offer comments on** HB 1700 HD1 regarding the request by the Department of Business, Economic Development and Tourism (DBEDT) for BED 143. I respectfully request that the $3 million budget appropriation to fund the Entrepreneurs Sandbox be restored as requested in the Governor's budget.

I offer my **strong support** for the Entrepreneurs Sandbox budget request.

Over the years covering the technology scene in Hawaii, I've seen the exponential growth of startups, meetups, hackathons, collaborations and innovation across the Hawaii business landscape. This vibrant entrepreneurial ecosystem is critical to building a sustained technology sector.

The Entrepreneurs Sandbox offers a multipurpose hub for collaborators, coders, innovators, makers and startups. I believe having a facility like the Entrepreneurs Sandbox functions as a catalyst and critical part of Hawaii's innovation infrastructure.

I humbly ask for the Legislature's continued support and momentum to grow our innovation economy and keep Hawaii on the national map for tech startups and investment.

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

April 2, 2016

Statement of Burt Lum, Individual

Testimony Presented Before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016 at 9:00 am
State Capitol, Conference Room 211

In Consideration of HB 1700 HD 1 – Relating to the State Budget, In Relation to BED 145

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

I cover the science and technology scene in Hawaii on Hawaii Public Radio, Hawaii News Now and Civil Beat and am also the Executive Director of Hawaii Open Data, a non-profit dedicated to advancing open data principles in Hawaii. I submit this testimony as an individual.

I respectfully **offer comments on** HB 1700 HD1 regarding the request by the Department of Business, Economic Development and Tourism (DBEDT) for BED 145. I respectfully request that the $5 million budget appropriation to fund the HI Growth Initiative be restored as requested in the Governor's budget.

I offer my **strong support** for the HI Growth Initiative budget request.

Over the years covering the technology scene in Hawaii, I've seen the exponential growth of startups, meetups, hackathons, collaborations and innovation across the Hawaii business landscape. This vibrant entrepreneurial ecosystem is critical to building a sustained technology sector and I believe is due in large part to investments like the Hi Growth Initiative.

The HI Growth Initiative invests in critical infrastructure that supports the growth of the innovation economy, including events bringing entrepreneurs and investors together, accelerator programs and Hawaii-based venture capital funds.

Our innovation economy is off to a great start and we need to keep up the momentum to reach critical mass. Today, Hawaii has five nationally recognized Hawaii-based accelerator programs, launching over 40 innovation and tech companies each year; a leading research institution in the University of Hawaii; world-class R&D firms and scientists; financing across globally competitive industries including scalable tech, creative media and cleantech; coworking facilities and incubators and coding bootcamps teaching fundamental workforce skills necessary to support the growing number of businesses in today's digital economy.

I humbly ask for the Legislature's continued support and momentum to grow our innovation economy and keep Hawaii on the national map for tech startups and investment.

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

Courtney Takabayashi
98-416 Ponohale St.
ʻAiea, HI 96701
808.381.6205
cskunimu@hawaii.edu

April 2, 2016

RE: HB1700

POSITION: **Support**

Dear Honorable Ways and Means Committee Members:

My name is Courtney Takabayashi and I am writing to express my support for **DBEDT's Creative Lab Hawaii Program additional funding for FY17, which will provide matching funds necessary to also support the CL Federal grants.**

Recently, I had the opportunity to benefit from the mentoring by industry leaders and am embarking on my year-long mentoring program through the Creative Lab Hawaii Program. I am currently developing a television series that takes place in Hawaii, will utilize local talent, and showcases the state and our stories in an authentic and engaging way.

During the one week Writer's Immersive, I met industry insiders who gave me tips on how to make my project marketable and profitable. There is no other program like Creative Lab Hawaii and it matters to all creative entrepreneurs in Hawaii.

The program believed in me and I believe in its ability to enrich lives and in the end, bring revenue to the state.

Thank you for your attention and consideration of this opinion. Please do not hesitate to contact me with any questions or concerns. My phone number is 808.381.6205 and my email address is cskunimu@hawaii.edu

Sincerely,
Courtney Takabayashi

Dear Hawai'i State Legislators,

As a Kaneohe resident and creative entrepreneur, I was very fortunate to have participated and graduate from the Department of Business, Economic Development and Tourism's (DBEDT) Creative Lab Hawaii 2016 Spring inaugural Ideation Weekend. As I continue down my path to screenwriting and filmmaking in Hawaii, I find myself energized, well grounded in the craft, and supported by industry leaders CLH was able to bring to the Ideation Weekend. We were facilitated by Michael Palmieri's supportive, beckoning call to stop thinking and start "doing." A call creative professionals respond to.

It is with this same energy that I am writing to strongly express my support for DBEDT's Creative Lab Hawaii Program additional funding for FY17, which will provide matching funds necessary to also support the CL Federal grants. Creative Entrepreneurs require the support of mentors, industry leaders, programs, and importantly, each other, to further develop creative products on behalf of Hawaii. Screenwriting, in most instances, is a very insulated, individualistic activity. By broadening our sphere of knowledge through the mentorship and support of the CLH program, I see in myself and others in our program the enthusiasm and initiative to develop our stories outside of a vacuum, which will lead to a substantial growth in Hawaii's talented creative community. Hawaii has a unique voice. This is a means to share that voice globally.

I cannot thank you enough for your continued support to this important program for Hawaii.

Aloha,

Craig Jaques
47-050E Laenani Drive
Kaneohe, HI 96744
(808) 639-5300
craigjaq@me.com

April 1, 2016

RE: CREATIVE LABS FUNDING

I am writing to express my support for **DBEDT's Creative Lab Hawaii Program additional funding for FY17 which will provide matching funds necessary to also support the CL Federal grants.**

I had the opportunity to attend the Creative Labs Ideation weekend this past March- and I'd like to tell you why its essential for Hawaii State legislators to continue funding this program

To begin, I am not a young, starving artist. I have a 35+ year background in broadcast media and currently run Ad Sales for Hawaiian Telcom TV. The reason I mention this is because I believe my perspective is different from most folks who attended the Ideation weekend…and therefore might give you some additional insight.

My takeaway from the Creative Labs Ideation weekend is this: Hawaii goes to the 'head of the class' with the leading professionals in Hollywood; giving "us" 'face time' and access to a caliber of media elite that residents of Hawaii would not ordinarily or easily have access to.

The state of Hawaii is filled with amazingly talented people- and to have a program- supported by the State- and also supported by the WGA (Writers Guild of America) is beyond amazing for us living in Hawaii.

I hope that you will continue to support funding for Creative Labs Hawaii. And while there are a lot of other areas where money can be directed, supporting the arts and cultural programs that are unique to the 50th State is vital to the character and cultural essence of our community.

I thank you for your time and consideration.

Sincerely
David Baronfeld
Honolulu, HI 96813

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: dcc777@gmail.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Friday, April 01, 2016 1:01:10 AM

HB1700
Submitted on: 4/1/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
David Castellano	Individual	Support	No

Comments: Aloha Hawaii State Legislature, Spending the weekend with Georja Skinner, the Team from Creative Lab Hawaii and the Executives from Hollywood was life changing. I am so grateful to have met Michael Palmieri and Meg Lafauve, (who is from the award winning animated film "Inside Out") at a writers workshop hosted by the State of Hawaii Film Office. I was able to give a few "pitches" of some upcoming projects that I will be working on and received some excellent advice and see how the creative process evolves. Having a safe space to share my ideas and truly see the genius of the craft was priceless. I'm a film maker who has a raw talent and has been finding my voice and my own style. After listening to Meg Lafauve give insights into the art of storytelling I could then see my craft in a new light. It's something I understood in my heart but couldn't quite grasp it until I heard her articulate it in a coherent way. Michael Palmieri was able to "tell it as it is " with compassionate and direct guidance, mustered up within us the courage to "know that we are artist and as artist we have to express our experiences" and to "just get out there and do it". Having the resources available to new film makers gives us the edge and support we need to tell our story through the lens of Hawaii and create a viable mark in the film industry. I support this bill and would love if more can be done to inspire and ignite the up and coming talents of the Islands. Mahalo, David Castellano Film Maker www.CastellanoMedia.com

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

I am writing to express my support for ***DBEDT's Creative Lab Hawaii Program additional funding for FY17 which will provide matching funds necessary to also support the CL Federal grants.*** *I had the opportunity to benefit from the mentoring by industry leaders and am embarking on my year-long mentoring program through the Creative Lab Hawaii Program. This program has changed my life. Only because of this program I have been able to be mentored by some of the top people in the business. Because of the Creative Lab Hawaii program, I am now confident that I will make my feature film "Da Beer Can Hat" (based on the short story by Darrell Lum). Please allow this important program to continue so that we can make Hawaii a thriving film making hub and tell Hawaii's stories to the world.*

Thank You,
Denny Hironaga
A Current Creative Lab Hawaii Program participant.

I am writing to express my support for **DBEDT's Creative Lab Hawaii Program additional funding for FY17 which will provide matching funds necessary to also support the CL Federal grants.**

I recently had the opportunity to attend a Creative Lab Ideation seminar and to benefit from mentoring by top industry professionals in film, production, writing and publishing. The mentors were inspirational and informational, just the thing needed to spur more creative activity and help local talent move forward. They also helped engender a spirit among the local talent at the seminar to continue to communicate and encourage each other to build a supportive creative community.

There are a number of reasons this program is important for Hawaii. It helps develop local talent who are already or eventually will contribute to the local economy with creative output and products and also employ others. The program also draws on top industry leaders who come to mentor and who, through their experience in Hawaii, may find or bring projects they want to produce here, again creating jobs and opportunities for local people.

I ask that you support the continuance of this important program.

Sincerely,

Gaellen Quinn

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: okazakig@gmail.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Thursday, March 31, 2016 12:25:40 PM

HB1700
Submitted on: 3/31/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Grant Okazaki	Individual	Support	No

Comments: There are few statewide resources available for entrepreneurs looking to extend their ideas beyond the classroom. The Sandbox provides an easy entry point for innovators looking to collaborate, ideate, and rapid prototype new ideas. We support the project as part of HTDC's 80/80 initiative, creating 80,000 tech and innovation jobs paying $80,000 or more by 2030.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

Testimony of John Williamson

Senate Committee on Ways and Means
Tuesday, April 5, 2016, 9:00 a.m.
State Capitol, Conference Room 211

HB1700 HD1
RELATING TO THE STATE BUDGET.

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee on Ways and Means.

I am respectfully submitting testimony **offering comments** requesting that the Capital Improvement Project **(CIP) for HTDC's Entrepreneurs Sandbox be restored** to the original $3 million requested in HB1700 (BED 143).

My daughter, like many young people locally, is interested in pursuing a career in technology. Unfortunately, the opportunities are currently limited for our kids to collaborate creatively with others with similar interests at a facility where entrepreneurial efforts are encouraged and where they will gain exposure to innovation and technology in a wide range of applications. At present only students who go to a school like Iolani, which has the Sullivan Center, an innovation hub with a maker space, have the opportunity to enter Hawaii's technological ecosystem at a high level.

Cities and states generating a large number of start-up companies, many of which are headed by millennials, have established venues, like the Sandbox, through public-private partnerships to create an environment that enables talented, innovative people to learn from each other, combine their individual skills and develop the concepts and products that are the foundation for start-up companies.

If we want our young people to stay here after they graduate from high school and college, we need to provide them with opportunities to pursue their interests and dreams and by doing so help build a local innovation economy. The proposed Sandbox project would be a huge step in that direction.

The Sandbox was conceived as a community innovation center that provides interactive learning for all ages encouraging creativity, entrepreneurship, and formation of new technology companies. The facility will house creative spaces such as makery and a digital media and production studio. The project is over 60% funded by federal and private sources providing good value for the State.

We desperately need more statewide resources for entrepreneurs looking to extend their ideas beyond the classroom. The Sandbox provides an easy entry point for innovators looking to collaborate, ideate, and rapid prototype new ideas. I support the project as part of HTDC's 80/80 initiative, creating 80,000 tech and innovation jobs paying $80,000 or more by 2030.

HTDC has helped me expand my knowledge of the technology and innovation sector and enabled me to grow with the changing landscape of the Hawaii's technology sector.

Thank you for the opportunity to offer testimony on this important but relatively modest appropriation.

Marya Grambs
140 Kaelepulu Drive
Kailua, HI 96734
808.778.9178.
mgrambs@hotmail.com

TESTIMONY RE: HB 1700 HD1: RELATING TO THE STATE BUDGET

- ***In support of <u>BED 160 – HHFDC: Rental Houusing Revolving Fund, and Alder Street Project</u>***

TO: Senator Jill N. Tokuda, Chair; Senator Donovan M. Dela Cruz, Vice Chair; and Members, Committee on Ways and Means
FROM: Betty Lou Larson, Legislative Liaison, Catholic Charities Hawai'i
Hearing: Tuesday, April 5, 2016; 9:00 AM; CR 211

Thank you for the opportunity to provide testimony **in strong support of BED 160 HD1**, to allocate $75 million to the Rental Housing Revolving Fund (RHRF), and $15 million for the construction of the Alder Street Project.

I am Marya Grambs. I am a member of the Board of Directors of PHOCUSED and a member of Partners in Care.

I am writing you in support of a **$75 million allocation to the Rental Housing Revolving Fund**. Hawaii has the most expensive housing in the nation—twice the nation average. Rents have increased 65% over the past 10 years. Hawaii also has the highest rate of homelessness per capita of the US states. The Rental Housing Revolving Fund (RHRF) has successfully enabled public private partnerships to create 5,673 units of affordable rental housing. Projects have been created across the State of Hawaii. The RHRF is an effective tool that not only provides gap equity to make projects feasible, but also promotes leveraging these funds with other available resources. At least 22,500 new affordable rental units are needed by 2026. The proposed $75 million would be a significant commitment by the Legislature and State to create much needed affordable rentals.

The **$15 million allocation to the Alder Street Project** would also result in the <u>construction of 180 units of rental housing, designated for families</u>. It is in an ideal location with no roadblocks from sewer or water issues (that may be issues for other sites). Not only are these family rentals of high importance, at-risk youth can be served in a more timely fashion. This project would be the first joint TOD State project to be developed. It could be a model for TOD initiatives by the State. It is imperative for State entities to start working together to create affordable housing opportunities within TOD areas. This $15 million for the Judciary's share of the project will result in the redevelopment of underutilized state land into a mixed-use development that will help to address the State's affordable rental housing and juvenile justice needs. HHFDC stands ready to initiative a RFP for Phase One of this combined project, but it cannot move forward without the funding for the juvenile justice segment of the construction.

The Key to ending homelessness and providing a decent life for many Hawaii citizens is building up the supply of affordable rental units. We urge your support for these budget items.

April 4, 2016

Statement of
McKay Davis
Entrepreneur
Computer Programmer
Code for Hawaii Delivery Lead
*Startup Weekend Honolulu Organize*r

Testimony Presented Before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016 at 9:00 am
State Capitol, Conference Room 211

In Consideration of
HB 1700 HD 1 – Relating to the State Budget, In Relation to BED 145

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

I respectfully **offer comments on** HB 1700 HD1 regarding the request by the Department of Business, Economic Development and Tourism (DBEDT) for BED 145. **I request that the $5,000,000 budget appropriation to fund HSDC's HI Growth Initiative be restored** as requested in the Governor's budget.

I offer my **strong support** for the HI Growth Initiative budget request.

The HI Growth Initiative has historically offered essential support for the local technology startup community through its sponsorship of events such as: Startup Weekend, The East Meets West Conference, Maui Tech Night, and more. HI Growth's investments in accelerators and venture capital firms such as Blue Startups, XLR8UH, Hawaii Startup Capital Ventures, and mBloom are an essential component needed foster Hawaii's nascent technology startup ecosystem.

I believe this reduction in the funding for HiGrowth will be extremely detrimental to economic development and high technology within the state of Hawaii.

A recent report from UHERO documents that HSDC's HI Growth Initiative has a nearly 12-fold multiplier in attracting private investment for each dollar invested by the state. *Initiatives such as this are an essential and cost-effective way to spur the growth of Hawaii's Innovation Economy.*

Our innovation economy is off to a great start and we need to keep up the momentum to reach critical mass. Today, Hawaii has five nationally recognized Hawaii-based accelerator programs, launching over 40 innovation and tech companies each year; a leading research institution in the University of Hawaii; world-class R&D firms and scientists; financing across globally competitive industries including scalable tech, creative media and clean tech; coworking facilities and incubators and coding bootcamps teaching fundamental workforce skills necessary to support the growing number of businesses in today's digital economy.

I humbly ask for the Legislature's continued support to grow our innovation economy and keep Hawaii on the national map for tech startups and investment.

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

Written Statement of

McKay H Davis
Entrepreneur
Computer Programmer
Code for Hawaii Delivery Lead
Startup Weekend Honolulu Organizer

before the
Senate Committee on Ways and Means
Tuesday, April 5, 2016
9:00 a.m.
State Capitol, Conference Room 211

In consideration of
HB1700 HD1
RELATING TO THE STATE BUDGET.

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee on Ways and Means.

I respectfully submit testimony **offering comments** requesting that the Capital Improvement Project **(CIP) for HTDC's Entrepreneurs Sandbox be restored to the original $3 MM requested in HB1700 (BED 143).**

I am a member of HICapacity, Unconferenz organizer, Startup Weekend Nov 2015 committee member, Code for Hawaii Delivery Lead, multiple local hackathon participant, developer on contract for local startups, and general entrepreneur.

HTDC's Entrepreneur's Sandbox project is an essential capital improvement plan (CIP) that will serve to host the burgeoning gatherings the local tech sector holds. *Events such as Startup Weekend, VC pitch competitions, technical discussions, Code for Hawaii meetups, hackathons, and other technology related meetings serve to network people, spread knowledge, and develop innovative new businesses.*

I know from experience at these events that, as our community continues to grow, we desperately need more suitable facilities. Facilities such as the proposed Entrepreneurs Sandbox will help fill this need by providing access to high-speed networks, a makerspace, collaborative working spaces, video production facilities, and meeting rooms for the entire local tech community.

The Sandbox is a community innovation center that provides interactive learning for all ages encouraging creativity, entrepreneurship, and formation of new technology companies. The project is over 60% funded by federal and private sources providing good value for the State.

There are few statewide resources available for entrepreneurs looking to extend their ideas beyond the classroom. The Sandbox provides an easy entry point for innovators looking to collaborate, ideate, and rapid prototype new ideas. I support the project as part of HTDC's 80/80 initiative, creating 80,000 tech and innovation jobs paying $80,000 or more by 2030.

HTDC has helped past employers of mine via low-cost tech incubation at MIC and SBIR matching funds. HTDC has also been a valuable partner to organiziations I currently participate in, such as: Code for Hawaii, Startup Weekend Honolulu, and HiCapacity. They have provided grants to host events, planning facilities, organzational support and given countless out-of-work volunteer hours from their dedicated staff. In my personal experience over the last two years, HTDC has assisted over 30 events totalling 2,000+ attendees, 100+ computer programming projects, and 50+ sponsor companies which have helped spawn the creation of over 20 new companies that have received over $5,000,000 in private investment. I firmly endorse HTDC as an an organization that supports and fosters technology development in Hawaii through continual efforts on all fronts.

Thank you for the opportunity to offer testimony on this bill.

Aloha All,

I am writing to express my support for **DBEDT's Creative Lab Hawaii Program additional funding for FY17 which will provide matching funds necessary to also support the CL Federal grants.** I, Rex Moribe had the opportunity to benefit from the mentoring by industry leaders like Michael Andres Palmieri, Leo Chu and Erica Garcia from the Writers Guild of America. I am currently embarking on my year-long mentoring program through the Creative Lab Hawaii Program and is excited to show my mentors and the State how far I can go with my writing career in this program.

Being part of such a unique intense creative environment has reinvigorated my passion for writing and directing. Before discovering Creative Labs, I spent a year by myself in Kakaako filming a homeless family making a documentary named "Dear Thalia" which premiered at the Hawaii International Film Festival 2015. With the new tools, group members, and mentors, I have gained through the program, I am eagerly excited to film my TV pilot by September to pitch to Hollywood at the end of 2016 in hopes it's picked up as TV series, which would than create more jobs for Hawaii.

It's no longer a question of how stories will be told, but when it will be told, and the time is now. If you look at the growth of Downtown because of First Friday and Kakaako because of Pow Wow Hawaii, though these are not Creative Labs, this formula proves how much business can be created by the Arts. Art is a form of escape and growth for a human being, from my personal experience spending time with the homeless; many children escaped their worlds with Arts. What better ways to inspire children by showing them local people are becoming successful because of the Arts. Lastly, I am confident Georja Skinner and her team will stretch every dollar and empower/encourage all current, past, and new Creative Labs Students to further their careers. I am internally grateful to be part of this amazing program.

Mahalo,

Rex Moribe

Rich Figel
801 Kainui Drive
Kailua, HI 96734-2025

Phone: (808) 262-5073

Email: richfigel@gmail.com

April 1, 2016

Re: HB 1700 HD 1

As a recent participant in the Creative Lab Hawaii Program for screenwriters, I am writing in support for DBEDT's additional funding for fiscal year 2017 to continue this valuable resource for creative entrepreneurs. I am an award-winning screenwriter and have optioned scripts to Hollywood producers, but those projects never came to fruition – in part, because I lacked the kind of knowledge and contacts that CLH is now offering to local writers and filmmakers.

In the past, it was nearly impossible for people in Hawaii to get their TV and movie projects noticed by agents and producers based in Los Angeles. I can tell you firsthand that CLH has given me the opportunity to meet accomplished Hollywood screenwriters and learn from industry professionals. Their mentorship and feedback can make a tremendous difference for writers like myself. And that can translate to real benefits to Hawaii's economy if any of our TV or film projects set in Hawaii get the greenlight for production.

Too often, Hawaii residents complain about the way our islands and culture are portrayed by Hollywood. CLH is helping to nurture authentic voices and talent that can tell our stories the way they should be told: by people who live here or have demonstrated a desire to share their love for Hawaii with the world.

I only wish this program had existed years ago. It might have helped me get some of my prior scripts to the next level – and those were movie projects set in Hawaii that could have created hundreds of jobs to the islands. Thanks for your time and consideration.

Aloha,
Rich Figel

Producer/Writer
www.CareerChangers.TV

DAVID Y. IGE
GOVERNOR

WESLEY K. MACHIDA
DIRECTOR

RODERICK K. BECKER
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

TESTIMONY BY WESLEY K. MACHIDA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON
HOUSE BILL NO. 1700 H.D.1

April 5, 2016
9:00 a.m.

RELATING TO THE STATE BUDGET

Chair Tokuda and members of the Committee, thank you for the opportunity to testify on H.B. 1700 H.D.1 which adjusts the Executive Branch operating and capital improvement appropriations for Fiscal Biennium 2015-2017.

The Department of Budget and Finance (B&F) strongly supports H.B. 1700, the Executive Supplemental Budget submittal. The departmental requests include: necessary adjustments to our fixed cost payments (debt service, employer retirement benefit payments, and employer health premium payments) and funds to support mission critical needs of our departmental programs and attached agencies.

We are very appreciative of the House for their support of most of our FY 2017 Supplemental Budget requests however the B&F stands by its impact statements and concerns that were transmitted to the Senate Ways and Means Committee dated, March 24, 2016 as it pertains to the budget adjustments which are contained in H.B. 1700 H.D.1.

We are particularly concerned regarding the following H.D. 1 adjustments:

PROGRAM ID: BUF 101

Sequence #101-900 - House reduced $600,000 in general funds for FY 2017 relating to our request for a new budget report writing system.

Impact Statement: This House reduction will mean that the B&F will not be able to fully integrate temporary position information into the various budget documents specified in Chapter 37, HRS. Specifically, B&F will not be able to display temporary position counts as an integral part of the following:

- Program and financial plan document;
- Supplemental budget document;
- Variance report; and
- Budget Bill

As background Act 160, SLH 2015 made various amendments to Chapter 37 that in essence requires an integral presentation of temporary position counts in the above mentioned budget documents. Act 160 requires that temporary position counts be reflected in budget documents submitted during the 2017 Legislative Session. Without the requested funding to hire a consultant to develop a new budget writing system, we will only be able to provide permanent and temporary counts by program ID and Means

of Financing on an ad hoc basis that is not integrated with the above mentioned documents.

Sequence #1001-001 – House reduced (10) permanent positions and general funds for FY 17.

Impact Statement: The positons that are identified in the H.D.1 for this reduction are actually budgeted temporary positions and are not permanent positions. These temporary positions are intended to support the government financial system. The reduction will hamper efforts to improve critical and outdated IT systems. If the reduction in these temporary positions is deemed necessary, we respectfully ask for a correction to our permanent position counts for the BUF 101 program. If the department is forced to reduce 10 permanent counts from the BUF 101 program this will require the termination and reduction in force of 10 filled positions and this will result in an immediate, severe, and irreversible disruption of the core B&F operations and functions.

Sequence #1000-001 – House reduces $142,500 in general funds from other current expenses.

Impact Statement: This reduction in other current expenses appears to be intended to require departments to fund their own Office 365 annual recurring licensing costs. This will result in a substantial unplanned increase in on-going operating costs that is being cost shifted from the ETS to the departments. The practical effect of this adjustment will

be these unplanned annual licensing cost requirements will need to be allocated to each of our departmental programs and attached agencies based on their actual user licensing requirements. Absorbing the additional licensing costs will be problematic. For example, programs that have limited other current expense budgets but who have large staffing requirements may need to severely curtail other operational expenditures in order to meet their share of these annual licensing costs which currently is based on an annual cost of $250/per user license.

Program ID: BUF 761

Sequence #100-001 – House does not concur with the Supplemental Budget request for $163,875,000 in general funds for Other Post-Employment Benefits (OPEB) costs.

Impact Statement: The State of Hawaii, in accordance with Act 268, SLH2013, shall pay the phased-in requirement of 60% of the annual required contribution (ARC) for OPEB for the fiscal year 2017, which includes the normal cost and amortized unfunded actuarial accrued liability over a 30-year period. The Governor submitted his fiscal year 2017 supplemental budget that included an additional 40% of the annual required contribution amounting to $163,875,000.

In its recently issued 2015 Actuarial Valuation Report for the Hawaii Employer-Union Health Benefits Trust Fund, the State of Hawaii has a funded ratio of 2.4% or an unfunded actuarial accrued liability ratio of 97.6% or $9.066 billion for its OPEB. Any amounts funded to OPEB is estimated to double in 10 years as determined by the

Actuary. The Actuary, Gabriel, Roeder, Smith & Company had reported that funding the 40% or $163,875,000 is estimated to reduce future general fund contributions by about $549 million over the next 25 years or between $9 million through $32 million per year. Given the escalating contribution payments in the next 25 years from $700 million to over $2 billion in general funds to pay OPEB, it is imperative that the large unfunded liability and high contribution requirements continue to be addressed so as not to harm future budgets (and future generations of taxpayers) by reducing services to meet the OPEB contribution requirements.

Furthermore, in a March 2016 report issued by Standard & Poor's Rating Services (S&P) in connection with the State of Hawaii's $525 million competitive general obligation bond sale, S&P increased the outlook on Hawaii's rating from stable to positive. In its report, S&P states that the State of Hawaii's good rating is based on "the prioritizing of contributions to the retiree health care benefits system, resulting in a lowering of actuarial estimates of the state's long term liability," along with 5 other reasons. However, reductions or negative changes to the funded ratio levels for the pension and health care benefits systems will likely influence the direction of the state's rating and outlook. According to the State's underwriter, any reduction to the State's rating and/or outlook will have an impact in its ability to maximize coupon rates and reduce total interest costs on its bond sales. The reduction in rating and/or outlook will cost the State millions of dollars in additional debt service payments to investors.

Budget Proviso Section 33 is repealed in the H.D.1

This budget proviso relates to the 10 temporary positions that are budgeted in the BUF 101 – Departmental Administration and Budget Division program which are intended to provide backfill positions to the various Departments for permanent staff who are deployed to support the State's Enterprise Technology Services (ETS) on the Enterprise Resource Plan (ERP) efforts. The Executive Supplemental Budget submittal BUF-01 (16) proposed an amendment to this proviso in order to re-purpose these 10 temporary positons to support the government financial system project, which includes payroll, time and attendance, a new accounting system and budgeting instead of the Enterprise Resource Planning project (ERP).

Comments: The Department respectfully requests support of the 10 temporary positions, funding, and the proviso language as contained in the Executive Supplemental Budget submittal, BUF-01 (16) and introduced as H.B. 1700.

Budget Proviso Section 33.1 is added in the H.D.1

This new proviso stipulates that the sum of $309,897 or so much thereof as may be necessary for fiscal year 2017 shall be expended for the purpose of accrued vacation payments for all employees leaving the employ of the Department of Budget and Finance.

Comments: While the Department appreciates the additional funds and understands the intent of providing additional resources to the departments to assist them in dealing

with the operational impacts that are created by sometimes substantial and unpredictable vacation payout requirements, we are concerned about the implementation, reporting, control, and operational details at the departmental level that this may entail.

Budget Proviso Section 44

The H.D.1 proviso that specifies the funding levels for the BUF 761 Health Premium Payments (State) of $163,615,000 for FY 16 and $245,812,000 for FY 17.

Comments: The Department prefers the funding level of $409,687,000 for FY 17 as reflected in the proviso language in the Executive Supplemental Budget submittal, BUF-01 (16) and introduced as H.B. 1700 because it includes the amounts as requested for FY 17 to fund the Other Post-Employment Benefits (OPEB) requirements.

CAPITAL IMPROVEMENT PROJECTS

Item No. K-2 – State Educational Facilities Improvement Fund, Statewide – The H.D. 1 reflects $25,396,000 for FY 17 which is $100,000,000 less than the Executive Supplemental Budget request for this appropriation. The Department respectfully requests the funding level of $125,396,000 for FY 17 as reflected in the Executive Supplemental Budget request.

Impact Statement: We are unable to ascertain why the House has made this cut. The SEFI G.O. bond appropriation is the source of funding for the Department of

Education's SEFI (special funded) CIP projects. The DOE has many contracts that are encumbered but have not yet been paid, hence the requested $123,396,000 SEFI G.O. bond authorization requested for FY 17 is necessary to support the DOE's outstanding SEFI projects from prior fiscal years.

Item No. K-2.01 Land Acquisition Fund, Statewide – The H.D.1 adds a CIP appropriation of $200,000,000 in general funds for a Land Acquisition Contingency Fund and has designated the Department of Budget and Finance as the expending agency. This appropriation was not requested in the FY 17 Executive Supplemental Budget submittal to the 2016 Legislature.

Impact Statement: We are not clear in regards to the purpose and need for this H.D.1 addition of $200,000,000 in general funds for a Land Acquisition Contingency Fund.

Finally, the Department respectfully requests that the following items that were submitted in the Governor's Message No. 10 to be considered and included in the measure as they reflect minus adjustments to the FY 17 funding levels for the State Employer Health Premium requirements to reflect actual health premium amounts for active employees based on health premiums rates that were recently approved by the Hawaii Employer-Union Health Benefits Trust Fund (EUTF). The Governor's Message also requests the addition of 1.00 permanent positon and funds for a Benefits Compliance Audit Specialist which is needed to expand the EUTF's compliance and claims audit capabilities as this will directly impact upon and generate savings for both

the employers and employees through lower future insurance premiums. The Governor's Message items that directly pertains to our department are further detailed as follows:

B&F – Health Premium Payments – State (BUF 761/ST)

Reduces $793,740 in general funds in FY 17 to reflect actual health premium amounts for actives based on the rates approved by the Hawaii Employer-Union Health Benefits Trust Fund's (EUTF) Board of Directors on January 21, 2016.

B&F – Health Premium Payments – DOE (BUF 765/LE)

Reduces $5,081,249 in general funds in FY 17 to reflect actual health premium amounts for actives based on the rates approved by the EUTF's Board of Directors on January 21, 2016.

B&F – Health Premium Payments – UH (BUF 768/HE)

Reduces $327,412 in general funds in FY 17 to reflect actual health premium amounts for actives based on the rates approved by the EUTF's Board of Directors on January 21, 2016.

B&F – Health Premium Payments

Amends related proviso, Section 45 of Act 119, SLH 2015, to update revised funding requirements for health premiums for BUF 761/ST, BUF 765/LE and BUF 768/HE.

B&F – Hawaii Employer-Union Health Benefits Trust Fund (BUF 143/EU)

Adds 1.00 permanent position and $44,559 in trust funds in FY 17 for a Benefits Compliance Audit Specialist. The position will be responsible for compliance audits along with managing claims audits performed by third parties to expand the EUTF's audit capabilities and create savings for employers and employees.

The continued support of the Legislature in the budget and other key legislation is very much appreciated and we stand ready to work with the Committee in their review of the specifics of the adjustments that have been requested by the B&F.

Thank you again for the opportunity to present testimony on this important measure.

DAVID Y. IGE
GOVERNOR

SHAN S. TSUTSUI
LT. GOVERNOR

STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
335 MERCHANT STREET, ROOM 310
P.O. Box 541
HONOLULU, HAWAII 96809
Phone Number: 586-2850
Fax Number: 586-2856
cca.hawaii.gov

CATHERINE P. AWAKUNI COLÓN
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI
DEPUTY DIRECTOR

PRESENTATION OF THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

TO THE SENATE COMMITTEE ON
WAYS AND MEANS

TWENTY-EIGHTH LEGISLATURE
Regular Session of 2016
Tuesday, April 5, 2016
9:00 a.m.

TESTIMONY ON HOUSE BILL NO. 1700, H.D. 1, RELATING TO THE STATE BUDGET.

TO THE HONORABLE JILL N. TOKUDA, CHAIR,
AND MEMBERS OF THE COMMITTEE:

My name is Catherine Awakuni Colón, Director of the Department of Commerce and Consumer Affairs ("DCCA" or the "Department"). The Department appreciates the opportunity to provide testimony in support of House Bill No. 1700, H.D. 1 and requests adjustments to provide adequate funding for the Department to operate during the 2017 fiscal year ("FY").

DCCA is the state agency responsible for promoting a strong and healthy business environment by upholding fairness and public confidence in the marketplace, and by increasing knowledge and opportunity for Hawaii's businesses and citizens. The Department is supported almost exclusively by special funds assessed on those

individuals and entities regulated by the Department's multiple divisions and programs. In order to provide adequate resources to the Department and its various functions during FY 17, we ask the Committee's favorable consideration of the following adjustment items.

First, the Department respectfully requests this Committee to adjust House Bill No. 1700, H.D. 1 to restore the two appropriation amounts listed below that will support the Department's technology modernization efforts (i.e., acquisition of Microsoft Office 365 licenses).

- CCA 191: Sequence No.1000-001. House adjustment – Reduce special fund ceiling by $150,000 in FY 17 for other current expenses.
- CCA 901: Sequence No.1000-001. House adjustment – Reduce special fund ceiling by $15,000 in FY 17 for other current expenses.

Next, the Department respectfully requests that the following two House adjustments be deleted from House Bill No. 1700, H.D. 1 as it moves forward.

- CCA 191: Sequence No.1001-001. House adjustment – Transfer-in 3 positions and $316,495 for FY 17 from the Public Utilities Commission ("PUC") (CCA 901) to General Support (CCA 191).
- CCA 901: Sequence No.1001-001. House adjustment – Transfer-out 3 positions and $316,495 for FY 17 from PUC (CCA 901) to General Support (CCA 191).

The transfer of these three important positions from the PUC to DCCA would greatly compromise PUC's progress towards addressing the need for improved operational efficiency and greater administrative independence, as envisioned by Act 108, Session Laws of Hawaii 2014. The Department's impact statements submitted to this Committee concerning the House adjustments in House Bill No. 1700, H.D. 1 also provide additional information for the Committee's consideration regarding administrative support for the PUC.

Additionally, the Department would appreciate the opportunity to continue to work with the Committee in reviewing the specifics of the following House adjustment.

- CCA 112: Sequence No. 1000-001. House adjustment – Add 5 temporary positions and $1 in FY 17 for the DCCA Regulated Industries Complaints Office ("RICO").

This budget adjustment is similar to the provisions of House Bill No. 1627, H.D. 3, S.D. 1, relating to medical investigations by the Regulated Industries Complaints Office ("H.B. No. 1627"). The Department has estimated the annual cost for the five positions as $562,650, which would cover personnel and other related costs for the addition of four field investigators and one staff attorney. As H.B. No. 1627 continues to move through the legislative session, the Department is available to provide any information the Committee may need to ensure appropriate implementation.

Finally, the Department respectfully requests this Committee's favorable consideration of each of the remaining items in the Governor's supplemental budget for the Department included in House Bill No. 1700, H.D. 1.

Thank you for the opportunity to provide testimony on this measure. I will be happy to answer any questions the members of the Committee may have.

TESTIMONY OF RANDY IWASE
CHAIR, PUBLIC UTILITIES COMMISSION
STATE OF HAWAII
TO THE
SENATE COMMITTEE ON
WAYS AND MEANS

April 5, 2016
9:00 a.m.

MEASURE: H.B. No. 1700, H.D. 1
TITLE: Relating to the State Budget

Chair Tokuda and Members of the Committee:

DESCRIPTION:

This measure adjusts and appropriates funds for the operating and capital improvement budget of the Executive Branch of the State for Fiscal Biennium 2015-2017. The amounts to be expended from the Public Utilities Commission Special Fund ("PUC Special Fund") under section 269-33, Hawaii Revised Statutes ("HRS") are appropriated through this measure.

POSITION:

The Commission supports the following adjustments to the Commission's operating budget (CCA 901) proposed in the H.D. 1 of this measure:

- Sequence No. 100-001 Increase PUC Special Fund ceiling by $304,889 to fully cover payment of the Department of Commerce and Consumer Affair's ("DCCA") Administrative Expense Assessment for FY 2016-17 as required by HRS § 36-30 and HRS § 269-33.

- Sequence No. 101-001 Increase PUC Special Fund ceiling $430,102 to cover the State's fringe benefit assessment rate increase to 52% and for Collective Bargaining ("CB") increases for the Division of Consumer Advocacy ("DCA").

- Sequence No. 102-900 Increase PUC Special Fund ceiling $15,000 to cover Microsoft Office 365 Licenses.

The Commission opposes the following adjustments to the Commission's operating budget (CCA 901) proposed in the H.D. 1 of this measure:

- Sequence No. 1001-001 Reduce PUC Special Fund ceiling by $316,495 to transfer (3) positions and funds from the Commission to the Department of Commerce and Consumer Affairs.

- Sequence No. 1000-001 Reduce PUC Special Fund ceiling by $15,000 "for other current expenses."

COMMENTS:

The H.D. 1 of this measure proposes three critical adjustments that will have significant impact on the Commission's efforts to effectively complete its statutory duties and regulatory responsibilities. The Commission's position on these three critical adjustments are discussed below:

The Commission supports Sequence No. 100-001 which increases the PUC Special Fund ceiling by $304,889 to fully cover payment of the DCCA's Administrative Expense Assessment for FY 2016-17 as required by HRS § 36-30 and HRS § 269-33.

HRS § 36-30 and HRS § 269-33 provide that the Commission is responsible for its pro rata share of administrative expenses incurred by DCCA. The Commission's pro rata share of costs incurred by DCCA to fulfill DCCA's oversight and administrative support functions were calculated to be $604,889 for FY 2016-17. However, Act 119, SLH 2015 approved only $300,000 to meet this assessment for FY 2016-17 leaving the PUC Special Fund ceiling $304,889 short. Therefore, the Commission requests a PUC Special Fund ceiling increase of $304,889 in order to fully cover DCCA's administrative expenses assessment for FY 2016-17 as required by HRS § 36-30 and HRS § 269-33. Denial of this request will leave the Commission significantly short of amounts necessary to meet a statutory financial obligation and may negatively impact the effective administrative operation of the Commission.

The Commission <u>supports</u> Sequence No. 101-001 which increases the PUC Special Fund ceiling by $430,102 to cover increases for the State's fringe benefit assessment rate increase to 52% and for CB increases for DCA.

Under HRS § 269-33, the Commission Special Fund is to be used to cover DCA's expenses in the administration of chapters 269, 271, 271G, 269E, and 468J. This $430,102 request will cover additional DCA expenses resulting from the State's fringe benefit increase to 52% that was effective in FY 2015-16 and the CB adjustments for BU 03 and BU 13. Denial of this request will leave the PUC significantly short of amounts necessary to meet a statutory financial obligation and may negatively impact the effective administrative operations of both the Commission and DCA.

The Commission <u>strongly opposes</u> Sequence No. 1001-001 which reduces the PUC Special Fund ceiling by $316,495 to transfer three (3) positions and funds from the Commission to the Department of Commerce and Consumer Affairs.

Sequence No. 1001-001 transfers three important positions from the Public Utilities Commission to DCCA. These positions are the Commission's Executive Officer, a personnel officer, and a fiscal officer. The transfer of these three positions from the Commission to DCCA greatly compromises the Commission's progress towards addressing the need for improved operational efficiency and independence, as recognized by Act 108, SLH 2014 ("Act 108").

Act 108 found that the Commission "is undergoing a major transition due to increased work complexity and program responsibilities, particularly in the area of energy regulation." The purpose of Act 108 was, in part, to "adequately support the mission of the public utilities commission, ensure the efficient operation of the public utilities commission, [. . .] and ensure that important decisions relating to public utilities continue to be made in the public interest[.]" To meet this purpose, Act 108, in part:

(1) Transferred the administrative placement of the Public Utilities Commission from the Department of Budget and Finance ("DBF") to DCCA "subject to certain limitations on the oversight and administrative support role of the department of commerce and consumer affairs";

(2) Clarified that notwithstanding section 26-35, HRS, the Public Utilities Commission "has authority concerning standard administrative practices, including [. . .] the hiring of personnel";

(3) Authorized the Public Utilities Commission chairperson "to appoint, employ, and dismiss an executive officer to manage the operations of the commission"; and

(4) Authorized the Public Utilities Commission chairperson to "appoint, employ, and dismiss a fiscal officer and a personnel officer to further support the administrative activities of the commission and fulfill the administrative support functions formerly provided by the department of budget and finance[.]"

The Commission recently underwent a reorganization based on the provisions of Act 108 and has been operating with the support of all three Act 108 positions since 2015. The three Act 108 positions are key pieces of this reorganization. For example, the Commission's Executive Officer is intimately involved with the Commission's day-to-day operations including overseeing the management and recruitment of personnel, budget planning and implementation, strategic planning and implementation, procurement and contract administration, and implementation of administrative programs and projects. More importantly, the Commission's Executive Officer enables the chairperson to focus on the growing number and increasing technical complexity of issues brought before the Commission. The Executive Officer would not be able to continue to perform these duties on behalf of the Commission if this position were no longer under the authority of the Commission.

Act 108 also reaffirmed that, in the transfer of the Public Utilities Commission from DBF to DCCA, the Commission's status as an *administratively attached agency* would be maintained along with certain limitations on the department's oversight role. By transferring these three key positions from the Public Utilities Commission to DCCA, the Commission's ability to operate as an impartial quasi-judicial entity with limited oversight would be compromised. Moreover, the House language conflicts with Act 108's designation of the Public Utilities Commission chairperson as the appointing authority for these three positions.

Ultimately, if the House language is adopted, the negative impacts on Commission operations would be widespread. The Commission's internal management capacity would be severely weakened, the Commission's ability to operate independently would

be greatly compromised, and the Commission would almost certainly have to undergo the time and resource-consuming administrative planning and reorganizational process again.

The Commission respectfully requests this Committee's concurrence with the Commission's position regarding these adjustments to the PUC Special Fund appropriations. Thank you for the opportunity to testify on this measure.

STATE OF HAWAII
DEPARTMENT OF DEFENSE

TESTIMONY ON HOUSE BILL 1700 HD1
A BILL RELATING TO THE STATE BUDGET

PRESENTATION TO
THE SENATE COMMITTEE ON WAYS AND MEANS

BY

MAJOR GENERAL ARTHUR LOGAN
ADJUTANT GENERAL
AND DIRECTOR OF STATE EMERGENCY MANAGEMENT AGENCY
April 45, 2016

Chair Tokuda, Vice Chair Dela Cruz and the Members of the Senate Committee on Ways and Means:

I am Major General Arthur Logan, Adjutant General and Director of the State Emergency Management Agency. I am providing written testimony for House Bill 1700 HD 1.

Funding from House Bill 1700 HD 1 will allow the State Department of Defense to continue providing needed services to the general public, provide more timely services to our veterans, and improved facilities for our at-risk youth.

However, the reduction of certain areas will greatly inhibit our ability to provide the services that are needed or may be a segue to a health and safety risk.

DEF112 Office of Veteran Services SEQ# 100-001
Eliminating $733,400 A and $1,636,720 P will cripple OVS with a 52.1% reduction in operating budget. The loss of matching funds from the State would lower our priority for Federal funds from the VA. Operational controls would eliminate neighbor island travel which would have a deep impact especially for Lanai and Molokai where we do not have on-island outreach. Further operational control will cause delays or worse yet denial of burial services for our veterans.

DEF112 Office of Veteran Services SEQ# 1000-001
The addition of the burial service equipment did not include a hearse to complete the needed equipment to perform the burial service. The seven (7) positions should be transferred to DEF100 to consolidate the workers under a single entity for better management, economies of scale, expertise, efficiency and operational flexibility.

DEF110 SEQ# 105-001 Repair and Maintenance
The five (5) repair and maintenance projects have been deferred multiple time and the delays are potential health and safety issues for our employees and others. Further delays will increase the cost to repair with potential additional costs to mitigate.

DEF110 SEQ# 112-001 Accountant III
Increasing the number of federal grants for Homeland Security, Cybersecurity and Port Security has compounded the workload for the only general fund accountant who is also responsible for the audit, reconciliation and general supervision of the fiscal office. The work is supplemented consistently with overtime, which is managerially a bad practice.

DEF110 SEQ# 108-900 Information Technology (IT) Specialist
Except for the CIO position, DEF does not have an IT professional for support and have depended upon the "techie" person in their area to provide immediate but low level support. As technology grows in complication, a trained support specialist is crucial for the continued operation of the department.

DEF110 SEQ# 1000-001 Office 365 reduction
The cost to operate Office 365 was in support of the State's technology initiative. The cost to operate our own email server is approximately $60,000 per year. Additional licenses would have to be purchased for SPAM, mail filter, Office 2013 or Office Suite, along with other items needed for a safe, secure and yet responsive system.

The department supports the Governor's Executive Budget, incorporated with the House Committee on Finance concurred items. The above items are of high priority to the department with further details in our Impact Statement submitted earlier.

Thank you for the opportunity to provide written testimony for House Bill 1700 HD 1.

DAVID Y. IGE
GOVERNOR

KATHRYN S. MATAYOSHI
SUPERINTENDENT

STATE OF HAWAI`I
DEPARTMENT OF EDUCATION
P.O. BOX 2360
HONOLULU, HAWAI`I 96804

Date: 04/05/2016
Time: 09:00 AM
Location: 211
Committee: Senate Ways and Means

Department: Education

Person Testifying: Kathryn S. Matayoshi, Superintendent of Education

Title of Bill: HB 1700, HD1 RELATING TO THE STATE BUDGET.

Purpose of Bill: To adjust and request appropriations for Fiscal Biennium 2015-17 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

Department's Position:
The Department of Education (Department) strongly **supports** this measure to appropriate funds for the operating and capital improvement needs of the public school system.

The Department's general fund appropriation per Act 119, SLH 2015 are:
- $1,530,655,758 (current year, FY2015-16); and
- $1,536,073,019 (next year, FY2016-17).

Attachment A is a summary of the specific general fund line items contained in the Board of Education's original supplemental request line items, the Governor's Supplemental Executive Budget Request, and HB1700 HD1.

Operating:
The Department is most appreciative for the attention to and support of funding for:
1. The Executive Supplemental Requests in EDN400 requests for utilities and student transportation; and
2. Several requests for general funds included in the Board of Education's Supplemental Request that were not included in the Executive Supplemental Request (hard to staff bonuses, teacher sabbatical, teacher licensing renewal fees, and workers compensation).

While the Department understands that there are many competing priorities for limited general fund resources, the Department is particularly concerned about the impacts to schools and services with the absence of additional funds for the Executive Supplemental Requests for:
1. The Weighted Student Formula request of $26.5 million (see Attachment B for details by school);
2. Classroom Supplies and Equipment for New Facilities request of $1 million; and
3. Skilled Nursing Services request of $2 million.

Capital Improvements Program:

The Department appreciates the level of support incorporated in HB1700, HD1. This level of financing will enable the Department to improve its facilities. However, the Department would like to call your attention to four areas where we believe more support for these high priorities is needed:

1. Additional funding for a Campbell High classroom building;
2. Additional funding for program support;
3. Additional funding for equity; and
4. Additional funding for Solomon Elementary for the state match as costs have increased.

In closing, the Department appreciates the Legislature's effort to make public schools a top priority. Any additional resources that may be afforded will be invested to advance our mission of developing the academic achievement, character, and social-emotional well-being of our students to be college- and career-ready.

Thank you the opportunity to submit testimony on this measure.



Attachment B - WSF Request by School.pdf



Attachment A - HB1700 HD1 Summary of General Fund Line Items.pdf

Attachment A

Department of Education
HB1700 HD1 - Summary of General Fund Operating Budget Line Items

EDN	Request Title	BOE FY2016-2017 Supplemental Request	Executive FY2016-2017 Supplemental Budget Request (HB1700)	HB1700 HD1 Budget Worksheets
100	Workers Compensation	2,000,000	-	2,000,000
100	Hard to Staff Areas - Teacher Bonuses	500,000	-	500,000
100	Teacher Licensing Fees	400,000	-	400,000
100	Teacher Sabbatical	908,000	-	-
100	Equipment for New Facilities	1,533,721	1,000,000	-
100	Weighted Student Formula Increase - ELL weighted factor	10,000,000	10,000,000	-
100	Weighted Student Formula - 2% increase	16,537,791	16,537,791	-
100	Support for Schools (Support Teams)	2,700,000	-	-
100	Future Ready Learning Customized Support for Schools	880,000	-	-
100	School Support for Devices	12,000,000	-	-
100	(House Adjustment) JROTC: (3) JROTC Instructors	-	-	147,000
100 Total		47,459,512	27,537,791	3,047,000
150	Skilled Nursing	3,500,000	2,000,000	1
150 Total		3,500,000	2,000,000	1
200	Principal Engagement	135,000	-	-
200	Teacher Sabbatical (note: BOE had requested in EDN100)	-	-	908,000
200 Total		135,000	-	908,000
300	BOE Operations	60,438	60,438	-
300	Office365 (15) Licenses	-	3,750	3,750
300	(House Adjustment) Other Current Expenses	-	-	(3,750)
300	(House Adjustment) Hawaii State Science and Engineering Fair	-	-	150,000
300	(House Adjustment) Teach for America	-	-	670,000
300 Total		60,438	64,188	820,000
400	Utilities	10,833,214	9,000,000	5,215,919
400	School Bus Contracts	6,984,689	6,984,689	6,984,689
400	AC Repair	1,000,000	-	-
400 Total		18,817,903	15,984,689	12,200,608
700	Preschool Expansion	41,000	41,000	-
700	Executive Office on Early Learning - Additional Operating Funds	126,468	57,108	-
700 Total		167,468	98,108	-
Grand Total		70,140,321	45,684,776	16,975,610

Weighted Student Formula HB1700
HD1 - Request by school

Attachment B

				PROJECTED IMPACT OF INCREASED WSF FUNDING		
			FY16-17	BY	INCR to ELL	
			PROJECT	FORMULA	by FORMULA	TOTAL
Island	Org Desc	Gr Lvl	ENROLL	$ 16,537,791	$ 10,000,000	INCREASE
Hawaii	DE SILVA	E	451	42,895	3,273	***46,168***
Hawaii	HAAHEO	E	184	18,102	6,107	***24,209***
Hawaii	HILO UNION	E	432	43,741	45,656	***89,397***
Hawaii	HOLUALOA	E	455	45,017	41,730	***86,747***
Hawaii	HONAUNAU	E	147	15,243	19,222	***34,465***
Hawaii	HONOKAA	E	353	34,736	5,554	***40,290***
Hawaii	HOOKENA	E	136	13,729	3,200	***16,929***
Hawaii	KAHAKAI	E	742	75,763	92,978	***168,741***
Hawaii	KAPIOLANI	E	342	34,511	25,976	***60,488***
Hawaii	KAUMANA	E	280	27,219	3,273	***30,492***
Hawaii	KEAAU II	E	817	83,127	79,066	***162,193***
Hawaii	KEALAKEHE	E	980	101,779	167,726	***269,505***
Hawaii	KEAUKAHA	E	406	39,991	546	***40,537***
Hawaii	KEONEPOKO	E	548	54,909	25,616	***80,525***
Hawaii	KOHALA	E	330	32,812	14,014	***46,826***
Hawaii	KONAWAENA	E	536	54,052	46,727	***100,779***
Hawaii	MT. VIEW	E	498	50,198	18,530	***68,728***
Hawaii	NAALEHU	E	394	40,769	78,616	***119,385***
Hawaii	PAHOA	E	414	41,783	28,487	***70,270***
Hawaii	WAIAKEA	E	814	79,740	28,943	***108,683***
Hawaii	WAIAKEAWAENA	E	693	67,906	16,854	***84,760***
Hawaii	WAIMEA	E	520	52,391	46,790	***99,182***
Hawaii	HILO INTER	M	451	43,120	7,092	***50,212***
Hawaii	KEAAU MIDDLE	M	691	68,047	26,599	***94,646***
Hawaii	KEALAKEHE INTER	M	697	67,955	45,277	***113,232***
Hawaii	KOHALA MIDDLE	M	188	18,039	4,182	***22,221***
Hawaii	KONAWAENA MIDDLE SCHOOL	M	545	53,207	31,821	***85,028***
Hawaii	WAIAKEA INTER	M	812	76,854	7,428	***84,282***
Hawaii	HILO HIGH	H	1,136	105,624	36,549	***142,172***
Hawaii	KEAAU HIGH	H	959	90,704	38,587	***129,291***
Hawaii	KEALAKEHE HIGH	H	1,313	122,769	87,034	***209,803***
Hawaii	KOHALA HIGH	H	235	21,699	2,400	***24,099***
Hawaii	KONAWAENA HIGH	H	750	70,315	48,193	***118,508***
Hawaii	WAIAKEA HIGH	H	1,210	110,154	13,638	***123,792***
Hawaii	KALANIANAOLE ELEM & INTER	CEM	317	32,139	40,166	***72,305***
Hawaii	PAAUILO ELEM & INTER	CEM	213	21,121	16,001	***37,122***
Hawaii	WAIKOLOA	CEM	769	76,532	88,364	***164,896***
Hawaii	HONOKAA HI & INTER	CMH	706	66,186	34,370	***100,555***
Hawaii	PAHOA HI & INTER	CMH	568	54,843	20,091	***74,934***
Hawaii	KAU HI & PAHALA ELEM	K12	518	51,313	56,748	***108,061***
Hawaii	KE KULA 'O 'EHUNUIKAIMALINO	K12	247	24,062	182	***24,244***
Hawaii Total			***22,797***	***2,225,097***	***1,403,605***	***3,628,701***
Kauai	ELEELE	E	470	46,891	36,263	***83,154***
Kauai	HANALEI	E	294	28,091	909	***29,000***
Kauai	KALAHEO	E	455	43,919	9,501	***53,420***
Kauai	KAPAA	E	913	91,510	47,793	***139,303***
Kauai	KAUMUALII	E	585	58,567	53,038	***111,605***
Kauai	KEKAHA	E	341	33,922	16,252	***50,174***
Kauai	KILAUEA	E	286	27,893	15,638	***43,531***
Kauai	KOLOA	E	386	37,686	16,365	***54,051***
Kauai	WILCOX	E	801	78,650	46,218	***124,868***
Kauai	KAMAKAHELEI MIDDLE	M	954	90,550	26,960	***117,510***
Kauai	KAPAA MIDDLE SCHOOL	M	660	62,861	13,078	***75,939***
Kauai	WAIMEA CANYON	M	416	39,704	14,589	***54,293***
Kauai	KAPAA HIGH	H	992	90,379	22,419	***112,798***
Kauai	KAUAI HIGH	H	1,099	100,122	48,949	***149,071***
Kauai	WAIMEA HIGH	H	582	53,685	23,556	***77,240***
Kauai Total			***9,234***	***884,429***	***391,528***	***1,275,957***

Weighted Student Formula
HB1700 HD1 - Impact Statement
(by school)

Attachment C

				PROJECTED IMPACT OF INCREASED WSF FUNDING		
			FY16-17	BY	INCR to ELL	
			PROJECT	FORMULA	by FORMULA	TOTAL
Island	Org Desc	Gr Lvl	ENROLL	$ 16,537,791	$ 10,000,000	INCREASE
Lanai	LANAI HI & ELEM	K12	564	54,567	47,389	***101,956***
Lanai Total			***564***	***54,567***	***47,389***	***101,956***
Maui	HAIKU	E	487	48,467	25,011	***73,478***
Maui	KAHULUI	E	943	97,399	161,522	***258,921***
Maui	KAMALII	E	466	45,685	21,705	***67,391***
Maui	KAMEHAMEHA III	E	803	80,814	95,928	***176,741***
Maui	KIHEI	E	807	81,373	94,366	***175,738***
Maui	KULA	E	415	40,606	11,637	***52,243***
Maui	LIHIKAI	E	909	94,012	159,485	***253,497***
Maui	MAKAWAO	E	541	53,215	20,523	***73,738***
Maui	NAHIENAENA	E	729	74,481	111,299	***185,780***
Maui	PAIA	E	398	39,654	16,365	***56,019***
Maui	POMAIKAI	E	558	52,864	11,031	***63,895***
Maui	PUKALANI	E	417	41,029	15,862	***56,890***
Maui	PUU KUKUI	E	760	74,754	50,603	***125,358***
Maui	WAIHEE	E	742	73,131	30,954	***104,085***
Maui	WAILUKU	E	734	74,145	65,793	***139,938***
Maui	IAO	M	917	87,110	23,409	***110,519***
Maui	KALAMA INTER	M	877	83,320	12,601	***95,921***
Maui	LAHAINA INTER	M	726	70,493	57,467	***127,959***
Maui	LOKELANI INTER	M	607	58,159	22,888	***81,047***
Maui	MAUI WAENA INTER	M	1,179	114,291	82,334	***196,624***
Maui	BALDWIN HIGH	H	1,410	128,380	56,769	***185,149***
Maui	KEKAULIKE HIGH	H	1,044	95,060	21,149	***116,208***
Maui	LAHAINALUNA HIGH	H	973	90,607	95,075	***185,682***
Maui	MAUI HIGH	H	1,957	181,790	145,888	***327,678***
Maui	HANA HI & ELEMENTARY	K12	333	32,465	1,040	***33,505***
Maui Total			***19,732***	***1,913,301***	***1,410,705***	***3,324,005***
Molokai	KAUNAKAKAI	E	323	31,800	10,637	***42,437***
Molokai	KILOHANA	E	77	7,684	520	***8,204***
Molokai	MAUNALOA	E	50	4,947	0	***4,947***
Molokai	MOLOKAI MIDDLE	M	164	15,849	1,637	***17,485***
Molokai	MOLOKAI HI	H	343	31,997	6,429	***38,426***
Molokai Total			***957***	***92,276***	***19,223***	***111,499***
Oahu	AHRENS	E	1,304	131,603	177,510	***309,113***
Oahu	AHUIMANU	E	295	28,177	2,364	***30,541***
Oahu	AIEA	E	386	40,134	64,753	***104,887***
Oahu	AIKAHI	E	442	41,225	6,182	***47,408***
Oahu	AINA HAINA	E	477	44,765	14,973	***59,738***
Oahu	ALA WAI	E	414	42,983	92,922	***135,905***
Oahu	ALIAMANU	E	607	58,254	25,760	***84,014***
Oahu	ALIIOLANI	E	234	23,318	30,842	***54,160***
Oahu	BARBERS POINT	E	539	52,615	32,062	***84,677***
Oahu	ENCHANTED LAKE	E	463	43,735	2,546	***46,280***
Oahu	EWA	E	1,142	111,496	48,656	***160,152***
Oahu	EWA BEACH	E	802	77,330	31,353	***108,683***
Oahu	FERN	E	499	53,052	128,921	***181,973***
Oahu	HAHAIONE	E	560	53,210	30,738	***83,949***
Oahu	HALE KULA	E	755	73,568	22,597	***96,165***
Oahu	HALEIWA	E	210	20,313	2,909	***23,223***
Oahu	HAUULA	E	359	35,422	4,667	***40,089***
Oahu	HEEIA	E	470	45,300	9,674	***54,973***
Oahu	HELEMANO	E	622	61,605	21,152	***82,757***
Oahu	HICKAM	E	490	45,375	3,839	***49,213***
Oahu	HOKULANI	E	367	35,456	21,754	***57,211***
Oahu	HONOWAI	E	729	73,220	92,720	***165,939***
Oahu	HO'OKELE	E	597	57,777	8,401	***66,178***
Oahu	ILIAHI	E	409	39,964	16,995	***56,959***

Weighted Student Formula
HB1700 HD1 - Impact Statement
(by school)

Attachment C

				PROJECTED IMPACT OF INCREASED WSF FUNDING		
			FY16-17	BY	INCR to ELL	
			PROJECT	FORMULA	by FORMULA	TOTAL
Island	Org Desc	Gr Lvl	ENROLL	$ 16,537,791	$ 10,000,000	INCREASE
Oahu	IROQUOIS POINT	E	764	73,513	25,524	***99,037***
Oahu	JEFFERSON	E	413	42,948	89,415	***132,363***
Oahu	KAAAWA	E	125	12,070	1,091	***13,161***
Oahu	KAAHUMANU	E	544	56,867	134,685	***191,552***
Oahu	KAALA	E	403	41,403	50,732	***92,135***
Oahu	KAELEPULU	E	188	17,492	2,000	***19,492***
Oahu	KAEWAI	E	326	33,888	61,824	***95,712***
Oahu	KAHALA	E	382	36,892	28,803	***65,694***
Oahu	KAHALUU	E	290	28,856	12,001	***40,857***
Oahu	KAHUKU	E	421	41,234	12,888	***54,121***
Oahu	KAILUA	E	356	34,541	12,523	***47,064***
Oahu	KAIMILOA	E	699	69,738	64,191	***133,928***
Oahu	KAINALU	E	501	47,440	5,273	***52,713***
Oahu	KAIULANI	E	372	40,689	134,811	***175,500***
Oahu	KALEIOPUU	E	896	86,280	44,764	***131,045***
Oahu	KALIHI	E	261	28,364	96,108	***124,472***
Oahu	KALIHI KAI	E	596	62,882	134,998	***197,880***
Oahu	KALIHI UKA	E	264	27,021	26,002	***53,023***
Oahu	KALIHI WAENA	E	521	54,337	105,484	***159,821***
Oahu	KAMILOIKI	E	420	39,679	9,213	***48,892***
Oahu	KANEOHE	E	619	58,318	6,061	***64,379***
Oahu	KANOELANI	E	729	69,528	24,611	***94,139***
Oahu	KAPALAMA	E	569	56,675	43,640	***100,316***
Oahu	KAPUNAHALA	E	538	51,308	11,787	***63,095***
Oahu	KAULUWELA	E	358	37,778	77,016	***114,794***
Oahu	KEOLU	E	132	12,795	3,637	***16,432***
Oahu	KEONEULA	E	965	91,588	22,504	***114,092***
Oahu	KIPAPA	E	583	56,780	25,643	***82,423***
Oahu	KOKO HEAD	E	326	30,854	15,698	***46,552***
Oahu	KUHIO	E	248	26,471	62,457	***88,928***
Oahu	LAIE	E	689	66,906	13,560	***80,466***
Oahu	LANAKILA	E	375	38,408	62,006	***100,413***
Oahu	LEHUA	E	298	29,495	19,638	***49,133***
Oahu	LEIHOKU	E	976	95,839	37,070	***132,908***
Oahu	LIHOLIHO	E	444	43,456	40,149	***83,605***
Oahu	LIKELIKE	E	352	37,438	97,420	***134,858***
Oahu	LINAPUNI	E	149	17,320	65,959	***83,280***
Oahu	LINCOLN	E	326	32,632	44,954	***77,586***
Oahu	LUNALILO	E	401	41,132	71,272	***112,404***
Oahu	MAEMAE	E	654	62,698	21,820	***84,518***
Oahu	MAILI	E	1,045	103,565	36,057	***139,622***
Oahu	MAKAHA	E	581	57,320	7,728	***65,047***
Oahu	MAKAKILO	E	545	52,580	19,253	***71,833***
Oahu	MAKALAPA	E	716	69,817	37,871	***107,689***
Oahu	MANANA	E	431	40,807	8,364	***49,171***
Oahu	MANOA	E	556	52,836	20,844	***73,681***
Oahu	MAUKA LANI	E	633	61,473	9,953	***71,426***
Oahu	MAUNAWILI	E	361	34,376	2,909	***37,286***
Oahu	MILILANI IKE	E	770	70,726	7,728	***78,454***
Oahu	MILILANI MAUKA	E	855	80,307	10,183	***90,489***
Oahu	MILILANI UKA	E	664	62,998	4,546	***67,544***
Oahu	MILILANI-WAENA	E	799	75,843	12,109	***87,952***
Oahu	MOANALUA	E	596	55,514	13,191	***68,705***
Oahu	MOKAPU	E	906	87,312	18,641	***105,953***
Oahu	MOKULELE	E	349	33,165	5,200	***38,366***
Oahu	MOMILANI	E	409	38,142	6,182	***44,324***
Oahu	NANAIKAPONO	E	853	85,336	49,641	***134,977***
Oahu	NANAKULI EL	E	471	46,487	727	***47,215***

Weighted Student Formula
HB1700 HD1 - Impact Statement
(by school)

Attachment C

				PROJECTED IMPACT OF INCREASED WSF FUNDING		
			FY16-17	BY	INCR to ELL	
			PROJECT	FORMULA	by FORMULA	TOTAL
Island	Org Desc	Gr Lvl	ENROLL	$ 16,537,791	$ 10,000,000	INCREASE
Oahu	NIMITZ	E	713	67,521	6,504	***74,025***
Oahu	NOELANI	E	432	40,880	21,230	***62,111***
Oahu	NUUANU	E	369	34,645	6,429	***41,074***
Oahu	PALISADES	E	421	40,107	12,024	***52,131***
Oahu	PALOLO	E	278	29,884	79,513	***109,397***
Oahu	PARKER	E	350	34,153	11,352	***45,505***
Oahu	PAUOA	E	300	29,600	21,866	***51,465***
Oahu	PEARL CITY	E	442	43,662	28,721	***72,382***
Oahu	PEARL CITY HIGHLANDS	E	530	50,656	19,402	***70,058***
Oahu	PEARL HARBOR	E	615	60,335	31,091	***91,426***
Oahu	PEARL HARBOR KAI	E	532	50,873	12,744	***63,617***
Oahu	PEARL RIDGE	E	572	54,151	20,036	***74,187***
Oahu	POHAKEA	E	607	59,445	28,357	***87,802***
Oahu	POPE	E	223	22,315	1,273	***23,587***
Oahu	PUOHALA	E	315	30,677	9,274	***39,950***
Oahu	PUUHALE	E	230	24,219	47,225	***71,444***
Oahu	RED HILL	E	515	49,617	20,709	***70,326***
Oahu	ROYAL	E	412	41,531	44,368	***85,898***
Oahu	SALT LAKE	E	709	70,058	84,330	***154,388***
Oahu	SCOTT	E	507	49,028	22,749	***71,777***
Oahu	SHAFTER	E	511	48,917	11,430	***60,347***
Oahu	SOLOMON	E	937	93,483	32,074	***125,557***
Oahu	SUNSET BEACH	E	449	42,700	9,637	***52,337***
Oahu	WAHIAWA	E	512	51,814	40,549	***92,363***
Oahu	WAIAHOLE	E	90	8,849	520	***9,369***
Oahu	WAIALUA	E	569	55,214	20,620	***75,834***
Oahu	WAIANAE	E	618	61,851	34,581	***96,432***
Oahu	WAIAU	E	483	46,607	18,163	***64,770***
Oahu	WAIKELE	E	626	61,018	79,313	***140,331***
Oahu	WAIKIKI	E	543	54,149	84,598	***138,747***
Oahu	WAIMALU	E	457	44,761	39,230	***83,991***
Oahu	WAIPAHU	E	1,097	115,596	289,349	***404,946***
Oahu	WEBLING	E	514	48,152	5,819	***53,971***
Oahu	WHEELER	E	786	76,319	16,365	***92,685***
Oahu	WILSON	E	583	55,154	27,722	***82,877***
Oahu	HOLOMUA	E (MT)	1,205	114,674	42,311	***156,985***
Oahu	KAPOLEI	E (MT)	907	87,209	18,438	***105,647***
Oahu	AIEA INTER	M	572	54,278	21,275	***75,553***
Oahu	ALIAMANU MIDDLE	M	700	65,754	15,631	***81,385***
Oahu	CENTRAL MIDDLE	M	425	43,256	78,706	***121,962***
Oahu	DOLE MIDDLE	M	790	79,833	131,606	***211,439***
Oahu	EWA MAKAI MIDDLE	M	907	85,823	13,288	***99,111***
Oahu	HIGHLANDS INTER	M	896	83,461	16,109	***99,571***
Oahu	ILIMA INTER	M	867	82,507	27,093	***109,601***
Oahu	JARRETT MIDDLE	M	250	24,584	19,782	***44,365***
Oahu	KAILUA INTER	M	756	70,161	9,896	***80,056***
Oahu	KAIMUKI MIDDLE	M	986	91,609	35,018	***126,627***
Oahu	KALAKAUA MIDDLE	M	982	97,922	122,501	***220,423***
Oahu	KAWANANAKOA MIDDLE	M	818	77,473	32,384	***109,857***
Oahu	KING INTER	M	666	62,481	5,334	***67,815***
Oahu	MOANALUA MIDDLE	M	814	75,621	19,381	***95,002***
Oahu	NIU VALLEY MIDDLE	M	917	83,884	20,345	***104,229***
Oahu	STEVENSON MIDDLE	M	658	62,706	33,622	***96,328***
Oahu	WAHIAWA MIDDLE	M	828	79,952	38,455	***118,407***
Oahu	WAIANAE INTER	M	937	90,991	29,312	***120,303***
Oahu	WAIPAHU INTER	M	1,346	131,904	147,101	***279,005***
Oahu	WASHINGTON MIDDLE	M	853	82,986	77,286	***160,272***
Oahu	WHEELER MIDDLE	M	774	73,088	10,335	***83,424***

Weighted Student Formula
HB1700 HD1 - Impact Statement
(by school)

Attachment C

				PROJECTED IMPACT OF INCREASED WSF FUNDING		
			FY16-17	BY	INCR to ELL	
			PROJECT	FORMULA	by FORMULA	TOTAL
Island	Org Desc	Gr Lvl	ENROLL	$ 16,537,791	$ 10,000,000	INCREASE
Oahu	KAPOLEI MIDDLE	M (MT)	1,430	134,377	26,081	***160,458***
Oahu	MILILANI MIDDLE	M (MT)	1,877	171,639	13,356	***184,995***
Oahu	AIEA HIGH	H	1,038	95,354	46,368	***141,721***
Oahu	CAMPBELL HIGH	H	3,102	283,336	89,823	***373,158***
Oahu	CASTLE HIGH	H	1,148	103,382	12,604	***115,986***
Oahu	FARRINGTON HIGH	H	2,349	224,721	304,713	***529,433***
Oahu	KAILUA HIGH	H	762	69,691	14,055	***83,746***
Oahu	KAIMUKI HIGH	H	743	70,941	86,962	***157,903***
Oahu	KAISER HIGH	H	1,140	100,536	14,717	***115,254***
Oahu	KALAHEO HIGH	H	907	80,559	11,081	***91,640***
Oahu	KALANI HIGH	H	1,310	116,598	39,214	***155,812***
Oahu	KAPOLEI HIGH	H	2,018	180,828	33,758	***214,586***
Oahu	LEILEHUA HIGH	H	1,650	151,885	52,265	***204,151***
Oahu	MCKINLEY HIGH	H	1,583	149,737	174,050	***323,787***
Oahu	MILILANI HIGH	H	2,534	222,580	18,244	***240,824***
Oahu	MOANALUA HIGH	H	1,940	172,589	38,635	***211,223***
Oahu	PEARL CITY HIGH	H	1,620	144,934	37,274	***182,208***
Oahu	RADFORD HIGH	H	1,377	122,882	21,745	***144,627***
Oahu	ROOSEVELT HIGH	H	1,359	124,727	66,152	***190,879***
Oahu	WAIANAE HIGH	H	1,822	170,116	64,901	***235,018***
Oahu	WAIPAHU HIGH	H	2,481	233,871	236,399	***470,270***
Oahu	WAIMANALO ELEM & INTER	CEM	489	48,476	21,562	***70,038***
Oahu	KAHUKU HI & INTER	CMH	1,386	128,451	36,635	***165,086***
Oahu	NANAKULI HI & INTER	CMH	1,089	103,578	40,409	***143,987***
Oahu	WAIALUA HIGH & INTER	CMH	690	63,675	18,289	***81,964***
Oahu	ANUENUE	K12	423	41,409	19,238	***60,647***
Oahu Total			***118,153***	***11,293,021***	***6,727,551***	***18,020,572***
	DOE ENROLLMENT RESERVE	**E**	***766***	***75,101***	***0***	***75,101***
Grand Total			***172,203***	***16,537,791***	***10,000,000***	***26,537,791***

DAVID Y. IGE
GOVERNOR

STACIE A. ALDRICH
STATE LIBRARIAN

STATE OF HAWAII
HAWAII STATE PUBLIC LIBRARY SYSTEM
OFFICE OF THE STATE LIBRARIAN
44 MERCHANT STREET
HONOLULU, HAWAII 96813

SENATE COMMITTEE ON WAYS AND MEANS
Tuesday, April 05, 2016
9:00 a.m.
Conference Room 211
State Capitol

TESTIMONY OF STACEY A. ALDRICH STATE LIBRARIAN, HAWAII STATE PUBLIC LIBRARY SYSTEM TO THE SENATE COMMITTEE ON WAYS AND MEANS ON HB 1700, HD1 – RELATING TO THE STATE BUDGET

Chair Tokuda and members of the Committee, thank you for the opportunity to testify on H.B. 1700, HD1. The Hawaii State Public Library System supports HB 1700, HD1, the Executive Supplemental Budget submittal.

We would ask for the Committee's consideration on the following budget adjustments in HB1700, HD1. Each item is listed as designated in the Executive Budget Worksheets.

SEQ# 100-001- Add (6.5) Positions and funds for the Nanakuli Public Library (EDN407/QD) A: 6.50 FTE/ $116,840 A

The House draft eliminated the budget needed for an additional 6.50 FTE for the new Nanakuli Public Library. This new facility will be 18,000 sq. ft, and will have additional new services that require more staffing to deliver them. The community specifically requested a business action center, audio recording room for capturing local stories, and a makerspace. In order to successfully develop and maintain these new services, we will need more dedicated staffing. The current 6.50 positions are only enough to barely keep the doors open and materials on the shelf. Without the additional positions, the new library will also be open fewer hours for individuals and families that need access to computers and resources. It would be a great disappointment to the comunity to build an amazing new library, but not have the services and support to use all of the space to its greatest capacity. The new library can only be the anticipated hub for learning and economic development that this community needs with a full staffing

complement. We have attached our original justifications on all the new positions that was presented at the Joint Committee information briefing held in January 2016.

SEQ#102-001 Add (1) Position and funds for the Aiea Public Library (EDN407/QD) A: 1.00FTE/ $37,416 A

We currently have no groundskeeper position at the Aiea Public Library and are utilizing a private contractor, which required a DHRD exemption to maintain the large landscaping and parking areas. DHRD granted this exemption from the UPW privatization agreement only until 6/30/2016 with the understanding that we would be getting a full time civil service position for these duties. HSPLS was already cited by the City & County of Honolulu for the massive overgrowth and excess refuse from leaves and foliage clogging the sewer drains, because of the lack of proper staff to maintain the grounds.

SEQ# 1033-001 Add (1) Position and funds for the Naalehu Public Library (EDN407/QF) A: 1.00FTE/ $29,988 A

This Library Technician V position is necessary for the expansion of the Naalehu Public Library and to provide adequate coverage for the Pahala Public and School Library, which was closed 51 days to the community last year, and has already been closed 242.5 hours this fiscal year. Given there is only one permanent employee at Pahala, without this position we will continue to struggle to keep the library open to the public.

HB1700 HD1 added the following changes to our CIP appropriations which we fully support:

1) **Molokai Public Library, Molokai $5M C**
   Plans, design and construction to expand the existing library facility.
   The Molokai Public Library was built in 1937 and serves the entire island of Molokai. It is no longer adequate for the growing community it serves and lacks sufficient space for the collections and reading areas. The library has many special programs throughout the year attracting more than its 50 to 60 occupancy capacity. Many of these programs are forced to be held outside on their lawn entrance due to the crowd overflow. The library continues to be the focal point of the Molokai community for their Christmas parade, Statewide Paddling Regattas, etc. The community clearly values its library and has been waiting for more than 10 years for follow-up to previous intentions to improve the library space.

2) **Aina Haina Public Library, Oahu $100K C**
   Design and construction of ADA Compliant public restrooms.

The public restrooms in the Aina Haina Public Library are not ADA compliant and handicap patrons must use our staff restrooms while visiting this library. We have received complaints from physically challenged patrons who value the use of their public library, but do not feel that they have equal access to a public restroom. While we fully support this appropriation for this project, the $100K will cover, but not completely, the design costs for the project. In order to actually complete this project with construction, we will require an additional $150,000 based on information from DAGS.

3) **New Makiki Public Library, Oahu $1M C**
Design for a new public library, ground and site improvements, equipment and appurtenance. The Makiki Library is operated and staffed by the Friends of Makiki Library and is located at the Makiki District Park under the City & County of Honolulu. It is only open when volunteers can staff the building, which is less than 30 hours a week. The Friends and their supporters have been trying for years to have the HSPLS incorporate them into the Hawaii State Public Library System in order to provide better access for the community. We just executed a planning contract with SSFM International for this new public library project at $250K, so we would fully support the $1M for design costs.

Thank you for your continued support of the Hawaii State Public Library System's FY 2017 Supplemental Budget Request. Please contact Keith T. Fujio, the Special Assistant to the State Librarian at 586-3700, if you have any questions or require any additional information.

DAVID Y. IGE
GOVERNOR

CATHERINE PAYNE
CHAIRPERSON

STATE OF HAWAII
STATE PUBLIC CHARTER SCHOOL COMMISSION
('AHA KULA HO'ĀMANA)
http://CharterCommission.Hawaii.Gov
1111 Bishop Street, Suite 516, Honolulu, Hawaii 96813
Tel: (808) 586-3775 Fax: (808) 586-3776

FOR:	HB 1700 HD1 Relating to the State Budget
DATE:	Tuesday, April 5, 2016
TIME:	9:00 AM
COMMITTEE(S):	Senate Committee on Ways and Means
ROOM:	Conference Room 211
FROM:	Yvonne Lau, Acting Executive Director State Public Charter School Commission

Testimony in support of HB 1700 HD1

Chair Tokuda, Vice Chair Dela Cruz, and members of the Committee:

The statutory mission of the Commission is "to authorize high-quality public charter schools throughout the State." (HRS 302D-3(b)). The Commission's strategic vision for the chartering of these high-quality schools is that they provide excellent and diverse educational options for Hawaii's families, prepare our students for future academic or career success, and contribute meaningfully to the continued improvement of Hawaii's public education system as a whole.

BUDGET REQUEST

The original budget request for the charter schools as submitted to the Department of Budget and Finance in October included funding categorized as School Operations and Commission Operational Expenses. Thanks to legislation adopted by this body in 2014, the budget for the charter schools and Commission now are separate and result in the funding of the Commission without impacting the charter schools' per-pupil funding.

<u>School Operations</u>

Pursuant to the per-pupil funding formula that is based on DOE appropriations and relative enrollment, a reduction of approximately $2.6 million in per-pupil funding is included in the Governor's supplemental budget package based on forecasted enrollment.

Estimated grants and donations to charter schools were self-reported by 24 of the 34 charter schools for fiscal year ended June 30, 2015, for a total of approximately $7,333,500. Grants were provided during the year by other institutions, notably including Kamehameha Schools. For some charter schools, the donations and grants received represent as much as 40% of their total receipts. While this support is helpful and has been an element of support for these charter schools for many years, it also comes with many conditions, and private funders often are reluctant to provide funding to meet the basic needs of schools that they feel are the responsibility of the government.

This year's capital improvement project requests from charter schools are listed below. In addition, the Commission made one request for funds to be prioritized and disbursed to schools for commercial kitchens. These requests were made in previous years but unfortunately were not included in the Governor's budget package.

Project Title	**Total cost**
KAWAIKINI PCS PHOTOVOLTAIC PANEL ARRAY, KAUAI	216,000
UNIVERSITY LABORATORY SCHOOL REPLACEMENT BUILDING, OAHU	17,000,000
KAWAIKINI PCS SAFETY LIGHTING AND ACCESSIBILITY, KAUAI	204,000
KAWAIKINI PCS LIBRARY AND COMPUTER LAB, KAUAI	500,000
HALAU KU MANA PCS COMPLIANCE & IMPROVEMENTS, OAHU	550,000
UNIVERSITY LABORATORY SCHOOL FACILITIES RENOVATION, OAHU	4,000,000
WEST HAWAII EXPLORATIONS ACADEMY FOOD SCIENCE SERVERY BUILDING, HAWAII	1,525,000
KANUIKAPONO MULTIPURPOSE BUILDING, KAUAI	325,000
COMMISSION REQUEST FOR FUNDING FOR COMMERCIAL KITCHENS FOR CHARTER SCHOOLS, STATEWIDE	5,000,000
Total	29,320,000

Commission Operational Expenses

The Commission has made supplemental budget requests totaling $972,300 that were excluded from the Governor's budget package and House Draft 1 of HB 1700. These requests include funding for 1) hard-to-fill incentive pay for teachers; 2) National Board Certified Teacher awards, and 3) Commission staff salary adjustments. The Commission respectfully asks the Committee to consider these three requests.

1. Hard-to-fill incentive pay ($700,500): As all public charter schools employ Hawaii State

Teachers Association (HSTA) Bargaining Unit 5 teachers and are obligated to pay hard-to-fill teacher incentive pay, this request is made as a follow-up to the Special Provisions Section 127 of the Executive Budget bill (Act 119, SLH 2015), which provided that "the general fund appropriation for charter schools (EDN 600) shall be considered the non-facility appropriation for charter school students;…" and further provided that:

> "for the purposes of this section, all grant appropriations issued pursuant to chapter 42F, Hawaii Revised Statutes, and funds appropriated for teacher recruitment and retention incentive for hard-to-fill positions shall be excluded from non-facility appropriations for the department of education and charter schools;…."

The budget proviso recognizes that with the increase of the hard-to-fill teacher incentive from $1,500 to $3,000 per teacher per year starting in fiscal year 2015-2016, the financial impact of this requirement on the nine charter schools located in the designated "hard-to-fill" areas has doubled. Up until fiscal year 2015-2016, charter schools in the designated areas had to use their per-pupil funds to fulfill this HSTA contractual obligation. This meant not only that the amount of funding that went to the charter schools was calculated based on the DOE budget and not on the actual cost for charter schools to provide the incentive pay, but also that the resulting funds were spread across all 34 schools rather than directed at the schools that are obligated to pay the bonuses.

The budget proviso partly addressed this problem by separating the funds for the hard-to-fill incentive pay from the per-pupil funding so that they could instead be directed to those schools that have to make the payments. The Commission is very grateful to the Committees for this short-term action. However, the amount budgeted was based on a calculation of the costs of the incentives for DOE teachers only, and it since has been determined to be insufficient even for that. This means that charter schools that have to pay the incentive, as well as the DOE, will need to make up the difference. The impact of this shortfall can be significant on the affected schools, many of which are small and have lean budgets.

To resolve the problem and meet the collectively bargained obligation, the Commission is requesting a separate allocation of funds, similar to the DOE's. To avoid this allocation from being considered non-facility per-pupil funds as described above, the Commission recommends the allocation be made to EDN 612 to enable the specific distribution of funds to those schools that are required to pay the bonus. To fund the incentives directly out of per-pupil funding, assuming this were even legally permitted, would have a significant negative impact on funding for the other schools. <u>While the Commission is aware that there is currently separate legislation proceeding through the Legislature that provides this funding, the importance of this issue warrants the Committee's consideration of this for inclusion in the state budget as it is an issue for fairness and equity.</u>

2. National Board Certified Teacher awards ($90,000): Statutorily mandated bonuses for teachers who have earned National Board Certification present the same problem for public charter schools as does the hard-to-fill incentive pay. Those charter schools that employ

these teachers presently must pay this incentive from out of their per-pupil funding. But, as with hard-to-fill incentive pay, the funding that charter schools receive is based on the DOE budget, not on the true cost of providing the bonuses and these per-pupil funds are spread across all charter schools, not just those that employ National Board certified faculty members.

The relevant statutory provision is as follows:

> §302A-706 Teacher national board certification incentive program. (a) There is established within the department the teacher national board certification incentive program to recognize and support exemplary teaching practice by supporting public school teachers who have achieved national board certification under the certification program of the National Board for Professional Teaching Standards. The teacher national board certification incentive program shall provide:
>
> (1) A $5,000 bonus per year for each public school teacher who maintains current national board certification;
> (2) $1,500 upon completing all components of the certification program of the National Board for Professional Teaching Standards;
> (3) A reimbursement of the remainder of the national board certification application fee upon achievement of national board certification; and
> (4) An additional $5,000 bonus per year for each public school teacher who maintains current national board certification and who teaches at:
> (A) A school in a focus, priority, or superintendent's zone, or other similar designation, as determined by the department;
> (B) A school with a high turnover rate, as determined by the department; or
> (C) A hard-to-fill school, as determined by the department.
>
> (b) The incentive program shall include a mentoring component that encourages and enables national board-certified teachers to assist other teachers and share their teaching expertise. [L 2004, c 51, §38; am L 2007, c 228, §1; am L 2015, c 107, §1]

As with hard-to-fill incentives, the Commission is requesting a separate allocation of funds for this award, to be made to EDN 612 to enable the discrete distribution of these funds to those schools with teachers who have earned this distinction. <u>As with the hard-to-fill incentive pay, while there is separate legislation currently progressing through the Legislature, the Commission would appreciate consideration of this item for inclusion in the state budget.</u>

3. Commission staff salary adjustments ($96,800): The hiring of the Commission's staff commenced in February of 2013 and was complete by October of that year. The budget appropriation for the Commission, as with all state departments and agencies, is made on an incremental basis. The salary funding level for this agency has not been incrementally increased, since staffing level and positions have not changed since the Commission was first created in the 2013-2015 biennium budget. Further, it has come to the Commission's

attention that the Commission's predecessor administration office, the Charter Schools Administration Office (CSAO), never provided salary information for consideration whenever HGEA contracts were up for collective bargaining renegotiations. As a result, since July of 2013 the Commission has not received additional funds for its staff salaries with the budget appropriations as have other state agencies.

The Commission will provide staff information going forward for consideration when the HGEA contract is up for renegotiation. In the meantime, the Commission requests funding to cover salary increases equitable to collective bargaining appropriations had the staff information been provided for consideration when the HGEA contract was up for renegotiation. This will help address the need for reasonably equitable compensation for positions of similar complexity and responsibility across the State. As a result of staff transfers to and from the Commission from other agencies, the Commission has learned that working for the Commission frequently entails greater responsibility, less pay, or both, when compared to like positions in other agencies. This correction represents a step toward addressing that problem and is one of basic fairness for all state employees.

Charter School Facilities Funding (Act 234 of 2015)

Lastly, the Commission respectfully asks the Committee to consider an appropriation and bond authorization of $3.15 million for charter school facilities funding. Act 234, passed and signed into law last session created the mechanism and facilities funding working group to advise the Commission on the distribution of facilities funding based on specified criteria.

This appropriation would serve as a modest but significant step towards the long-term financial sustainability of charter schools in Hawaii.

Thank you for the opportunity to provide this testimony.

April 5, 2016

To: Honorable Jill Tokuda, Chair
Honorable Donavan Dela Cruz, Vice Chair
Senate Ways and Means Committee

From: Jeannine Souki, Executive Director
Hawaii Public Charter Schools Network

Re: **HB 1700 HD1 – Relating to the State Budget, EDN 600 – Requesting amendment to EDN 612 to included a $3.1 million appropriation to provide facilities funding for Hawaii's Public Charter Schools for FY2016-17**
Hawaii State Capitol, Room 211, April 5, 2016 – 9 AM

Aloha Chair Tokuda, Vice Chair Dela Cruz and Members,

On behalf of the Hawaii Public Charter School Network (HPCSN), we are submitting support testimony for HB 1700 HD1 – Relating to the State Budget, requesting an appropriation increase to EDN 612 to earmark $3.1 million in general funds to provide facilities funding for Hawaii's Public Charter Schools for FY2016-17.

Research shows a significant relationship between the condition of school facilities and student performance. Every child is deserving of safe public schools facilities including those who chose to enroll in public charter schools.

Act 234, Sessions Laws of Hawaii 2015, provided authorization to address facilities needs shares by charter schools, that provided amongst other things, a framework for facilities funding and support for public charter schools with adequate prioritization, oversight and accountability that:

- **Requires the Legislature, starting with FY 2016-17 to consider appropriations and bond authorizations for charter schools facilities; and**
- **Establishes a charter school facilities funding working group within the DOE and gives guidance for the Commission to develop criteria to determine the distribution of funds appropriated.**

Act 159, Session Laws of Hawaii 2013, authorized the Public Charter School Commission to request facilities funding as part of its annual budget request to the Director of Finance beginning with FY 2014-15.

During the State Public Charter Schools Commission's (SPCSC) Budget Briefing presentation on January 7, 2016, the SPCSC Executive Director, Tom Hutton, noted that its budget requests historically have not been approved. Capital improvement project requests totaling $29.3 million that were not included in the Governor's budget package were submitted for consideration to the respective House and Senate committees on Finance and Ways and Means.

In its 2016 Legislative Report, the Hawaii Board of Education (BOE) acknowledged: "A major and ongoing challenge is the lack of funding for charter school facilities." The **BOE recommend that the legislature provide some form of facilities funding to charter schools to address this unmet need.**

In a 2002 report: *On the Level? Policy, Law and the Charter School Movement*, the Legislative Reference Bureau reported the following regarding the financing of charter school facilities:

> "Unlike the public schools, conversion school, and school-within-school counterparts, start-up schools must rent or build facilities, or ask the public to donate facilities, or both. The cost of building public schools is usually spread out over twenty years through the issuance of general obligation bonds. Neither the BOE, the HIDOE, nor individual public schools are responsible for debt service—or the payment of principal and interest on these bonds. These bonds are the responsibility of the State, and are backed by its the full faith and credit (i.e., taxing power).
>
> Debt service attributable to public schools amounted to $84,698,210, during fiscal year 1999-2000, or $457 per pupil based on an official enrollment count of 185,036 (see Table 1). Since neither the BOE, the HIDOE, nor individual public schools are responsible for the payment of principal and interest on these general obligation bonds, they essentially operate "rent free" and "debt free" in their physical facilities."

<u>The same report also states: …federal regulations require states to treat charter schools and public schools alike.</u>

What about public charter school facilities?
In the Hawaii DOE's latest financial report for FY13-14:

Debt Services Costs = $272,936,119
Capitalized Equipment Costs = $9,038,712
Total debt and capitalized equipment costs = $281,974,831
Divided by 175,476 students = $ $1,606 per pupil

See: http://www.hawaiipublicschools.org/Reports/FinRep2013-14.pdf

A per pupil equation of $1,600 to cover facilities and capitalized equipment needs could represent an equitable starting point for Hawaii's public charter school schools. But at a cost of $16.8 million, this may be too steep a mountain to climb this year.

HSTA's Omnibus bills that call for a 1% increase in the General Excise Tax to fund a number of education priorities, request for charter schools facilities is $10 million/year.

Knowing that needs for public charter schools are much higher than our state budgets are willing and capable of presently supporting, we are asking to start funding at reasonable point and appropriate $3.1 million to be allocated by the SPCSC through a facilities funding working group within the DOE to public charter schools across the state for facilities needs.

Act 234 (2015), provides authorization and a framework to equitably distribute facilities funding and direction for the legislature to start in FY2016-17. Let's do it now! Let's take the next step and start in 2016 to get facilities funding to charter schools.

HPCSN works to support public charter schools in Hawaii and to be a voice for children and families that seek choice in an independent public school setting. We appreciate the opportunity to provide testimony.

S E A C
Special Education Advisory Council
919 Ala Moana Blvd., Room 101
Honolulu, HI 96814
Phone: 586-8126 Fax: 586-8129
email: spin@doh.hawaii.gov

April 5, 2016

Special Education Advisory Council

Ms. Martha Guinan, *Chair*

Ms. Brendelyn Ancheta
Dr. Tammy Bopp
Dr. Robert Campbell, *liaison to the military*
Ms. Deborah Cheeseman
Ms. Annette Cooper
Ms. Shari Dela Cuadra-Larsen, *liaison to the Superintendent*
Ms. Gabriele Finn
Mr. Sage Goto
Ms. Valerie Johnson
Ms. Deborah Kobayakawa
Ms. Bernadette Lane
Ms. Dale Matsuura
Ms. Stacey Oshio
Ms. Zaidarene Place
Ms. Barbara Pretty
Ms. Kau'i Rezentes
Ms. Rosie Rowe
Dr. Patricia Sheehey
Ms. Ivalee Sinclair
Mr. Tom Smith
Ms. Lani Solomona
Dr. Todd Takahashi
Dr. Daniel Ulrich
Dr. Amy Wiech
Ms. Jasmine Williams
Ms. Susan Wood

Amanda Kaahanui, Staff
Susan Rocco, Staff

Senator Jill N. Tokuda, Chair
Committee on Ways and Means
State Capitol
Honolulu, HI 96813

RE: HB 1700, HD 1 - Relating to the State Budget

Dear Chair Tokuda and Members of the Committee,

The Special Education Advisory Council (SEAC), Hawaii's State Advisory Panel under the Individuals with Disabilities Education Act (IDEA), **strongly supports** HB 1700, HD 1 relating to the following specific budget items impacting children and youth with disabilities:

DEPARTMENT OF EDUCATION BUDGET

SEAC appreciates that the House of Representatives approved base funding for special education and student support services and concurred with the Department's request for additional school transportation funds. However, the following supplemental requests were not funded, and SEAC requests that your committee consider them favorably:

1) **EDN 100 - Weighted Student Formula Funds for ELL**
SEQ # 100-001, Budget Worksheet Page 194

These funds are needed to provide additional supports to students who are English Language Learners, many of whom are also eligible under the Individuals with Disabilities Education Act (IDEA). Their current academic performance is significantly behind their peers, and the Every Student Succeeds Act (ESSA) places a strong emphasis on improving outcomes for this group of students.

2) **EDN 100 - 2% Increase in Weighted Student Formula Funds**
SEQ # 101-001, Budget Worksheet Page 195

These funds will help build the capacity of all public school campuses to provide standards based academic and other support services to all students, including students with disabilites.

3) **EDN 150 - Skilled Nursing Services**
SEQ # 100-001, Budget Worksheet Page 197

The majority of students receiving skilled nursing services are special education students with significant support needs for health care and specialized feeding while in school. The rising numbers of students requiring specialized nursing services and the complexity of their support needs has resulted in increased expenditures for the Department. These supports are required under IDEA, and a lack of funding could jeopardize the health and safety of these students.

DEPARTMENT OF HUMAN SERVICES BUDGET
DHS submitted a number of supplemental budget requests for funding specific target populations under Medicaid. SEAC is in strong support of the following request:

4) **HMS401 - Funds for Medicaid Recipients through Age 6 with Autism Spectrum Disorder**
SEQ # 101-001, Budget Worksheet Page 256

Early diagnoses and treatment of autism results in better outcomes, including educational and behavioral outcomes, for these children.

DEPARTMENT OF HEALTH, DEVELOPMENTAL DISABILITIES DIVISION BUDGET
A supplemental budget request impacting students with disabilities is the following:

5) **HTH501 - Funds for State Match for Medicaid Intellectual and Developmental Disabilities 1915(c) Home and Community-Based Services Waiver**
SEQ # 100-001, Budget Worksheet Page 336

A number of students with developmental disabilities rely on the DD Waiver to provide important habilitation services and behavioral supports beyond the school day and on days when school is not in session.

SEAC respectfully asks your Committee to support these aforementioned budget items in order maintain continuity of services for students with disabilities. If you have questions or concerns, please contact me.

Respectfully,

Martha Guinan
Chair

Supporting the Language of Kaua'i, Inc.

April 4, 2016

Representative Sylvia Luke, Chair
Representative Scott Nishimoto, Vice Chair
Members of the House Committee on Finance

H.B. No. 1700 – Relating to the State Budget -- **Testimony in SUPPORT**

Aloha kakou,

We are testifying in favor of a change in wording with regard to the Grant-in-Aid that is proposed for Supporting the Language of Kaua'i, Inc. (EDN600, Item #83.) Specifically, the wording should be changed from "CONSTRUCTION" to "PLANS AND DESIGN." We thank you for making this critical change that will allow our school to move forward with planning and design for our much-needed multipurpose facility. We have also secured private matching funding as required, and look forward to moving forward with this project.

Thank you very much for supporting our school and its mission of providing an education grounded in Hawaiian language and culture to its students.

Mahalo,



Hoku Ka'auwai
President

P.O. Box 245, Lihue, HI, 96766,
http://www.kawaikini.com/community/slk.html

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: robbie@kuaokala.org
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Saturday, April 02, 2016 2:16:52 PM

HB1700
Submitted on: 4/2/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Roberta Meier-Mcgrath	kua o ka la pcs	Comments Only	No

Comments: I urge you to please move forward on Act 234. Our school is in need of sanitary bathroom facilities. The current situation is really disgusting. We are also in need of kitchen facilities. Our meals are being delivered all the way from Hilo. Our children deserve to have quality meals prepared for them on site. Please help!

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

COMMITTEE ON FINANCE HEARING

DATE: Wednesday, March 9, 2016
TIME: 11:00 A.M.
PLACE: Conference Room 308
State Capitol
415 South Beretania Street

Aloha Senators and Representatives,

Please support funding for the new and desperately needed multi-story building at James Campbell High School. Campbell is not only the largest high school in the state, with 3,049 students, but we are also without a doubt also the most overcrowded. JCHS was designed to hold 1,700 but next year, 3,400 students are expected to enroll. By 2018, up to 3,800 are expected. There is no place else to put them; we need a permanent solution.

Most students already attend classes in portable buildings, and there's no place to put those either. These portables are crammed into *every available open space*, eliminating any grassy courtyards that previous generations and every other school in the state enjoy. Although the $35 million price tag may seem high, it is an investment for our future – for Hawaii's future. The new 30 classroom building will include specialty classrooms, and help prepare us for competitive STEM (science, technology, engineering and math) and other careers.

We understand that every school has needs, *but no other high school in the state faces the challenges and facility inequities of JCHS*. We deserve better than our current jam-packed, fifty year old facilities. Please support the construction of a new building at JCHS - we deserve access to the same quality learning environment available to our peers at other public schools.

James Campbell High School should have another building because most students complain about having to many students in one room. Many classrooms average 36 students in one room. Other schools have an average 20. The students need space for them to focus on their learning. If we add another building then this would also allow more students into the school. Also students are disturbed by odors from other students and there is also body heat surrounding them. Many can't focus with an odor filling the room. Students also fall asleep when the room is filled with a warm temperature.

Mahalo for your time,

Adam Kaanaana

Ewa Makai

Aloha Senators and Representatives,

Please support funding for the new and desperately needed multi-story building at James Campbell High School. Campbell is not only the largest high school in the state, with 3,049 students, but we are also without a doubt also the most overcrowded. JCHS was designed to hold 1,700 but next year, 3,400 students are expected to enroll. By 2018, up to 3,800 are expected. There is no place else to put them; we need a permanent solution.

Most students already attend classes in portable buildings, and there's no place to put those either. These portables are crammed into *every available open space*, eliminating any grassy courtyards that previous generations and every other school in the state enjoy. Although the $35 million price tag may seem high, it is an investment for our future – for Hawaii's future. The new 30 classroom building will include specialty classrooms, and help prepare us for competitive STEM (science, technology, engineering and math) and other careers.

We understand that every school has needs, *but no other high school in the state faces the challenges and facility inequities of JCHS*. We deserve better than our current jam-packed, fifty year old facilities. Please support the construction of a new building at JCHS - we deserve access to the same quality learning environment available to our peers at other public schools.

Also, If Campbell had another building then the kids wouldn't have to worry about kids being squeezed together. In addition, it will make kids life very easier because they would be able to have a new building and more space. However, if the building is big then more classes could be able to be in that class and wouldn't have to worry about trying to find space inside a room because it could make them hot from the body heat. Also, if there is body heat then it could be very hard for the students to focus because of all the stress and sweat from them.

Mahalo for your time,

Benjamin Mundon
Ewa Makai

Aloha Senators and Representatives,

Please support funding for the new and desperately needed multi-story building at James Campbell High School. Campbell is not only the largest high school in the state, with 3,049 students, but we are also without a doubt also the most overcrowded. JCHS was designed to hold 1,700 but next year, 3,400 students are expected to enroll. By 2018, up to 3,800 are expected. There is no place else to put them; we need a permanent solution.

Most students already attend classes in portable buildings, and there's no place to put those either. These portables are crammed into *every available open space*, eliminating any grassy courtyards that previous generations and every other school in the state enjoy. Although the $35 million price tag may seem high, it is an investment for our future – for Hawaii's future. The new 30 classroom building will include specialty classrooms, and help prepare us for competitive STEM (science, technology, engineering and math) and other careers.

If we further ignore this problem, an increasing amount of students will struggle to focus in class due to learning in an uncomfortable environment. The student's focus, rather than education, will be taken away by the heat and struggle of a crammed room. JCHS does have fans, but all that being given off is musty air. We understand that every school has needs, *but no other high school in the state faces the challenges and facility inequities of JCHS*. We deserve better than our current jam-packed, fifty year old facilities. Please support the construction of a new building at JCHS - we deserve access to the same quality learning environment available to our peers at other public schools.

Mahalo for your time,
Brianna
Ewa Makai Middle School

Aloha Senators and Representatives,
Please support funding for the new and desperately needed multi-story building at James Campbell High School. Campbell is not only the largest high school in the state, with 3,049 students, but we are also without a doubt also the most overcrowded. JCHS was designed to hold 1,700 but next year, 3,400 students are expected to enroll. By 2018, up to 3,800 are expected. There is no place else to put them; we need a permanent solution.

Most students already attend classes in portable buildings, and there's no place to put those either. These portables are crammed into *every available open space*, eliminating any grassy courtyards that previous generations and every other school in the state enjoy. Although the $35 million price tag may seem high, it is an investment for our future – for Hawaii's future. The new 30 classroom building will include specialty classrooms, and help prepare us for competitive STEM (science, technology, engineering and math) and other careers.

We understand that every school has needs, *but no other high school in the state faces the challenges and facility inequities of JCHS*. We deserve better than our current jam-packed, fifty year old facilities. Please support the construction of a new building at JCHS - we deserve access to the same quality learning environment available to our peers at other public schools.

Working in overcrowded classes make it even more difficult to focus on our classroom priorities. While Campbell rapidly grows by the day, student's education have become the least of many worries. Adding another building could be a major impact for not only the students, but the teachers we truly are thankful for. This gives us a chance to change Ewa Beach's education community for many years ahead.

Mahalo for your time,

Caitlin Palacio
Ewa Makai Middle School

COMMITTEE ON FINANCE HEARING

DATE: Wednesday, March 9, 2016

TIME: 11:00 A.M.

PLACE: Conference Room 308
State Capitol
415 South Beretania Street

Aloha Senators and Representatives,

Please support funding for the new and desperately needed multi-story building at James Campbell High School. Campbell is not only the largest high school in the state, with 3,049 students, but we are also without a doubt also the most overcrowded. JCHS was designed to hold 1,700 but next year, 3,400 students are expected to enroll. By 2018, up to 3,800 are expected. There is no place else to put them; we need a permanent solution.

The reason for this is because I would like to have generation after generation to have a great education. Because the school is one of the most overcrowded schools in the state, this would really make improvement in the long run as the school's population continues to increase, and learning easier with more classrooms.

Most students already attend classes in portable buildings, and there's no place to put those either. These portables are crammed into *every available open space*, eliminating any grassy courtyards that previous generations and every other school in the state enjoy. Although the $35 million price tag may seem high, it is an investment for our future – for Hawaii's future. The new 30 classroom building will include specialty classrooms, and help prepare us for competitive STEM (science, technology, engineering and math) and other careers.

We understand that every school has needs, *but no other high school in the state faces the challenges and facility inequities of JCHS*. We deserve better than our current jam-packed, fifty year old facilities. Please support the construction of a new building at JCHS - we deserve access to the same quality learning environment available to our peers at other public schools.

Mahalo for your time,
Caleb Samson
Ewa Makai Middle School

COMMITTEE ON FINANCE HEARING

DATE: Wednesday, March 9, 2016
TIME: 11:00 A.M.
PLACE: Conference Room 308
State Capitol
415 South Beretania Street

Aloha Senators and Representatives,

Please support funding for the new and desperately needed multi-story building at James Campbell High School. Campbell is not only the largest high school in the state, with 3,049 students, but we are also without a doubt also the most overcrowded. JCHS was designed to hold 1,700 but next year, 3,400 students are expected to enroll. By 2018, up to 3,800 are expected. There is no place else to put them; we need a permanent solution.

Most students already attend classes in portable buildings, and there's no place to put those either. These portables are crammed into *every available open space*, eliminating any grassy courtyards that previous generations and every other school in the state enjoy. Although the $35 million price tag may seem high, it is an investment for our future – for Hawaii's future. The new 30 classroom building will include specialty classrooms, and help prepare us for competitive STEM (science, technology, engineering and math) and other careers.

As a student who will be attending James Campbell High School, building a 30 classroom building would definitely benefit the students and staff. With the new classrooms, the students would have much more space in class and he heat will become less of a distraction for students especially for freshmen's who are just entering a new chapter in their lives. The students can enjoy different classes/courses that will be added as well such as STEM (Science Technology Engineering Math).

We understand that every school has needs, *but no other high school in the state faces the challenges and facility inequities of JCHS*. We deserve better than our current jam-packed, fifty year old facilities. Please support the construction of a new building at JCHS - we deserve access to the same quality learning environment available to our peers at other public schools.

Mahalo for your time,

Cassandra Mo
Ewa Makai Middle School

Aloha Senators and Representatives,

Please support funding for the new and desperately needed multi-story building at James Campbell High School. Campbell is not only the largest high school in the state, with 3,049 students, but we are also without a doubt also the most overcrowded. JCHS was designed to hold 1,700 but next year, 3,400 students are expected to enroll. By 2018, up to 3,800 are expected. There is no place else to put them; we need a permanent solution.

Most students already attend classes in portable buildings, and there's no place to put those either. These portables are crammed into *every available open space*, eliminating any grassy courtyards that previous generations and every other school in the state enjoy. Although the $35 million price tag may seem high, it is an investment for our future – for Hawaii's future. The new 30 classroom building will include specialty classrooms, and help prepare us for competitive STEM (science, technology, engineering and math) and other careers.

We understand that every school has needs, *but no other high school in the state faces the challenges and facility inequities of JCHS*. We deserve better than our current jam-packed, fifty year old facilities. Please support the construction of a new building at JCHS - we deserve access to the same quality learning environment available to our peers at other public schools.

Mahalo for your time,

Emma Tandara
Ewa Makai Middle School

Aloha Kakou,

My name is Ethan Onipaa Porter and I am a teacher at James Campbell High School. I asked my ninth grade students to submit their personal experience concerning the construction of a new multi-story classroom building. Here are their personal experiences:

My personal experience at JCHS is they should tear down saber hall and build the multi building there because there's room there and once you build it, take away the portables on Pohakea School because it's invading the little kids property and it gives them their personal space back plus it's a hazard to get there before beating the bell.
Another personal experience is that at school now the lunch lines are super long, by the time I get down from the third floor. The lines are super long, so if there was another building then the lunch lines in one wouldn't be as long as it is now.
Another experience is that during lunch the buildings can get crowded with people just hanging out, but if there were another building the crowded building would be more open and less crowded than it usually is.

I hope that these student's ideas will help lend support to the proposed bill.

Mahalo.

COMMITTEE ON FINANCE HEARING

DATE: Wednesday, March 9, 2016
TIME: 11:00 A.M.
PLACE: Conference Room 308
State Capitol
415 South Beretania Street

Aloha Senators and Representatives,

Please support funding for the new and desperately needed multi-story building at James Campbell High School. Campbell is not only the largest high school in the state, with 3,049 students, but we are also without a doubt also the most overcrowded. JCHS was designed to hold 1,700 but next year, 3,400 students are expected to enroll. By 2018, up to 3,800 are expected. There is no place else to put them; we need a permanent solution.

Most students already attend classes in portable buildings, and there's no place to put those either. These portables are crammed into *every available open space*, eliminating any grassy courtyards that previous generations and every other school in the state enjoy. Although the $35 million price tag may seem high, it is an investment for our future – for Hawaii's future. The new 30 classroom building will include specialty classrooms, and help prepare us for competitive STEM (science, technology, engineering and math) and other careers.

My sister attends Campbell High School and she tells me that there is so many students in her class that there needs to be two teachers because of how many students are in the class and it is hard to keep them in line with only one teacher. Campbell needs this new building not just because the school is over populated but because of the new opportunities that it could bring the students. The school could put new classes there like, college classes, the Arts programs ect.

We understand that every school has needs, *but no other high school in the state faces the challenges and facility inequities of JCHS*. We deserve better than our current jam-packed, fifty year old facilities. Please support the construction of a new building at JCHS - we deserve access to the same quality learning environment available to our peers at other public schools.

Mahalo for your time,

Hilary Hickenbottom

Ewa Makai

Aloha Senators and Representatives,

Please support funding for the new and desperately needed multi-story building at James Campbell High School. Campbell is not only the largest high school in the state, with 3,049 students, but we are also without a doubt also the most overcrowded. JCHS was designed to hold 1,700 but next year, 3,400 students are expected to enroll. By 2018, up to 3,800 are expected. There is no place else to put them; we need a permanent solution.

Most students already attend classes in portable buildings, and there's no place to put those either. These portables are crammed into *every available open space*, eliminating any grassy courtyards that previous generations and every other school in the state enjoy. Although the $35 million price tag may seem high, it is an investment for our future – for Hawaii's future. The new 30 classroom building will include specialty classrooms, and help prepare us for competitive STEM (science, technology, engineering and math) and other careers.

We understand that every school has needs, *but no other high school in the state faces the challenges and facility inequities of JCHS*. We deserve better than our current jam-packed, fifty year old facilities. Please support the construction of a new building at JCHS - we deserve access to the same quality learning environment available to our peers at other public schools.

The 30 classrooms in the multi story building built at James Campbell High School can also help students to learn in a healthy new cool room. Schools without air condition or fans has kids getting sick and dehydrated. Also it is harder to learn, and kids can get a lot of body odor that can affect other students learning. Back in elementary I went to Barbers Point and there weren't any air condition or fans. So it got hot really quick, especially after recess. Another thing that is distracting to kids is the noise of passing students trying to get to their classes. If the multi story building is built it can prevent from hearing and being distracted by the noise. A lot of more things are affecting learning at JCHS, but if the multi story building is built it will help kids learn and prevent sickness of these students.

Mahalo for your time,

Jake Petrus

Ewa Makai Middle School

COMMITTEE ON FINANCE HEARING

DATE: Wednesday, March 9, 2016
TIME: 11:00 A.M.
PLACE: Conference Room 308
State Capitol
415 South Beretania Street

Aloha Senators and Representatives,

Please support funding for the new and desperately needed multi-story building at James Campbell High School. Campbell is not only the largest high school in the state, with 3,049 students, but we are also without a doubt also the most overcrowded. JCHS was designed to hold 1,700 but next year, 3,400 students are expected to enroll. By 2018, up to 3,800 are expected. There is no place else to put them; we need a permanent solution.

Most students already attend classes in portable buildings, and there's no place to put those either. These portables are crammed into *every available open space*, eliminating any grassy courtyards that previous generations and every other school in the state enjoy. Although the $35 million price tag may seem high, it is an investment for our future – for Hawaii's future. The new 30-classroom building will include specialty classrooms, and help prepare us for competitive STEM (science, technology, engineering and math) and other careers.

As a student who will be attending Campbell High School, adding a new 30-classroom building will definitely benefit many. The heat will become a distraction for students especially for freshmen's who are just entering a new chapter in their lives. The students will enjoy the different classes courses that will be added as well. This will be a symbol of hope for Campbell students. It will make students feel that their voices are heard. It will make those feel that our legislators do truly care for this part of the community. The new 30-classroom building will help many at Campbell High School.

We understand that every school has needs, *but no other high school in the state faces the challenges and facility inequities of JCHS*. We deserve better than our current jam-packed, fifty year old facilities. Please support the construction of a new building at JCHS - we deserve access to the same quality learning environment available to our peers at other public schools.

Mahalo for your time,

Janel Bacani

Ewa Makai Middle School

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: geckogroup@cs.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Wednesday, March 30, 2016 12:57:55 PM

HB1700
Submitted on: 3/30/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Ann Yabusaki	Individual	Support	No

Comments: I am writing in support of HMS305 , EDN100 and HMS501 measures for continuing support to families and youth. These measures greatly benefit the people and future of Hawaii. As a family therapists working with many chaotic and needy families, investing in our youth, increasing their resilience and achievement is a far better investment than treating the consequences.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

Aloha Senators and Representatives,

Please support funding for the new and desperately needed multi-story building at James Campbell High School. Campbell is not only the largest high school in the state, with 3,049 students, but we are also without a doubt also the most overcrowded. JCHS was designed to hold 1,700 but next year, 3,400 students are expected to enroll. By 2018, up to 3,800 are expected. There is no place else to put them; we need a permanent solution.

Most students already attend classes in portable buildings, and there's no place to put those either. These portables are crammed into *every available open space*, eliminating any grassy courtyards that previous generations and every other school in the state enjoy. Although the $35 million price tag may seem high, it is an investment for our future – for Hawaii's future. The new 30 classroom building will include specialty classrooms, and help prepare us for competitive STEM (science, technology, engineering and math) and other careers.

We understand that every school has needs, *but no other high school in the state faces the challenges and facility inequities of JCHS*. We deserve better than our current jam-packed, fifty year old facilities. Please support the construction of a new building at JCHS - we deserve access to the same quality learning environment available to our peers at other public schools.

Also, if Campbell had another building the students would have more space to move around and it would be less crowded. The room temperature would also go down because the less bodies in the room, the cooler it is inside. Therefore the students would be able to focus with the less heat. Moreover, the students would have a positive mind while learning. Also, the heat makes some students very sleepy and the teachers would have less attention coming from the students. That is why Campbell should get another building.

Mahalo for your time,

Jayden Ramos

Ewa Makai Middle School

Aloha Senators and Representatives,

Please support funding for the new and desperately needed multi-story building at James Campbell High School. Campbell is not only the largest high school in the state, with 3,049 students, but we are also without a doubt also the most overcrowded. JCHS was designed to hold 1,700 but next year, 3,400 students are expected to enroll. By 2018, up to 3,800 are expected. There is no place else to put them; we need a permanent solution.

High School is a very exciting experience that most teens would look forward to as they finish their middle school year. However, people find it very difficult to enjoy such a thing when everybody is crammed into one place. With all the body heat and the overwhelming population at Campbell, high schoolers are in desperate need for a new building. We are not asking to build more high schools in order to fit the needs of the students, but the people at Campbell just need a better environment in order to think and work better in class, without worries of having to squish into one room with a great amount of classmates.

It's very clear that there are many other problems in our community that needs to be fixed, but Campbell's population is a problem like no other. No other school faces the challenges that Campbell High School must come to everyday. We completely understand the importance of a student's education, which is exactly why we need to build a better environment for our students to work and focus better. A child or teen's education should be a top priority, so we kindly ask you to take this idea into consideration.

Mahalo for your time,

Jezarae Jatem Ragasa
Ewa Makai Middle School

Aloha Senators and Representatives,

Please support funding for the new and desperately needed multi-story building at James Campbell High School. Campbell is not only the largest high school in the state, with 3,049 students, but we are also the most overcrowded. JCHS was designed to hold 1,700 but next year, 3,400 students are expected to enroll. There is no place else to put them; we need a permanent solution.

Most students already attend classes in portable buildings, and there's no place to put those either. Although the $35 million price tag may seem high, it is an investment for our future – for Hawaii's future. As an incoming JCHS freshman I feel like the new building will really help benefit the students. I have heard from other students that already attend JCHS that because classrooms are already overcrowded and with the heat that makes it even more difficult to concentrate and to get assignments done. There are fans but they are loud and distracting, along with that they don't really help the situation, all they do is blow hot air around. The new 30 classroom building will include specialty classrooms, and help prepare us for competitive STEM (science, technology, engineering and math) and other careers.

We understand that every school has needs, *but no other high school in the state faces the challenges and facility inequities of JCHS*. We deserve better than our current jam-packed, fifty year old facilities. It will also give the students hope, make the students feel like their voices matter, and that the legislator does care about the Ewa Beach community. Please support the construction of a new building at JCHS - we deserve access to the same quality learning environment available to our peers at other public schools.

Mahalo for your time,
Kendyl Eugenio
Ewa Makai Middle School

Aloha Senators and Representatives,

Please support funding for the new and desperately needed multi-story building at James Campbell High School. Campbell is not only the largest high school in the state, with 3,049 students, but we are also without a doubt also the most overcrowded. JCHS was designed to hold 1,700 but next year, 3,400 students are expected to enroll. By 2018, up to 3,800 are expected. There is no place else to put them; we need a permanent solution.

Most students already attend classes in portable buildings, and there's no place to put those either. These portables are crammed into *every available open space*, eliminating any grassy courtyards that previous generations and every other school in the state enjoy. Although the $35 million price tag may seem high, it is an investment for our future – for Hawaii's future. The new 30 classroom building will include specialty classrooms, and help prepare us for competitive STEM (science, technology, engineering and math) and other careers.

We understand that every school has needs, *but no other high school in the state faces the challenges and facility inequities of JCHS*. We deserve better than our current jam-packed, fifty year old facilities. Please support the construction of a new building at JCHS - we deserve access to the same quality learning environment available to our peers at other public schools.

I believe that by adding the building it would improve students mentally because it's hard to work with a overcrowded class. By adding the building students would have less people in a class. It would also improve traffic when trying to get to class. please take my word into consideration.

Mahalo for your time,
Liliana Thomas
Ewa Makai Middle School

Aloha Senators and Representatives,

Please support funding for the new and desperately needed multi-story building at James Campbell High School. Campbell is not only the largest high school in the state, with 3,049 students, but we are also without a doubt also the most overcrowded. JCHS was designed to hold 1,700 but next year, 3,400 students are expected to enroll. By 2018, up to 3,800 are expected. There is no place else to put them; we need a permanent solution.

Most students already attend classes in portable buildings, and there's no place to put those either. These portables are crammed into *every available open space*, eliminating any grassy courtyards that previous generations and every other school in the state enjoy. As an incoming freshman at James Campbell High School, the heat and the overcrowded classrooms are a big issue. This new classroom building will not only allow students to have more space and less crowded classrooms, but the air conditioning in the building will allow students to focus on and understand what they are learning. This building will also show the students and community that the legislative cares for them and listens to their concerns. The students will understand that their voices do count, and their education does matter.

Although the $35 million price tag may seem high, it is an investment for our future – for Hawaii's future. The new 30 classroom building will include specialty classrooms, and help prepare us for competitive STEM (science, technology, engineering and math) and other careers.

We understand that every school has needs, *but no other high school in the state faces the challenges and facility inequities of JCHS*. We deserve better than our current jam-packed, fifty year old facilities. Please support the construction of a new building at JCHS - we deserve access to the same quality learning environment available to our peers at other public schools.

Mahalo for your time,

Malia Boksanski
Ewa Makai Middle School

Aloha Senators and Representatives,

Please support funding for the new and desperately needed multi-story building at James Campbell High School. Campbell is not only the largest high school in the state, with 3,049 students, but we are also without a doubt the most overcrowded. JCHS was designed to hold 1,700 but next year, 3,400 students are expected to enroll. By 2018, up to 3,800 are expected. There is no place else to put them; we need a permanent solution.

As a student (an incoming freshman) I am personally not fully looking forward to my future high school years, due to the overcrowding and heat at JCHS. It would be extremely difficult to focus and maintain good study habits in class if it remains this overcrowded and heated, due to the lack of air conditioning and classroom space. Most students already attend classes in portable buildings which are already crammed into *every available open space*, eliminating any grassy courtyards.

All of Ewa Beach is a growing development that will only bring more kids to this single, already overcrowded high school in the community.

Although the $35 million price tag may seem high, it is an investment for our future – for Hawaii's future. The new 30 classroom building will include specialty classrooms, and help prepare us for competitive STEM (science, technology, engineering and math) and other careers. As technology advances, so should our schools and lesson plans. This 30 classroom building that offers new classes can really help prepare us for the future so once we graduate, we are fully equipped with skills needed in the real world.

We understand that every school has needs, *but no other high school in the state faces the challenges and facility inequities of JCHS*. We deserve better than our current jam-packed, fifty year old facilities. Please support the construction of a new building at JCHS - we deserve access to the same quality learning environment available to our peers at other public schools.

Mahalo for your time,
Mara Galeai
Ewa Makai Middle School

COMMITTEE ON FINANCE HEARING

DATE:March 8 — Wednesday, March 9, 2016

TIME: 12:34 pm — 11:00 A.M.

PLACE: ewa makai — Conference Room 308, State Capitol, 415 South Beretania Street

Aloha Senators and Representatives,

Please support funding for the new and desperately needed multi-story building at James Campbell High School. Campbell is not only the largest high school in the state, with 3,049 students, but we are also without a doubt also the most overcrowded. JCHS was designed to hold 1,700 but next year, 3,400 students are expected to enroll. By 2018, up to 3,800 are expected. There is no place else to put them; we need a permanent solution.

Most students already attend classes in portable buildings, and there's no place to put those either. These portables are crammed into *every available open space*, eliminating any grassy courtyards that previous generations and every other school in the state enjoy. Although the $35 million price tag may seem high, it is an investment for our future – for Hawaii's future. The new 30 classroom building will include specialty classrooms, and help prepare us for competitive STEM (science, technology, engineering and math) and other careers.

We understand that every school has needs, *but no other high school in the state faces the challenges and facility inequities of JCHS*. We deserve better than our current jam-packed, fifty year old facilities. Please support the construction of a new building at JCHS - we deserve access to the same quality learning environment available to our peers at other public schools.

Also I know they have a lot of potential at their school. If they could have enough equipment and building space to them they could have lots of education for everyone. So please if you could help out JCHS that would be great.

Mahalo for your time,

Matthew Favela
Ewa Makai

Aloha Senators and Representatives,

Please support funding for the new and desperately needed multi-story building at James Campbell High School. Campbell is not only the largest high school in the state, with 3,049 students, but we are also without a doubt also the most overcrowded. JCHS was designed to hold 1,700 but next year, 3,400 students are expected to enroll. By 2018, up to 3,800 are expected. There is no place else to put them; we need a permanent solution.

Most students already attend classes in portable buildings, and there's no place to put those either. These portables are crammed into *every available open space*, eliminating any grassy courtyards that previous generations and every other school in the state enjoy. Although the $35 million price tag may seem high, it is an investment for our future – for Hawaii's future. The new 30 classroom building will include specialty classrooms, and help prepare us for competitive STEM (science, technology, engineering and math) and other careers.

STEM is our future and the technological age in which they live, their best career options, and their key to wise decisions. In 2009, the United States Department of Labor listed the ten most wanted employees. Eight of those employees were ones with degrees in the STEM fields: accounting, computer science, electrical engineering, mechanical engineering, information sciences and systems, computer engineering, civil engineering, and economics and finance. According to the U. S. Department of Commerce, STEM occupations are growing at 17%, while others are growing at 9.8%. Health care workers with associate degrees to doctors of medicine will average 20% more in lifetime earnings than peers with similar degrees in non-health care. A glance at 2010 starting salaries for engineers with $47,145 for civil engineers to $60,054 for chemical engineers is strong evidence that STEM related jobs can be financially rewarding careers for our children.

We understand that every school has needs, *but no other high school in the state faces the challenges and facility inequities of JCHS*. We deserve better than our current jam-packed, fifty year old facilities. Please support the construction of a new building at JCHS - we deserve access to the same quality learning environment available to our peers at other public schools.

Mahalo for your time,

Monika Allen
Ewa Makai Middle School

COMMITTEE ON FINANCE HEARING

DATE: Wednesday, March 9, 2016

TIME: 11:00 A.M.

PLACE: Conference Room 308
State Capitol
415 South Beretania Street

Aloha Senators and Representatives,

Please support funding for the new and desperately needed multi-story building at James Campbell High School. Campbell is not only the largest high school in the state, with 3,049 students, but we are also without a doubt also the most overcrowded. JCHS was designed to hold 1,700 but next year, 3,400 students are expected to enroll. By 2018, up to 3,800 are expected. There is no place else to put them; we need a permanent solution.

Most students already attend classes in portable buildings, and there's no place to put those either. These portables are crammed into *every available open space*, eliminating any grassy courtyards that previous generations and every other school in the state enjoy. Although the $35 million price tag may seem high, it is an investment for our future – for Hawaii's future. The new 30 classroom building will include specialty classrooms, and help prepare us for competitive STEM (science, technology, engineering and math) and other careers.

As an incoming freshman, I am personally not looking forward to having my future high school years filled with difficulty, and sweat. Due to the overcrowding, the enormous amount of body heat will be created, including the natural heat from everyday life. It will be extremely hard for students to focus and to keep, even to create a good study habit in class if the status of JCHS stays the way it is.

We understand that every school has needs, *but no other high school in the state faces the challenges and facility inequities of JCHS*. We deserve better than our current jam-packed, fifty year old facilities. Please support the construction of a new building at JCHS - we deserve access to the same quality learning environment available to our peers at other public schools.

Mahalo for your time,
Nikayla Harris
Ewa Makai Middle School

COMMITTEE ON FINANCE HEARING

DATE: Wednesday, March 9, 2016
TIME: 11:00 A.M.
PLACE: Conference Room 308
State Capitol
415 South Beretania Street

Aloha Senators and Representatives,

Please support funding for the new and desperately needed multi-story building at James Campbell High School. Campbell is not only the largest high school in the state, with 3,049 students, but we are also without a doubt also the most overcrowded. JCHS was designed to hold 1,700 but next year, 3,400 students are expected to enroll. By 2018, up to 3,800 are expected. There is no place else to put them; we need a permanent solution.

Most students already attend classes in portable buildings, and there's no place to put those either. These portables are crammed into *every available open space*, eliminating any grassy courtyards that previous generations and every other school in the state enjoy. Although the $35 million price tag may seem high, it is an investment for our future – for Hawaii's future. The new 30 classroom building will include specialty classrooms, and help prepare us for competitive STEM (science, technology, engineering and math) and other careers.

We understand that every school has needs, *but no other high school in the state faces the challenges and facility inequities of JCHS*. We deserve better than our current jam-packed, fifty year old facilities. Please support the construction of a new building at JCHS - we deserve access to the same quality learning environment available to our peers at other public schools.

Campbell should be given a new building because several classrooms has many students which does cause a lot of body heat within the classroom. With the body heat, it is difficult for the students to focus on what they are working on. In other words, the class would be easier to have control over. Also the students would be able to have a more positive mind when learning. Moreover, later in the years of Campbell School the number of students will increase. Therefore, we should have a solution that will better help the future.

Mahalo for your time,

Zariah Lamar
Ewa Makai Middle School

EXECUTIVE CHAMBERS

HONOLULU, HAWAII

David Y. Ige
Governor

April 5, 2016

Senator Jill Tokuda, Chair
Senator Donovan Dela Cruz, Vice Chair
Members of the Senate Committee on Ways and Means

H.B. No. 1700, H.D.1 – Relating to the State Budget -- **Testimony in SUPPORT**

The Office of the Governor appreciates the Committee's past support in approving last year's emergency appropriation (EA) that provided funds for vacation payouts to departing staff, paid annual memberships for the National Governors Association and Western Governors' Association, and upgraded information technology to implement paperless document review and approval process within the Governor's Office.

Our FY17 supplemental budget requests continued funding and positions for our **Special Advisor on Federal Funds Maximization** and **Military Affairs Liaison**. These positions have been actively supporting the Governor in making positive progress on state-based issues involving our military community and many federal agencies with which we interact on a routine basis. Due to Hawai'i's geographic distance from our nation's capital, it is important that we have Hawai'i-based staff who can establish relationships and make communication with these myriad federal agencies when the need arises.

We request your favorable consideration of our request for additional general funds in the amount of **$263,724,** to address our negative salary adjustment and support operational expenses, as follows:

- Hire additional staff to support handling constituent complaints, scheduling of meetings, managing attendance of Governor and staff at events, responding to requests for commemorations or special messages for events, conducting research on emerging state policy issues and state-level responses;

- Subscribe to on-line research and media databases to support communications and research staff in following current news and state policy trends; and

- Continue Governor's participation in mainland meetings with colleagues through the National Governors Association (NGA), the Western Governors Association (WGA).

Mahalo for your continuing support of the Governor's Office budget. Should you have any questions, please don't hesitate to contact Laurel Johnston, Deputy Chief of Staff, at 586-0034.

Senator Jill N. Tokuda, Chair
Senator Donovan M. Dela Cruz, Vice Chair
Members of the Senate Committee on Ways and Means

Re: HB 1700 HD 1---Relating to the State Budget,
April 5, 2016, 9:00 am, Conference Room 211

Dear Chair Tokuda, Vice Chair Dela Cruz and Members of the Committee on Ways and Means:

My name is Robert G. Peters and I currently serve as the chair of the State Early Learning Advisory Board (ELAB) composed of 19 public and private members representing state departments, the early learning community, philanthropy, and the State university system. The ELAB was established to advise the Executive Office on Early Learning and speaks as an independent voice on issues related to child development as they relate to health, safety and learning for children from 0 – 5.

The ELAB supports HB 1700 HD 1and its appropriations for the Executive Office on Early Learning. The office is currently under-staffed with only two members and is in great need of secretarial support as well as a data processing systems analyst, the former to address the day-to-day needs of the office while the latter position will enable the EOEL to gather/analyze the critical data needed to ascertain issues around pre-K needs, public capacity to meet them and to plan for a future that increases access and equity. This data will also be essential when seeking federal assistance and local philanthropic support.

ELAB requests that the means of funding in HB 1700, HD 1 be changed to general funds and that $28,800 for travel expenses for the Early Learning Advisory Board be included

Thank you for this opportunity to testify. I hope you will see the value in supporting this legislation in order for the EOEL to fulfill its responsibilities to our *keiki*.

Robert G. Peters, EdD
Early Learning Advisory Board, Chair

DAVID Y. IGE
GOVERNOR

LAUREN MORIGUCHI
EXECUTIVE DIRECTOR

STATE OF HAWAI'I
Executive Office on Early Learning
1390 Miller Street, Room 303
HONOLULU, HAWAI'I 96813

April 1, 2016

TO: Jill Tokuda, Chair
Senate Committee on Ways and Means

FROM: Lauren Moriguchi, Director

SUBJECT: **HB 1700, HD 1 – RELATING TO THE STATE BUDGET**
Hearing Date: April 5, 2016
Time: 9:00 a.m.
Location: Conference Room 211

Purpose of Bill: To adjust and request appropriations for Fiscal Biennium 2015-17 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

EXECUTIVE OFFICE ON EARLY LEARNING'S POSITION: The Executive Office on Early Learning (EOEL) **strongly supports** HB 1700, HD 1 with recommendations for ammendments.

EOEL is committed to our mission which is to coordinate efforts to help ensure a solid foundation for Hawai'i's young children, prenatal to age five, by working with partners, families, and communities and connecting policies, programs, and funding in relation to health, safety, early childhood education, and school readiness and success.

Adequate staffing and funding is crucial in order to address the comprehensive responsibilities of the office, currently in statute.

We are appreciative and support the appropriation for the secretary and research statistician positions, in addition to the inclusion of funds for equipment.

EOEL respectfully requests that the means of funding in HB 1700, HD 1 be changed to general funds and that $28,800 for travel expenses for the Early Learning Advisory Board be included.

Thank you for the opportunity to testify on this bill.

From:	mailinglist@capitol.hawaii.gov
To:	WAM Testimony
Cc:	rsbchun@gmail.com
Subject:	Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date:	Monday, April 04, 2016 11:09:32 AM
Attachments:	Testimony for HB 1700 HD 1 - Relating to the State Budget 4-4-16.doc

HB1700
Submitted on: 4/4/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Robyn Chun	Individual	Support	No

Comments: I strongly support HB 1700, HD 1 Relating to the State Budget with the following suggested revisions. I respectfully request that HB 1700, HD 1: 1) appropriate Executive Office of Early Learning (EOEL) funding for a secretary and research statistician position and equipment from the state general funds (rather than federal funds), 2) include $28,8000 for interisland travel that enables members of the Early Learning Advisory Board to convene; and, 3) appropriate $6 million of Preschool Open Doors (POD) money (that was switched to federal funds in HD 1), so that it is also appropriated from state general funds. Thank you for the opportunity to testify.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

TESTIMONY BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS

PERSON TESTIFYING: Robyn S. B. Chun
DATE: Tuesday, April 4, 2016
TIME: 9:00 AM
LOCATION: State Capitol Conference Room 211

TITLE OF BILL: HB 1700, HD 1 - RELATING TO THE STATE BUDGET

Honorable Chair, Jill Tokuda, Vice Chair, Dele Cruz, and Committee Members Chun Oakland, English, Galuteria, Harimoto, Inouye, Riviere, Taniguchi, Wakai and Slom

I **strongly support** HB 1700, HD 1 Relating to the State Budget with the following suggested revisions.

I respectfully request that HB 1700, HD 1 appropriate Executive Office of Early Learning (EOEL) funding for a secretary and research statistician position and equipment **from the state general funds** and include $28,8000 for interisland travel that enables members of the Early Learning Advisory Board to convene.

The EOEL PreK program provides critical early education services for 420 or our state's most needy children on 6 different islands. The EOEL is responsible for establishing a system of quality early learning settings and providing professional development for 21 classroom teachers and 21 educational assistants and overseeing the Pre-Plus Child Development services and Head Start Collaboration Office. Beyond this, the EOEL is a vital partner, collaborating with higher education and community based organizations to build a more comprehensive and sustainable statewide early learning system to serve children prenatal to age 5 and their families.

The success of the EOEL is dependent on adequate funding and restoration of key positions that enable it to carry out administrative tasks and program assessment and evaluation functions.

Thank you for this opportunity to testify.

Date: April 4, 2016

TO: Jill Tokuda, Chair
Senate Committee on Ways and Means

SUBJECT: HB 1700, HD 1 – RELATING TO THE STATE BUDGET
Hearing Date: April 5, 2016
Time: 9:00 a.m.
Location: Conference Room 211

Purpose of Bill: To adjust and request appropriations for Fiscal Biennium 2015-17 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

My name is Mrs. Terry Lock, while I am currently an early childhood teacher educator at the University of Hawai‘i at Mānoa College of Education, today I am testifying as an individual.

I am in strong support of the HB 1700, HD 1 with recommendations for amendments that impact the Executive Office on Early Learning.

EOEL is committed to building a solid foundation for Hawaii’s young children, prenatal to age five, that addresses their health, safety, early childhood education, and school readiness needs through policies, programs, and funding in collaboration with partners, families, and communities.

To address the mission of EOEL currently in statute, adequate staffing and funding is crucial and necessary.

Please support the appropriation for the secretary and research statistician positions, in addition to the inclusion of funds for equipment.

I respectfully request that the means of funding in HB 1700, HD 1 be changed to general funds and that $28,800 for travel expenses for the Early Learning Advisory Board be included.

Thank you for the opportunity to testify on this bill.

DAVID Y. IGE
GOVERNOR

RACHAEL WONG, DrPH
DIRECTOR

PANKAJ BHANOT
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

April 4, 2016

TO: The Honorable Senator Jill Tokuda, Chair
Senate Committee on Ways and Means

FROM: Rachael Wong, DrPH, Director

SUBJECT: **HB 1700, HD 1 RELATING TO THE STATE BUDGET**

Hearing: Tuesday, April 5, 2016, 9:00 a.m.
Conference Room 211, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) requests the committee's support of the **FY 2017 Supplemental Budget for the Department of Human Services.**

Part I
For brevity and clarity, this section highlights the significant and vital requests for funding.

The Department's mission and multi-generational approach, 'Ohana Nui, are focused on serving children, families, and individuals in our community and empower Hawai'i residents with support and services to expand their capacity for self-sufficiency, self- determination, independence, healthy choices, quality of life, and personal dignity.

We achieve this through our four divisions, two attached agencies, two commissions, our team of 2,000+ members, and a shared commitment to our mission and clients. We recognize that the department's $3 billion budget represents nearly one-fourth of the state budget, and we manage our programs with fiscal prudence, responsibility for meeting our statutory and ethical responsibilities, and the goal of continual improvement.

The Department of Human Services provides health coverage to nearly 50% of the children in Hawai'i, administers services to one-fourth of all people in the state, and takes the lead in the provision of programs to those who face financial, health, housing, food, and other challenges. WE collectively invest in local residents and, ultimately, a healthy Hawai'i.

If we, as a society, can press on the levers of these social determinants of health, we can actually improve individual and the community health. The work and programs at DHS are the very levers that can be pressed for impact because they are the social determinants of health.

This is the argument for investing in DHS and the reason why our budget focuses on four areas:

1. Investing in children and families;
2. Improving health and safety;
3. Increasing departmental capacity and efficiencies; and
4. Improving systems.

We approached developing the budget with these areas in mind and with the larger goals of improving community health. We do so with an added focus on collaboration, inclusion, transparency, fiscal accountability, and doing the right things the right ways for the people of Hawai‘i. Please see below for key budget requests.

BENEFIT, EMPLOYMENT AND SUPPORT SERVICES DIVISION (BESSD)

Mission: Provide timely, efficient and effective programs, services and benefits, through a continuum of services, through nine programs that serve different populations, aimed at providing clients with monthly benefits to assist them with such essentials as food, shelter, and child care, as well as employment support and work-training and dependency diversion and prevention.

- **Invest in Children and Families: HMS 305 – Cash Support for child care** (A=$6,000,000)
  Request: Continuation of Preschool Open Doors program and support access to preschool

- **Invest in Children and Families: HMS 903 – A-Plus fee increases** (A=$770,000)
  Request: Funds to cover increases program fees as a result of adjustment to the State's minimum wage

- **Improve Health and Safety: HMS 903 – General Support for self-sufficiency services** (A=$1,000,000)
  Request: Additional funding for medical assessment

- **Improve Health and Safety: HMS 224 – Homeless Services** (A=$400,000)
  Request: Funds for on-going repair and maintenance of 9 State-operated homeless shelters

- **Increasing Departmental Capacity and Efficiencies: HMS 224 – Homeless Services** (A=$58,736)
  Request: Add 2 positions and funds for the Homeless Programs Office to implement Homeless Program Office services.

- **Improve Systems; Increasing Departmental Capacity and Efficiencies: HMS 224 – Homeless Services** (A=$250,000)
  Request: Add funds for training and modifications for the Homeless Management Information System (HMIS)

Please note: These following requests are both from the DHS Homeless Programs Office (HPO) and the Governor's Coordinator on Homelessness.

- **Improve Health and Safety; Improve Systems: HMS 224 – Homeless Services** (A=$3,000,000)
  Request: Add general funds for Housing First Program

- **Improve Health and Safety; Improve Systems: HMS 224 – Homeless Services** (A=$2,000,000)
  Request: Add funding for homeless outreach

- **Improve Health and Safety; Improve Systems: HMS 224 – Homeless Services** (A=$2,000,000)
  Request: Add funding for Rapid Re-Housing Program

MED-QUEST DIVISION (MQD)

Mission: Help low-income adults and children obtain needed healthcare through the federal Medicaid health insurance program and other state-funded medical programs.

- **Improve Health and Safety:**
  - **HMS 401 – Health Care Payments** (A=4,878,120/N=$5,721,880)
    Request: Fund Autism Spectrum Disorders (ASD) beyond first year.
  - **HMS 401 – Health Care Payments** (A=$8,000,000/N=$9,383,746)
    Request: Fund Sovaldi treatment of chronic HCV infections, second year.
  - **HMS 401 – Health Care Payments** (A=$4,799,926/N=$7,664,177)
    Request: Restore Adult Dental Benefits for Medicaid recipients
  - **HMS 401 – Health Care Payments s** (A=$4,294,333/N=$3,343,667)
    Request: Meet increased cost of Medicare Part B supplements for Medicaid recipients
  - **HMS 401 – Health Care Payments** (A=$900,000)
    Request: Expand Premium Assistance Programs (PAP) payments
- **Improve Health and Safety AND Improve Systems:**
  - **HMS 401 – Health Care Payments** (A=$293,405/N=$344,155)
    Request: Establish Ticket to Work Program
- **Improve Systems:**
  - **HMS 902 – General Support for Health Care Payments** (A=$925,000/N=$2,775,000)
    Request: Funds to move the DHS Disaster Recovery Center to University of Hawai'i

- **HMS 902 – General Support for Health Care Payments** (A=$500,000/N=$4,500,000)
  Request: Additional Design, Development & Implementation (DDI) funds (transition to new vendor)

- **HMS 902 – General Support for Health Care Payments** (A=$100,000 /N=$900,000)
  Request: Hawaii Health Information Exchange (HHIE)

- **Increase Departmental Capacity and Efficiencies: HMS 902 – General Support for Health Care Payments** (A=$5,905,962/N=$17,717,886)
  Request: Funding for DHS Enterprise System Maintenance and Operations (M&O)

- **Increase Departmental Capacity and Efficiencies AND Improve Systems:**

  - **HMS 902 – General Support for Health Care Payments** (A=$600,000/N=$5,400,000)
    Request: Health Information Technology (HIT) Design, Development and Implementation (DDI) Funding

  - **HMS 902 – General Support for Health Care Payments** (A=$35,000 /N=$315,000)
    Request: Medical Electronic Health Record (EMR) System

  - **HMS 902 – General Support for Health Care Payments** (A=$85,000 /N=$765,000)
    Request: Medicaid Info Technology Architect (MITA)

  - **HMS 902 – General Support for Health Care Payments**
    (A=$227,000 /N=2,043,000)
    Request: Health Info Tech Consulting Services

- **Increase Departmental Capacity and Efficiencies:**

  - **HMS 902 – General Support for Health Care Payments** (A=$375,000/N=$375,000)
    Request: Business Process Redesign for the Med-QUEST Division

SOCIAL SERVICES DIVISION (SSD)

Mission: Protect vulnerable adults and children from abuse, neglect, and exploitation so they may live safely in their homes and communities. This is accomplished through two branches: 1) Child Welfare Services, and 2) Adult Protective and Community Services.

- **Increase Departmental Capacity and Efficiencies: HMS 301 – Child Welfare Services**
  Request: No-cost transfer of sixteen (16) vacant positions and funding.

- **Increase Departmental Capacity and Efficiencies: HMS 301 – Child Welfare Services**
  (A=$331,012/N=$110,337)
  Request: Restore the Hawaii Child Welfare Education Collaboration to educate and train social workers to fill Child Welfare Services vacant positions.

DIVISION OF VOCATIONAL REHABILITATION (DVR)

Mission: DVR exists to serve its participants and works together as a team so participants can achieve their goals and aspirations for meaningful employment through timely and individualized vocational rehabilitation services.

- **Increase Department Capacity and Efficiencies:**

  - **HMS 802 – Conversion of positions**
    Request: No-cost conversion of 2 Temporary to Permanent Vocational Rehabilitation Specialist (VRS) positions who serve individuals with disabilities to prepare for, obtain, and maintain employment in the Division's Maui and Kona offices.

  - **HMS 802 – Conversion of positions** (A=$10,112/N=$32,660)
    Request: Conversion of 0.5 FTE to 1.0 FTE Vocational Rehabilitation Specialist (VRS) Position at the Division's Kauai Branch serves individuals with disabilities to prepare for, obtain, and maintain employment.

  - **HMS 802 – OIB Program** (A=$90,000)
    Request: Salary support (salary, fringe and indirect costs) for the program's 3 FTE positions to provide statewide coverage and do outreach to underserved and unserved populations.

GOVERNOR'S COORDINATOR ON HOMELESSNESS

- **Invest in children and families; Improve health and safety: HMS 224 - Homeless Services** (A=$900,000)
  Request: Add funds to operate new Kaka'ako shelter

- **Improve health and safety: HMS 224 Homeless Services** ($A=$400,000)
  Request: Establishes a Stored Property Program

- **Improve systems; Increase departmental capacity and efficiencies: HMS 904 - Administrative Services** (A=$226,000)
  Request: Positions and funds for the Governor's Special Homelessness Project

Please note: These requests are both from the DHS Homeless Programs Office (HPO) and the Governor's Coordinator on Homelessness.

- **Improve Health and Safety; Improve Systems: HMS 224 Homeless Service** (A=$3,000,000)
  Request: Add general funds for Housing First Program

- **Improve Health and Safety; Improve Systems: HMS 224 Homeless Service** (A=$2,000,000)
  Request: Add funding for homeless outreach

- **Improve Health and Safety; Improve Systems: HMS 224 – Homeless Service** (A=$2,000,000)
  Request: Add funding for Rapid Re-Housing Program

DEPARTMENT OF HUMAN SERVICES GENERAL ADMINISTRATION

- **Increase Departmental Capacity and Efficiencies: HMS 904 General Administration** (A=$24,927/N=$11,976)
  Request: Add permanent General Professional V position for the DHS Administrative Appeals Office (AAO)

- **Increase Departmental Capacity and Efficiencies AND Improve Systems:**

  - **HMS 904 General Administration** (A=$79,455/N=$78,970)
    Request: Add 3.0 temporary exempt positions for Project Management Office

  - **HMS 904 General Administration** (A=$710,348)
    Request: Add 2.0 permanent positions and funds for OIT Help Desk

  - **HMS 904 General Administration** (A=$136,722)
    Request: Add 4.0 permanent positions for DHS IT compliance staff

  - **HMS 904 General Administration** (A=$400,00/N=$400,000)
    Request: IT compliance plan

  - **HMS 904 General Administration** (A=$63,370/N=$137,712)
    Request: Privacy and compliance programs

HAWAIʻI PUBLIC HOUSING AUTHORITY

Mission: The Hawaii Public Housing Authority is committed to promoting adequate and affordable housing, economic opportunity and a suitable living environment for low income families and individuals, free from discrimination.

HPHA submitted its testimony separately.

OFFICE OF YOUTH SERVICES (OYS)

Mission: Provide programs and services for Hawaii's youth including the provision of balanced and comprehensive services for at-risk youth, to prevent delinquency, reduce recidivism, and maximize opportunities for youth to become productive, responsible citizens through community based and family-focused treatment interventions.

- **Invest in Children and Families: HMS 501 – In-Community Youth Programs** (A=$250,000)
  Request: Additional Funds for REACH Program

- **Increase Departmental Capacity and Efficiencies: HMS 503 HYCF**
  Request: No-cost trade-off of positions for fringe benefits

HAWAI'I STATE COMMISSION ON THE STATUS OF WOMEN

Mission: Work toward equality for women and girls in the State by acting as a catalyst for positive change through advocacy, education, collaboration and program development.

The Commission submitted its testimony separately.

HAWAI'I STATE COMMISSION ON FATHERHOOD

Mission: Promote healthy family relationships by emphasizing the important role fathers play in the lives of their children.

There are no budget requests.

Part II

Please see the attached comments and concerns regarding the impact of decisions made by the House Committee on Finance (FIN) in H.B. 1700, H.D. 1. Also note that these comments and concerns were submitted, via an email transmission, to WAM staff on Thursday, March 24, 2016.

Thank you for the opportunity to provide comments on this bill.

Attachment

DAVID Y. IGE
GOVERNOR

RACHAEL WONG, DrPH
DIRECTOR

PANKAJ BHANOT
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

March 24, 2016

TO: Senator Jill N. Tokuda, Chair
Senate Committee on Ways and Means

FROM: Rachael Wong, DrPH, Director
Department of Human Services

SUBJECT: Review of Executive Budget Bill

Thank you for the opportunity to provide information on changes made to the DHS budget requests under HB1700 HD1. In response to the memorandum dated March 17, 2016, please see the following impact statements by program ID.

HMS 224 - Housing First Program (SEQ #100-001)

Impact of Adjustment

The Department would like to thank the Legislature for its past support of the Housing First (HF) program. HF is the cornerstone of the State's plans to address homelessness, and the HF program has been funded in the amount of $1,500,000 on a year-to-year basis. The request of $3,000,000 will allow continued funding of housing and services for an estimated 93 households on Oahu, and will expand the program to serve an additional 69 households on the neighbor islands. The total amount of households projected to be served with the $3,000,000 is 162, with an estimated $1,500,000 for the island of Oahu and $1,500,000 for the neighbor islands.

If funding for the HF program does not continue, an estimated 93 households served by the current program will lose their housing and return to homelessness. This represents over-100 chronically homeless individuals with serious mental health and physical health conditions who reside in these households, who are unable to maintain stable housing without assistance. Without stable housing, the physical and mental condition of these individuals may further deteriorate and result in serious illness or potentially death.

The absence of additional funding for the HF program will also prevent the program from expanding to the neighbor islands. According to the 2015 Point in Time Count, there are an estimated 1,904 unsheltered homeless individuals residing on the neighbor islands. In addition, the largest percentage increase in unsheltered homelessness occurred on Hawaii Island – an increase of 55% between 2014 and 2015. Without the addition of new programs to address unsheltered homeless on the neighbor islands, the number of unsheltered homeless individuals in these communities may further increase.

Background

Housing First is an evidence-based approach to ending homelessness that centers on placing people experiencing homelessness with housing as quickly as possible – and then providing services as needed. The implementation of HF has resulted in significant reductions in chronic homelessness in cities such as Phoenix, Los Angeles, Salt Lake City, and New Orleans. The State's current HF program, which began in June 2014, specifically targets chronically homeless individuals and families who have been homeless for a long period of time and have serious mental illness or other health conditions.

The Legislature established the Housing First Special Fund in 2010 (Act 212, SLH 2010), and the Department implemented the HF Pilot project between June 2012-June 2013. The initial pilot served 60 homeless households (a total of 71 individuals). During the HF Pilot, DHS collaborated with the University of Hawai'i Center on Family to conduct an analysis of the pilot program's outcomes and recommend areas of improvement. The Center on the Family's analysis suggested that funding on a year-to-year basis makes program implementation challenging for providers to execute a continuum of services and for clients to maintain stability in housing. Of the $1 million appropriated for the HF pilot, 97.4% of $974,314 was expended – 66.2% of funds were used for rental costs and 27.3% of funds were used for social and supportive services, with only 6.5% used for administrative costs. The average cost per person was approximately $13,273 for one year, or $1,143 per month.

Based on lessons learned from the HF pilot, the Department implemented the first year of the current HF program in June 2014. Additional measures were taken to ensure that the HF program maintained a high level of fidelity to the evidence-based practice as employed by Department of Health's Substance Abuse and Mental Health Services Administration (SAMHSA) grant called Hawaii Pathways Project. Federal funds from SAMHSA were leveraged with State Housing First funds to provide housing and comprehensive support services to chronically homeless individuals living with substance abuse and or co-occurring mental disorders. By June 2016, the HF program will be providing housing subsidies for a projected 93 households (including over 100 chronically homeless individuals) who will also receive supportive services. Once again, these 93 households will lose their housing and return to homelessness if the current level of HF funding is not sustained.

While the Department acknowledges that it may appear that a relatively small number of chronically homeless individuals have been served by the existing Housing First program,

several key points must be considered to provide context for the HF program as it is currently being administered:

1. Since the HF Pilot, our homeless services system achieved several milestone upgrades. Service providers are now using one common assessment tool to establish the needs of homeless individuals. This screening tool, the VI-SPDAT, helps to determine the individual's acuity (the seriousness of need and /vulnerability). Thus, those who have the most needs and are most vulnerable have been prioritized for appropriate services.

2. The homeless services system has implemented a coordinated process for entry into services that allows for those clients with the highest needs to be best matched with the appropriate resources in the community based on empirical data. This coordinated entry system essentially means that individuals are not over- or under-resourced—they are matched with the proper level and type of service. Consequently, resources are being better spent and outcomes are improving.

3. The DOH Hawaii Pathways Project (SAMHSA grant) provides robust services for eligible homeless. One of the major goals of the SAMHSA program is to create a sustainability plan for these critical services when federal funding ends. Systems integration between the Departments of Health and Human Services to further utilize federal Medicaid dollars is being actively pursued.

4. The work of the Hawaii Interagency Council on Homelessness (HICH) has strengthened partnerships and collaborations that will demonstrate the efficacy of the Housing First program and the alignment of our system of care. For example, the University of Hawaii Center on the Family conducted a preliminary analysis of a subset of State Housing First clients, which found that estimated healthcare costs for clients dropped an average of 43% in the six months following housing placement – from an average of $10,570 per client per month to $5,980 per client per month. This is a projected savings of $4,590 in healthcare costs per client per month.

   The Department is currently working with HMSA to provide further analysis of the cost savings experience as a result of Housing First. HMSA is not currently prepared to publicly announce the results of their findings; however, this data should be available by the end of 2016.

5. As noted in the University of Hawai'i analysis of the HF pilot, sustainable funding is critical to the success of programs serving those who are chronically homeless. The provision of uninterrupted housing assistance and support services is required to stabilize housing for this vulnerable population. Without stable funding, those housed, even if on a year to year basis, will be vulnerable to a return to homelessness.

Alternative Reductions
We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 224 - Homeless Management Information System (HMIS) (SEQ #101-900)

Impact of Adjustment
The Homeless Management Information System (HMIS) is a HUD-mandated and -funded data system used to collect and analyze data about homeless individuals and families and the services they receive. The State of Hawai'i was one of the first states in the nation to implement a statewide system in the late 1990s that captured information from homeless shelters and outreach services. More recently,, the State lost our long-time provider and is transitioning to a new HMIS solution called CaseWorthy. The Homeless Programs Office (HPO) administers the HMIS on behalf of the state's two HUD Continua of Care, Partners in Care on Oahu and Bridging the Gap representing the neighbor islands. HPO receives some HUD funding for HMIS.

The present funding request is to provide State support to accomplish a number of objectives:

1. Provide wide-reaching training in the use of the new HMIS solution statewide to additional service providers that currently do not use HMIS. This will further strengthen the coordinated system of care, especially addressing the intersection of homelessness and mainstream resources such as healthcare/hospitals, law enforcement, and mental health providers; and
2. Provide aggregate data and analysis reflecting the effectiveness of programs, identify trends in homelessness and services.

The impact of not funding this request is the loss of the capability to more accurately capture homelessness data, benchmark progress, measure outcomes, and analyze program effectiveness. This administration uses data to inform homelessness policy and activities, but there are limitations to analyzing current HMIS data: the quality of the data will remain limited because funding is needed to expand beyond current providers. Because HMIS is the repository of homelessness data across the islands, it will be extremely difficult to increase data analytics capacity and better measure outcomes without this funding.

Alternative Reductions
None. There are no funds to otherwise expand HMIS capacity.

HMS 224 - Homeless Outreach Services (SEQ #102-001)

Impact of Adjustment

The current level of funding for homeless outreach is $2,198,661. The number of outreach workers statewide is limited, and the Department currently contracts eight (8) agencies statewide to perform homeless outreach, including:

- Four (4) providers on Oahu
- Two (2) providers on Maui
- One (1) on Hawai‘i Island
- One (1) on Kauai

The Department is requesting an additional $2,000,000 to strengthen the quality of outreach provided and to focus outreach efforts more specifically on placing unsheltered individuals into permanent housing. In addition, the Department intends to procure outreach providers to concentrate on specific geographic regions, rather than contracting multiple agencies to serve the same general area.

Improved outreach is another critical component of the State's plans to address homelessness. If additional funding is provided, the role of outreach services will change to be more consistent with a case management model and specifically focused on housing as an outcome. This change in role will include smaller caseloads for each outreach worker, which will allow outreach workers to spend more time with each unsheltered individual. In order to connect an unsheltered person to housing, an outreach worker must often spend many hours with one individual, and provide support with a variety of activities including: completing applications for housing and public benefits; obtaining necessary documentation to apply for government identification; assessing the individual for mental health and clinical services; rebuilding connections with family and social support; and working in partnership with other service providers.

If additional funding is not provided, the other components of the State's plan to address homelessness—including Housing First, Rapid Re-Housing, and the Family Assessment Center—will be less effective. The face-to-face role of homeless outreach providers is important to building relationships and connecting unsheltered homeless persons with the appropriate type of housing intervention that will end their homelessness.

Background

The Department's request for additional funding is based on several factors:

- Hawai‘i's unsheltered homeless population has steadily increased. In other words, the percentage of homeless people who are unsheltered (vs. those housed in shelters) increased over the past three years. In 2013, 41% of the total homeless population was unsheltered. In 2014 and 2015, the percentage of unsheltered rose to 45% and 50%, respectively. This trend

suggests that a more coordinated and comprehensive system of outreach is needed to engage the unsheltered homeless population quickly into services appropriate to their level of need, with the ultimate goal of permanent housing.

- The significant changes to our homeless services system include the Coordinated Entry System (CES) that is based on using a common assessment or screening instrument (VI-SPDAT) and matching client need with appropriate resources that match the level of need. The CES assigns the role of "navigator" most frequently to outreach workers. Navigators are expected to maintain contact with unsheltered homeless clients and assist them with obtaining documents necessary for housing (social security cards, birth certificates, photo IDs, etc.). The CES require additional homeless outreach resources to work more efficiently. The importance of skilled outreach workers and a coordinated outreach effort is necessary to address the complex and increasing demand for homeless services.

- HPO found that multiple agencies may conduct outreach efforts in the same general area. We plan to procure this service by region on Oahu to ensure that one primary contractor is identified as the "lead agency" and so clients, concerned citizens, agencies, police, and law makers are able to work with one entity. Standards for outreach will be more stringent and outcomes based on the ultimate goal of achieving permanent housing.

- The State began regular enforcement of existing prohibitions (e.g., park closure rules) in 2015. As part of the process of enforcement, the City and State have both called upon homeless outreach providers to help inform homeless clients living in the parks about enforcement actions and connect them to shelter or housing resources. The State's policy is that services must be offered to those who may be disrupted by State enforcement efforts. By providing outreach services, the State can place unsheltered individuals directly into shelter or housing. For example, by including outreach services with enforcement efforts, the State assisted 230, of an estimated 293 unsheltered individuals, in Kaka'ako Makai to move from the streets to shelter or permanent housing.

Alternative Reductions

We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 224 - Rapid Rehousing Program (SEQ #103-001)

Impact of Adjustment

Rapid Re-Housing (RRH) is a new program that will be paired with the shelter program to achieve two (2) main objectives:

- Quickly and efficiently end homelessness for individuals and families who are capable of maintaining stability in permanent housing by providing short- (up to 3 months) and medium-term (3-24 months) rental assistance and case management services; and

- Increase efficiencies within the State's shelter system by targeting homeless individuals and families in shelter who are capable of maintaining sustainability in permanent housing.

By moving homeless individuals and families quickly out of shelter and into permanent housing, the RRH program will provide stability for the family and make space available within the existing shelter system for additional unsheltered individuals and families. In particular, this will help to address the growing number of unsheltered homeless families with minor children, which has increased 46% between 2014 and2015.

The Department projects that a total of 750 households will be served with the requested $2,000,000. However, it should be noted that if more households require medium-term rental subsidy, the total number served will be reduced. The Department will require a common assessment tool to be used to determine a family's level and duration of need for rental assistance.

The target population for RRH are homeless households who have a source of income, and require only temporary, short-term case management and financial support. According to assessment data collected by Oahu service providers, this target population is estimated to represent 42% of all homeless individuals.

If the requested funding is not provided, there is a concern that the number of unsheltered families with minor children will continue to increase. Currently, there is limited shelter space for families, and most family shelters are consistently at maximum capacity. As mentioned above, the RRH program would provide temporary rental assistance for low income working families, and allow for more efficient use of shelter space.

Background

RRH is an evidence-based practice that supported by the U.S. Department of Housing and Urban Development (HUD). It is based on the premise that rapidly re-housing a homeless individual or family is the most effective way to ensure stability and a permanent housing outcome for the client. By employing a RRH strategy, homeless individuals and families avoid the trauma and instability of becoming homeless, lengthy stays in unsheltered homeless conditions and time in emergency shelter and transitional housing. RRH programs provide not only rental subsidies but also case management services, which distinguish RRH from a simple rent subsidy program.

The federal government funds a similar rapid re-housing program through the Emergency Solutions Grants (ESG) program. However, the federal program only serve those homeless who are at or below 30% of Area Median Income (AMI).

On Oahu, 30% of AMI for a family of four is $28,750 (2015). DHS intends that our RRH program will allow greater flexibility than the HUD program, perhaps with AMI ranging from 31-60%. In terms of resource management, those who are eligible at the 30% level will be served through the ESG program, and those that make a little more money and cannot qualify for ESG could be served through the state funds. Thus, when viewed systemically, the State's proposed program will supplement, not duplicate HUD funding, and will allow many additional homeless clients with an income to be or maintain housing. Temporary rental subsidies for this income level will also avoid the unintended consequence of underemployment to qualify for housing subsidies.

Alternative Reductions
We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 224 – Repair and Maintenance of Homeless Shelters (SEQ #104-001)

Impact of Adjustment
If the requested $400,000 (A) funds is not appropriated to upkeep these facilities, we may lose the ability to shelter 1,628 people in safe and secure facilities.

The requested funds for repair and maintenance may also be used as overall improvements to install photovoltaic systems that would result in increased efficiency and cost savings for the State. Specifically, the installation of photovoltaic systems would decrease utility expenses, which are one of the largest operating costs for State-owned shelter facilities, and improve the properties for future conversion to permanent housing or other uses.

Background
The State currently owns 10 homeless shelters on Oahu. The ownership of most of the shelters dates back to a time when the Homeless Programs Office was administratively attached to the Hawaii Public Housing Authority (HPHA).

Located in Kalaeloa:

1. Onelauena (West Oahu's only exclusive emergency shelter)
2. Kumuhonua (adult singles and couples only)
3. Hale Ulu Pono (transitional shelter for people living with mentally illness)
4. Onemalu (transitional shelter for families)

Other locations:

1. Nakolea (Isenberg Street in Honolulu)
2. Kulaokahua (transitional shelter for elderly on Ward Avenue in Honolulu)
3. Weinberg Village Waimanalo (family shelter)
4. Pa'iolu Kalaulu (transitional and emergency shelter in Waianae)
5. Ulu Ke Kukui (Land owned by DHHL)
6. Next Step Shelter in Kaka'ako (property was transferred to OHA in ceded land agreement with DHS holding the lease)

All of the contracted operators of these shelters are required to make a small annual set-aside in their total contract amount to pay for routine repair and maintenance of the state-owned shelters. The shelter stipends have not increased in the past seven (7) years, and many of the shelters have overdue repair and maintenance needs. In FY 2014 and 2015, the Legislature appropriated funds totaling $750,000 for repair and maintenance of these shelters. This funding paid for long-needed repairs such as: exterior painting, repair of windows, removal of trees, repair of parking lots, and installation of anti-slip materials to walkways. These repairs not only address safety, but the dignity and quality of life for the people receiving services there, and maintain or improve the properties for future uses.

Alternative Reductions
We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 224 - Add (2) Positions and Funds for Homeless Services Expansion (SEQ #105-001)

Impact of Adjustment
Despite the support of these additional positions, the workload for HPO's current staff remains high.

Without the additional support, HPO will continue to struggle to effectively monitor existing contracts, and will likely face difficulty in implementing new programs in a timely manner. Increasing staff by two (2) more positions, by appropriating $58,736(A), will add the support needed to assist in the management of all current contracts and projects, and provide support for much needed Homeless services expansion efforts. The two new positions will support HPO as it transitions its existing contracts and programs to a more coordinated system of homeless care and services, which emphasizes permanent housing as the end goal for all homeless individuals and families.

Implementation of new programs requires a great deal of manpower, expertise and staffing capacity. Planning and procurement for new services require consultation with the community, with service providers, and with end users. HPO's program specialists also work

with the State's continua of care on issues of systemic planning and implementation of global objectives such as the Coordinated Entry System.

Background
The Homeless Programs Office (HPO) is currently staffed by:

- 1 Administrator
- 1 Secretary I
- 1 Office Assistant III
- 1 Program Specialist V
- 5 Program Specialist IV (5th Program Specialist will begin work on April 1, 2016).

Together, HPO staff manage six (6) State programs (homeless shelter, homeless outreach, emergency grant, Housing Placement Program, Housing First, and the Aloha United Way grant) that consist of 77 contracts. We are also the collaborative applicant of HUD funds on behalf of the neighbor island Continuum of Care, Bridging the Gap, and administer the Emergency Solutions Grant, HOPWA, and CoC programs that total 21 contracts. Even when fully staffed, the ratio of program specialist to contracts is 1:19.

Alternative Reductions
We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 224 - Funds to Operate New Kaka'ako Shelter (SEQ #106-001)

Impact of Adjustment
The $900,000 (A) is requested to fund the new Kaka'ako "Family Assessment Center" (FAC), which will be aligned with the Coordinated Entry System (CES). This is necessary to provide needed services to homeless families to transition them to permanent housing, and the adjustment directly impacts these children and individuals. The number of unsheltered homeless families with minor children has increased 46% between 2014 and 2015. If funding for this item is not provided, the number of unsheltered homeless families with minor children will likely continue to increase.

The absence of funding for the FAC will also have a direct impact on the unsheltered homeless population in the Kaka'ako Makai area. There are currently between 45-60 unsheltered households, including families with minor children that reside in Kaka'ako Makai. When completed, the FAC will serve as a potential resource for unsheltered families in this area who are unable to access other shelter facilities due to lack of available space. If the FAC is not funded, it is likely that the unsheltered homeless population in Kaka'ako Makai will continue to increase, and may result in unsafe conditions for both the homeless individuals and other Kaka'ako residents and businesses.

Background

In the fall of 2015, the population of homeless individuals and families living in unsheltered conditions in Kaka'ako Makai was growing, and at one point, the population was estimated at nearly 300 individuals. For a variety of reasons, unsheltered families in this specific region proved to be challenging to serve, and the capacity of existing shelters to accommodate unsheltered families was limited. After exhaustive searches were conducted about possible sites for an additional family service shelter closer to urban Honolulu, a vacant facility under the jurisdiction of the Hawaii Community Development Authority (HCDA) was identified as the most viable option. The preliminary planning for the Kaka'ako facility resulted in the re-design of the program. No longer referred to as a shelter, the facility is being referred to as the Family Assessment Center (FAC).

The objective of the FAC is to provide intensive case management and intervention with these families, with clear expectation that the length of stay in the shelter will be very brief, and that the families will be moving on to other resources such as transitional shelters or Housing Placement Programs.

The FAC will have a maximum capacity of 12-15 families or a total of sixty (60) people at a time. It is intended to be a triage center more than a shelter as the length of stay will be limited to 60 days. Families who have been administered the VI-SPDAT are living in unsheltered conditions will be targeted for entry. Based on the VI-SPDAT score, families will be linked to the appropriate resources. For example, if a family has a high VI-SPDAT score in the range of needing permanent supportive housing, they could be placed in the Assessment Center to allow outreach workers the time to help the family secure the documents necessary to sign a lease. Housing First program staff would be able to easily locate the family to begin their interventions and locate an appropriate housing unit. If a family requires rapid re-housing services, FAC staff would help the family find rapid rehousing resources either through HUD allocations or through the state program if available.

The FAC is intended to provide our homeless service system an opportunity to operationalize the coordinated entry system by prioritizing families with the highest needs and referring them to appropriate levels of care within a very specific time table and place. Thus far the coordinated entry system has been primarily used for those individuals and families that require permanent supportive housing. Having a short-term place for families to be relocated off the streets, have access to food and hygiene, and receive focused case management will help our system better refer families from homeless shelters to housing, and from the streets to available shelters.

With corresponding capacity building in our Homeless Management Information System (HMIS), the intention is to have a real-time inventory of shelter beds/units to better utilize our inventory, and reduce the contracting agencies' need to maintain separate wait lists.

Another benefit of the Family Assessment Center is there will be a low barrier for entry program. In other words, the rules governing the FAC will allow more families to be served.

We project a total of 240 persons/year will be served by the FAC. We want to implement a program that does not require the homeless families to "jump through hoops" to gain entry, but instead have greater access to the services of the FAC to promote a successful transition to permanent housing.

Alternative Reductions
We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 224 - Homeless Stored Property Program (SEQ #108-001)

Impact of Adjustment
The original request of $400,000 for this item was based on advice provided from the Department of Budget & Finance. This amount was determined using a six-month estimated budget of $200,000 prepared by the Hawaii Community Development Authority (HCDA) for a pilot project in the Kaka'ako Makai area. The breakdown of the original $400,000 request includes:

- Contract Storage Teams ($350,000 over 12-months) – Four storage teams would be contracted to implement the program. Each storage team will ideally consist of five (5) individuals:

    - (3) Laborers
    - (1) Camera person
    - (1) Scribe

  The duties of the storage team include: (1) Identifying abandoned items and determining which items are trash and which are property; (2) Recording the process of identifying and storing property, including a detailed description of what items are stored and where the items are encountered; (3) Storing the property items in bins and disposing of any items determined to be trash; and (4) Providing a written notice of any items that are stored. Multiple teams will allow for coverage on multiple state properties.

- Equipment and Supplies ($50,000) – This includes the purchase of storage bins, light towers and fuel (for work at night), waste disposal service fees, cameras and batteries, miscellaneous tools, safety vests, trash bags, stored property forms, and signage.

The Form A for this item specifically referenced the Department of Transportation Highways Division, and in recent discussions with various state departments, it was determined that the DOT would be the appropriate department to continue enforcement

and include funding for a Stored Property component. If this item is not fully funded, the State will be at risk for civil litigation, and the absence of a Stored Property Program will severely handicap the ability of State agencies to respond to homeless encampments on public land. Specifically, in light of recent court decisions in the U.S. Court of Appeals of the Ninth Circuit, State agencies were advised that a Stored Property Program is required to comply with emerging case law in this area and to avoid potential violations of constitutional protections relating to due process.

The absence of funding for a Stored Property Program may also directly impact the ability of homeless persons to access permanent housing. According to homeless service providers, many homeless persons report losing identification cards or other vital documents as a result of the enforcement of trespass statutes or other similar rules. A stored property program would ensure that any items left behind following an enforcement would be stored for a period of 30-45 days, and that homeless persons would have a means of retrieving these items. The loss, expense and process of replacing identification and vital documents often becomes a barrier for a homeless person to obtain housing or employment, and soon the ability to travel by air. By helping to prevent the loss of identification, a Stored Property Program also supports the State's goals to move homeless persons quickly into permanent housing and transition homeless persons off of the streets, sidewalks, and other public areas.

Alternative reduction
We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 305 - Funds for Preschool Open Doors Program (SEQ#100-001)

The Department respectfully requests that the $6 million for HMS 305 for the Preschool Open Doors program be funded through General Funds (A), rather than Federal Funds (N), to ensure that this 26-year-old state program can continue to help the children and families of Hawai'i prepare for kindergarten. The Department does not have other means to continue this program.

Impact of Adjustment
The Preschool Open Doors program was established in 1990, and Act 169 of Session Laws of Hawaii 2013, established Preschool Open Doors as the statewide school readiness program. The revised administrative rules for the Preschool Open Doors program was adopted in February 2014, pursuant to Chapter 91, Hawaii Revised Statutes (HRS), which lowered the sliding fee scale family co-payments and increased the program's eligibility income limits. This has allowed children from low and moderate income families to access preschool services through the child care subsidies. POD aims to provide children whose families might otherwise not be able to afford preschool the opportunity to gain essential skills to be

successful in school and in life. Section 346-181(a), Hawaii Revised Statutes (HRS), states, "The [Preschool Open Doors] program shall:

(1) Provide access to school readiness services that address children's physical, cognitive, linguistic, social, and emotional development;
(2) Require each provider to conduct school readiness assessments;
(3) Give priority to children from low- and moderate-income families; and
(4) Prepare children for school through either of the State's two official languages.

(b) Subject to the availability of funds, the program shall serve four-year-old children, with priority extended to:

(1) Children who are not eligible to attend public school kindergarten in the calendar year in which they turn five years of age because their birth date occurs after the kindergarten eligibility date pursuant to section 302A-411; and
(2) Underserved or at-risk children.

(c) Enrollment in the program shall be voluntary. A parent or guardian of a child enrolled in the program shall share in the costs of the program through a copayment according to a sliding fee scale that is based on need pursuant to rules adopted by the department.

Hawai'i's Federal Child Care and Development Fund (CCDF) block grant is relatively flat at nearly $21-$22 million each year, thereby restricting the ability to increase allocations for the Preschool Open Doors (POD) child care subsidies by $6 million without reducing the number of children served by the CCDF child care subsidy program. Therefore, this proposed budget would be a reduction to HMS 305 funding and services to families and children.

Furthermore, one of the essential elements of the Child Care and Development Block Grant (CCDBG) requirements for use of the CCDF monies is that families must be engaged in eligible activities, including employment, education, or job training to receive federal child care subsidies. While Preschool Open Doors serves many families where at least one parent has an eligible activity/activities, the primary purpose of the Preschool Open Doors program is to contribute to school readiness by providing up to a year of experience in a preschool program chosen by the child's parent/guardian prior to the child entering kindergarten. Recall, children who have not reached 5 years old by July 31, may not enter kindergarten in a public school until the following school year. Parents with children who turn 5 after July 31, will continue to need support for their child to attend some kind of early learning environment.

The current administrative rules for Preschool Open Doors vary significantly from the Department's child care subsidy program funded through federal CCDF monies and would require significant amendments in accordance with Chapter 91 to use federal funds. The differences include availability for any eligible child residing in Hawai'i, regardless of

citizenship or legal permanent resident status, distribution of available subsidies across specified geographic regions (Kauai, Leeward Oahu, Honolulu, Maui County, East Hawai'i and West Hawai'i) and prioritization of eligible families within those geographic regions to ensure statewide access to the service, higher income eligibility limits, lower family sliding fee scale co-payments, the elimination of a requirement for eligible activity/activities by the child's caretaker(s), and the elimination of calculating the number of hours of child care that overlap with the parents'/guardians' activity hours to determine child care need and subsidy payment amount.

Should the proposed HB1700 HD1 be approved, the Department would need to revise the current administrative rules, which would take six to twelve months to complete, to make the requirements for the Preschool Open Doors Program mirror the requirement of Department's federal child care subsidy program in order to use CCDF funds; this would include requiring the child to be a U.S. citizen or permanent resident, no distribution of available subsidies across specified geographic regions or prioritization of eligible families within their geographic regions, lowering the income eligibility limits, and requiring that the child's caretaker(s) be participating ineligible activities, including employment, education, or job training, in order to receive Preschool Open Doors subsidies.

The purpose of the Preschool Open Doors would change from a state-funded school readiness program to a federally-funded work support program, same as the federal child care subsidy program, which is in direct opposition of Act 169, Session Laws of Hawaii 2013. There may also be a question of equity access if the source of funds was changed to CCDF monies, which may then require Preschool Open Doors to be completely dismantled and be absorbed into the Department's federal child care subsidy program since it is questionable if there could be two federally funded child care subsidy programs with differing co-payments and methods of calculating the child care benefit. Further, the Department's block grant allocation can also be reduced if the State fails to meet the numerous new requirements of the Child Care and Development Block Grant (CCDBG) Act of 2014.

Approximately 1,200 children each year are served by the current state-funded Preschool Open Doors program with the $7,600,000 ($1,600,000 in the base budget and $6,000,000 allocated by the Legislature for the FYs 2015 and 2016), and priority for services go to children who are at-risk or underserved to prepare such children for kindergarten and reducing the need for more costly interventions later in primary and secondary education. Priority children include:

1. Special Needs – the child has a physical, developmental, behavioral, or an emotional health condition that is outside the normal range.
2. Homeless – the child's family must be participating in or enrolling in a program for homeless services
3. Limited English Proficiency
4. Environmental Risk factors including:
    a. parental age – less than 16 years,

b. any existing physical, developmental, emotional, or psychiatric disability in a primary caretaker,
c. abuse or any legal or illegal substance by a primary caretaker,
d. child abuse and neglect of target child or sibling;
e. or any two of the following situations: single parent, incarceration of a primary caretaker, birthweight less than 5.5 lbs., parental age: 16-18 years and less than high school education, economically disadvantaged family (less than 100% Federal Poverty Income Guidelines for Hawaii), or presence of physical, developmental, emotional, or psychiatric disability in a sibling or other family member in the home.

5. Income rankings apply to each priority group, so lowest income families for their household size get higher priority over higher income families of the same HH size within the priority groups for each geographic region. Due to the limited funding for the program, the Department distributes the available subsidies across geographic regions (Kauai, Leeward Oahu, Honolulu, Maui County, East Hawai'i and West Hawai'i) to ensure statewide access to the service.

This prioritization ensures that the neediest children and families across the state have access to this important service.

Alternative Reduction
The Department respectfully requests that the $6 million for HMS 305 for the Preschool Open Doors program be funded through General Funds (A), rather than Federal Funds (N), to ensure that this 26-year-old state program can continue to help the children and families of Hawai'i prepare for kindergarten.

HMS 401 - Proviso

Impact
This impacts the effective management of the State's $2 billion Medicaid program. It would be extremely challenging and difficult to manage the program with the proviso to only spend exactly what was appropriated in HMS 401 without the ability to fund our program support and administrative costs should an urgent need arise (e.g., flexibility to transfer to HMS 902 if needed or to cover medical expenditures in HMS 401). For example, if CMS were to determine that costs that were considered program costs (under HMS 401) were now to be administrative (HMS 902), we would be unable to cover them. Inability to transfer funds to cover urgent needs, would trigger requests for emergency appropriations.

Alternative Offered:
SECTION XX.X. Provided that of the general fund appropriations for health care payments (HMS401), any unrequired balances may be expended to pay for medically necessary services within HMS 401 or transferred to HMS 902 to fund program support and administrative costs associated with the administration of health care payments; and provided further that any

unexpended and unencumbered funds shall lapse to the general fund at the end of the fiscal year for which the appropriation was made.

HMS 401 – Overall Impact of Adjustments

The HD1 changes to HMS 401 reduced the general fund request to $1 and maintained the same federal fund level for Autism Spectrum Disorders ($4,878,120 A), Hepatitis C treatments ($8,000,000 A), and for Medicare Part B premiums ($3,343,667 A). Each of these are medically necessary services or benefits for Medicaid, and thus they must be paid for by Medicaid. With the HD 1, Med-QUEST (MQD) may not have sufficient general funds to cover the costs.

Alternative Reductions

If MQD does not have sufficient general funds for mandated services, there would be a shortfall. MQD would need to either request additional general funds through an Emergency Appropriation.

HMS 401 – Preventive Adult Dental Benefits (SEQ #90-001)

Impact of Adjustment

Restoration of Adult Dental (Governor's request $4,799,926 A, $7,664,177 N funds; HD 1 $0 A, $7,664,177 N funds): The restoration of adult dental benefits allows the provision of health care for the whole person by covering the provision of basic preventative oral health care, including cleanings, fillings and crowns, as well as dentures for approximately 220,000 Medicaid recipients. Whole person care is particularly important for adults with chronic diseases such as diabetes, heart disease, and pregnant women to prevent the spread of caries to their newborns. Oral health is essential to whole person care and overall well-being. It will lead to a decrease in emergency room care for oral health reasons and improved outcomes due to the early prevention and treatment of dental caries.

Alternative Reductions

None. Without a state fund appropriation, MQD will not have the state fund match to expend the federal funds and will not be unable to restore this benefit.

HMS 401 – Increase in Medicare Part B Premiums (SEQ #91-001)

Impact of Adjustment

The supplemental Medicare Part B premiums for individuals who have both Medicare and Medicaid health coverage have increased from about $105 per month per beneficiary to about $120. The Medicare Part B premiums, which are set by the federal Medicare program, cover doctor's visits, durable medical equipment, outpatient care and some preventive

services. Paying Part B premiums ensures that our lowest income seniors and individuals with disabilities can continue to access primary care and other physician services.

Alternative Reductions
None. Paying the Part B premiums is a mandatory benefit for low-income dually eligible (Medicare & Medicaid beneficiaries).

HMS 401 - Ticket-to Work/Medicaid Buy-In (SEQ #92-001)

Impact of Adjustment
The Medicaid Buy-In or Ticket-to-Work program changes eligibility criteria for employed individuals with disabilities by increasing the Medicaid eligibility income and asset limits. This would enable approximately 175 Medicaid beneficiaries with disabilities to gain and then keep employment, without losing their Medicaid benefits.

The majority of the 175 would likely already be covered by Medicaid. Individuals with disabilities who are able to gain and keep employment without losing their Medicaid benefits have improved health outcomes, are able to live more independently and increase positive economic contributions to society. This is also an important element in the Developmental Disabilities program renewal of their waiver for home and community based services. One important element to the waiver renewal is to enable and support individuals to live as independently as possible, including meaningful employment. Without a Medicaid Buy-In program, individuals have a disincentive to be employed for fear of losing their Medicaid benefits.

Alternative Reductions
None. Without an appropriation, MQD would be unable to implement this program, which would have an impact on other programs, such as the Department of Health, Developmental Disabilities Division

HMS 401 - Premium Assistance Program (SEQ #100-001)

Impact of Adjustment
Access to health insurance is necessary to maintain one's health. Adults who are under 65, live without disabilities, are between the Federal Poverty Line (FPL) 100% to 138%, and do not meet the Medicaid eligibility criteria due to their citizenship status (e.g. Hawai'i residents from the Compact of Free Association States—COFA—nations) now receive their health insurance via the health insurance exchange for which premiums are charged. Prior to 2015, most received Medicaid-like health coverage via Med-QUEST (state-funded only). This budget request is to increase the FPL eligibility criteria for individuals to receive Premium Assistance Program (PAP) from 100% FPL to 138%. Premium Assistance Program (PAP) ensures that the premium costs for health insurance remain free, equivalent to those at the same FPL on

Medicaid. Increasing the eligibility for PAP to the equivalent FPL eligibility levels of adults covered by Medicaid creates parity in access to health insurance for this population. Lack of funding will continue a gap group of adults who do not qualify for Medicaid coverage, most likely cannot afford a health plan premium, and will be penalized for not having insurance. The annual income of an individual at 133% FPL is $18,022.

Alternative Reductions
None. Without the appropriation, MQD would be unable to implement the higher FPL limits to assist extremely low-income families with their health insurance premiums. Uninsured individuals tend to have poorer health, stay in poverty for longer periods of time, and health care providers such as hospitals have higher levels of charity care and bad debt. This puts a financial strain on other parts of the health care system as those costs are shifted to those who are insured.

HMS 401 – Autism Treatment (SEQ #101-001)

Impact of Adjustment
Intensive behavioral therapies (IBT) have been shown to provide positive outcomes in the treatment of children with Autism Spectrum Disorder (ASD) services. For FY16, $5.4M was appropriated for these treatments. The FY budget request is for $10.6M assuming that approximately 100 children will receive over 1300 hours of the intensive behavioral therapies. Access to the treatment is likely to increase substantially because in January 2016, as a result of 2015 Hawai‘i legislation, Board Certified Behavior Analysts (BCBAs) will be licensed under the Department of Commerce and Consumer Affairs (DCCA). Licensure of these individuals will allow BCBAs to function as independent providers in the Medicaid program providing IBT for children with autism. Without funding, the Medicaid program cannot pay for autism treatment, and children, their development and existing family resources will be impacted.

Alternative Reductions
None. The ASD therapies are considered medically necessary therapies for children, and thus must be covered (paid for) by Medicaid.

HMS 401 - Hepatitis C Therapies (SEQ #102-001)

Impact of Adjustment
The Hepatitis C treatments are highly effective, but extraordinarily expensive drug therapies of Sovaldi and Harvoni, which first became available in 2014 and 2015 respectively. Unlike prior therapies, these can actually cure the Hepatitis C disease. Very rough estimates are that 300-500 individuals are at the more progressive stages of the disease, and that approximately 220 individuals are either receiving or have received Sovaldi or Harvoni

treatments. An appropriation of $17,383,746 was made for Hepatitis C treatment for FY 16. The impact of lack of funding is on direct care for individuals.

Alternative Reductions
None. Paying for the medically necessary treatments is required by Medicaid.

HMS 501 – Reduce REACH Program funds (SEQ#100-001)

Impact of Adjustment
The 2015 Legislature appropriated $750,000 for FY 16 and only $500,000 for FY 17. Our request is to maintain the level of funding obtained in the first year of the biennium. The list of schools and areas that received funding for FY 16 are as follows:

- Waikoloa Middle School Hawaii - $37,900.00
- Waiakea Intermediate School Hawaii - $70,000.00
- Kalanianaole Elementary & Middle School Hawaii - $45,000.00
- Waimea Canyon Middle School Kauai - $36,500.00
- Kalama Intermediate School Maui - $40,000.00
- Molokai Middle School Maui - $30,000.00
- Waialua High & Intermediate Oahu - $50,000.00
- Jarrett Middle School Oahu - $44,275.00
- Moanalua Middle School Oahu - $10,750.00
- Kalakaua Middle School Oahu - $40,000.00
- Kapolei Middle School Oahu - $15,000.00
- Washington Middle School Oahu - $42,025.00
- Waipahu Intermediate School Oahu - $40,000.00
- Kahuku High & Intermediate School Oahu - $30,000.00
- Middle School Athletics Initiative:
    - Ka'u, Kea'au, Pahoa Complex Hawaii - $126,858.00
    - Waianae, Nanakuli Complex Oahu - $91,692.00

Total awarded: $750,000.00

If this request is not granted, all schools and areas will receive less funds for FY17 or some schools and areas will be eliminated.

Alternative Reductions
We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 503 – Reduce Hawaii Youth Correctional Facility Positions (SEQ #1001-001)

Impact of Adjustment

- OFFICE ASSISTANT III (#8920; -29,988) – position filled: start date 4/1/16
- YOUTH CORRECTIONS OFFICER (E) (#31594; -47,040) – position committed
- LIVESTOCK HERDER (#31615; -41,748) – position committed
- PERSONNEL CLERK III (#34360; -27,768) – vacant: in recruitment and pending a list from DHRD (due to a change to class specifications and job title, new recruitment for Human Resources Assistant III opened on 2/27/16, closing 3/18/16)
  Impact of cut: Severe; position is critical for HYCF operations.
- INVESTIGATOR IV (#117903; -50,172) – position filled 2/22/16
- PERSONNEL MGMT SPECIALIST III (#117906; -44,580) – vacant; in recruitment, job offered, declined; working on RAM request to DHRD.
  Impact of cut: Severe; position is critical for HYCF staffing and labor relations.
- GENERAL PROFESSIONAL III (#118511; -50,172) – filled 12/2/15
- SOCIAL WORKER III (#12549; -56,460) – vacant
  Impact of cut: None.
- YOUTH CORRECTIONS OFFICER (FP) (#117169; -53,088) – position filled. However, position will be vacant when current YCO is appointed to the permanent YCO Position #31594.
  Impact of cut: None.
- CORRECTIONS RECR SPCLT II (#117215; -38,988) – vacant
  Impact of cut: None.

Alternative Reductions

Due to decreased staffing needs following the Office of Youth Services' work in the community, the downward trend of youth incarcerated, and the closing of Hoʻokipa Makai Cottage, the last three (3) positions—SW III, YCO, and Corrections Recr Spclt II—may be eliminated without impact to HYCF.

HMS 802 OIB Public Assistance Cost Allocation Plan (PACAP) (SEQ #101-001)

Impact of Adjustment

The Division of Vocational Rehabilitation (DVR) requests that SEQ #101-001, HMS 802 – DVR for the OIB Public Assistance Cost Allocation Plan be changed from $90,000 B Funds to $90,000 A Funds. DVR has no B Funds for this program. It appears that placement of this under B Funds was in error. DVR is unable to use other N Funds for this program.

Alternative Reductions
None. We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 902 - Disaster Recovery Center Move (SEQ #100-900)

Impact of Adjustment
There is a need to move the DHS Enterprise System platform and the KOLEA application to a more stable platform for Disaster Recovery (DR). Currently both the "production" and the "back-up" systems are housed at the same location, which is not desirable. If there were a disaster that impacted the physical location, it would be highly likely that the system would be down for longer than if the DR were located elsewhere. The system should be moved to the most cost-effective and secure setting as part of the University of Hawai'i's new data center.

Alternative Reductions
None. HMS 902 does not have funds available to pay for this line item.

HMS 902 - Maintenance & Operations (SEQ #101-900)

Impact of Adjustment
In order to continue to support the Department of Human Services (DHS) Enterprise System and Med-QUEST (MQD) online eligibility application, KOLEA, funding is needed for ongoing maintenance and operational costs. It is federally mandated that MQD have an online eligibility system. The maintenance and operational costs also include continued changes needed to increase automation and functionality, enabling eligibility workers to become more efficient. The reduced amount that was included in Enterprise Technology Services budget would cover 87 percent of the requested amount.

Alternative Reductions
If the entire amount is not appropriated, MQD will be unable to maintain the online eligibility system that is a federal Medicaid mandate and maintains eligibility data for 340,000 Medicaid beneficiaries.

HMS 902 - Health Information Technical Development (SEQ #102-900)
HMS 902 - Consulting Assistance (SEQ #103-900)

Impact of Adjustment
DHS needs to invest in the technical resources to capture, analyze and use clinical information on our Medicaid beneficiaries. This ranges from the technical infrastructure for meta-data management, automated electronic forms for clinical data information, interfaces

so that data can be appropriately shared, and health data analytics tools. Consulting services will enable us to implement appropriately.

Alternative Reductions
None. HMS 902 does not have funds available to pay for this line item.

HMS 902 - Re-Procurement of DHS Enterprise System and KOLEA APP (SEQ #107-900)

Impact of Adjustment
To continue to seek ways to decrease maintenance and operations costs (M&O), the Department is re-procuring the DHS enterprise system and KOLEA eligibility application in the upcoming fiscal year. This will entail some new development work for the successful vendor. The costs are estimated to be up to $5M with a 90/10 federal match.

Alternative Reductions
None. Without the appropriated general fund, it will not be possible to complete the re-procurement process and successfully transition to a new vendor.

HMS 903 – General Support for Self-Sufficiency (SEQ #101-001)

Impact of Adjustment
BESSD does not concur. Current deficit of general funding for the medical evaluations is $4 million. The additional $1 million that this budget item would have provided, if it was approved by House Finance, would have lessened the amount of deficit which BESSD currently is addressing through reprioritizing TANF MOE funds and leveraging TANF Contingency funding to back fill the TANF MOE costs. However, TANF Contingency is limited funding and is not certain to be appropriated every year by the federal government so this strategy is only a stop gap and cannot be a permanent solution to the need to have $4 million specifically appropriated for the medical evaluations.

Alternative Reductions
None. We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 903 – A+ Program Fee Subsidies for Employed Low-Income Families (SEQ #102-001)

Background
Hawai'i's Federal TANF block grant is fixed at $98.9 million thereby restricting our ability to increase allocations for cash assistance, child care subsidies -through CCDF transfer, social services -through SSBG transfer, supportive benefits, and other programs/services that target children and needy families. The block grant can also be reduced if the State fails to meet

specific TANF requirements, and to ensure funds are spent for children and families at maintain the expenditures at a specified level.

The After-School Plus (A+) Program services meet TANF Purpose Two, to end the dependence of needy parents on government benefits by promoting job preparation, work and marriage. In order to qualify for A+ subsidies, families must be determined TANF-eligible—total household gross income is below 300% of the current Federal Poverty level (FPL); there is a specified relative for a dependent child; and family members are U.S. citizens or documented non-citizens. It is important that the A+ subsidies are state-funded. If Federal TANF funds are used to subsidize A+ Program fees, then only families who are U.S. citizens would be eligible.

Impact of Adjustment
Prior to SFY 2012, the Federal TANF reserve funds were exhausted in its entirety. Since then, the Department has been expending Federal TANF Block Grant purposefully by utilizing other means of funding in order to restore the TANF reserve to a level that will enable the Department to issue cash assistance benefits to families in case of an economic downturn in the future.

Although Hawaii has qualified for Contingency Funds; however, these funds are provisional payments that are only available if funds are appropriated by the U.S. Congress and Hawaii meets the definition of a "needy state." There is no certainty that programs, funded using Federal TANF, can be sustained when there are possibilities of the Contingency Fund becoming unavailable, or no longer qualify as a needy state, or the State's TANF block grant is reduced.

It is imperative that the A+ subsidies continue to be state-funded for the above reasons.

Alternative Reduction
The Department respectfully requests that the $770,000 for HMS 903 for the A-Plus Program Fee Subsidies be funded through General Funds (A), rather than Federal Funds (N), to ensure that this program can continue to help provide after school care and supervision to school-aged children of working families.

HMS 904 - Add fund for Security Management and Compliance Plan (SEQ #100-900)

Impact of Adjustment
This funding is for consultant assistance while the Department implements its Privacy and Security Office. Without this funding, the Department cannot perform any work associated with complying with the newly established MARS-E 2.0 requirements, which must be implemented by April 2017. The estimate is based on the equivalent of two (2) contracted FTEs for one year. Please refer to the impact statement for Privacy and Security Office and information about the MARS-E 2.0 requirements (SEQ#103-900).

Alternative Reductions

We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services. The impact of not funding this request is similar to #103-900: it will put DHS at risk of non-compliance with federal regulations.

HMS 904 - Governor's Homelessness Special Project (SEQ #101-001)

Impact of Adjustment

The Department would like to thank the House for including the (1) Temporary Homeless Assistant position and $50,000 A funds of this request. However, we would like to highlight the positions and funds that were not included in this request:

- Temporary Homeless Community Development Specialist – This position adds significant capacity to the office to meet with legislators, service providers, other state agencies and staff from the four counties. Meetings include: five of the seven monthly meetings convened by Partners in Care, Oahu's Continuum of Care organization; quarterly meetings convened by Bridging the Gap, the neighbor island Continuum of Care; coordinating multiple technical assistance sessions provided by federal agencies (e.g. SAMHSA, National Governor's Association, Center for Medicaid and Medicare services, etc.); and neighborhood board meetings.

- Temporary Homeless Special Assistant – The primary responsibility of this position is the development of the State Plan to Address Homelessness. In addition, this position adds capacity to the office for public relations and communications.

- Administrative Assistant on Homelessness – Currently, only a portion of the salary for this position is included in the budget. This position is responsible for staffing the Hawaii Interagency Council on Homelessness (HICH), which is statutorily required and meets a minimum of four times a year, as well as meetings of the four working groups of the HICH. This position is also responsible for conducting research relating to best practices, and for coordinating community trainings related to Housing First and other evidence-based practices.

- (5) Phone lines - Currently, there is no money for phone lines included in the budget.

- Travel – The ability to travel is critical to ensure that the Governor's office receives direct input from neighbor island communities, and directly engages County offices and neighbor island providers to implement the State's plan. Without travel, the ability of the Governor's office to understand neighbor island homeless concerns would be severely limited.

- Office Supplies – Currently, there is no money for office supplies included in the budget. Office supplies include pens, notepads, paper, and other basic office equipment.

- Miscellaneous – $9,000 in miscellaneous funds was requested to purchase five computers for each member of the special project team, and to include training expenses. Currently, the Special Project team is physically located in the Office of the Governor, but anticipates moving to another physical location during FY17. The miscellaneous funds includes moving related and office start-up expenses, including funding to establish new phone and internet connections.

Statewide coordination is a key function of the Special Project team. Due to the statewide nature of homelessness, it is especially important that the Special Project be fully staffed, and supported by an operating budget that includes supplies and travel expense. Specifically, the additional staffing will build and maintain partnerships with the Counties and service providers. It is critical to engage directly with the counties, as county government administers federal funds for housing and homelessness, and each county administers its own Section 8 program and county grant-in-aid funds. If county funding and efforts are better leveraged, this will result in greater efficiency in the use of State funding and services moving forward.

Another key function of the Special Project team is to serve as a liaison between the public and other State and county agencies, including law enforcement. Additional staffing for the Homelessness Special Project will enable better coordination with law enforcement to address homeless encampments that pose a risk to public health and safety. Without additional staff, the Governor's Coordinator on Homelessness will not be able to respond promptly to inquiries from legislators and law enforcement regarding encampments on public land. Currently, the Coordinator plays an integral role in responding to encampments. This work includes researching jurisdiction of public lands, consulting with the Department of the Attorney General on legal authority, coordinating with nonprofit homeless service providers and other government agencies (e.g. Child Welfare Services, Adult Protective Services, etc.). The Coordinator's work in this area also includes organizing training for State agencies, such as the Hawai'i State Public Library System, which are directly impacted by homeless encampments. Without additional staffing, the Coordinator would no longer be able to assist with these efforts, which would impact the State's ability to respond.

Alternative reductions
None

HMS 904 - Office of Information Technology Training (SEQ #102-900)

Impact of Adjustment
The impact of no funds will result in less or no training and will further lengthen the transfer of the DHS Enterprise System's Maintenance and Operation (M&O) tasks to State staff. This will result in higher and longer contracted M&O costs.

Alternative Reductions
We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 904 - Temporary positions and funds Privacy and Security Office (SEQ #103-900)

Impact of Adjustment
The federal government expects states to build integrated enterprise systems that support Medicaid, TANF, SNAP, LIHEAP, Child Care and Child Welfare. The Centers for Medicare & Medicaid Services (CMS) can provide enhanced funding as long as the IT development supports the Medicaid program. Other federal funding is available for development of functionalities that are not Medicaid-related but necessary to support that specific federal program. By using federal dollars, the Department is required to comply with the security and privacy requirements established by CMS, and these requirements have been increasing over the years. For example, in January 2016, CMS finalized its rule for the Minimum Acceptable Risk Standards for Exchanges (MARS-E), Version 2.0. This version now has new requirements over version 1.0 that must be implemented by August 2017. Previously, the federal partners allowed a review of security controls once every three (3) years; now, that review must be performed annually.

Under MARS-E 2.0, the Department must document in its Systems Security Plan and comply with mandates of the Affordable Care Act (ACA) and U.S. Department of Health & Human Services (HHS) regulations of all security and privacy controls for the protection of all data received, stored, processed, and transmitted. The security controls include the Department's policy, processes, and technical implementations and currently there are **no** positions within the Department to perform this ongoing work. These are the types of activities for which the Department's Privacy and Security Office would be responsible—to implement and maintain a program that regularly monitors and evaluates the Department's actions to protect information.

The following is a summary of the increased risks to the Department for failure to fund these positions:

- The Authority to Connect (ATC) to the federal data services hub is necessary to be compliant with the ACA, and the ATC is directly related to compliance with

MARS-E. If sufficient resources are not directed to ensuring compliance with MARS-E, the Department could lose its ATC, at which time it will be out of compliance with the Medicaid program. If the Medicaid program is out of compliance with the ACA, their entire Medicaid program is at risk.

- The Department experiences a breach of confidential information. If the breach contains personal identifiable information, the Department could face financial penalties under HIPAA.

- The Department uses consultants to perform staff work which is costly. Consultants cost more on an hourly basis and since compliance work is ongoing, the Department would be continually need to procure the services of consultants.

Additionally, the State has not developed the in-house workforce skills and therefore cannot reduce the consultant costs over time. The Department is working with ETS to build internal IT capacity over time.

Alternative Reductions
We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 904 - Positions and funds for OIT Help Desk (SEQ #105-900)

Impact of Adjustment
The impact of no position and funds will hinder DHS from improving its process to provide information and resolve issues to assists its staff regarding the systems, information and tools they use to do their tasks and jobs. The non-funding of the positions and technology resources will not allow DHS to provide more efficient support to its own staff to do their jobs most efficiently.

Alternative Reductions
We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 904 – Positions and funds for OIT Security Staff (SEQ #106-900)

Impact of Adjustment
Privacy and Compliance. The impact of no positions and funds will cause the Department of Human Services (DHS) be unable to not meet several federal programs' compliance requirements of the need to establish additional staff for the DHS Office of Information

Technology (OIT) Systems Security Section. This was identified in the recent IRS site audit conducted in February, 2015. Several other state and federal audits have identified the need for additional positions.

With the increase use of IT technology by DHS and the requirement to use IT technology by the federal agencies for obtaining federal information to determine welfare eligibility for federally funded programs, there is an increased requirements from those federal agencies to meet their operational and technological compliance and privacy requirements.

These requirements include, but are not limited to, the auditing, monitoring, and incident response to the Department's network, databases, paper reports or welfare related documentation, proper use of IT resources by the departmental personnel; and the development and maintaining of departmental IT security policies as required by the ETS and the federal agencies.

DHS is also using IT technology as outlined by ETS by implementing the use of Microsoft 365. With Microsoft 365, comes the use of Skype for Business, OneDrive for Business, OneNote, and Adobe DC. There is the use of Outlook for email functions, and eSign for the movement of documents for signature. With the use of the Microsoft 365 products, come additional compliance requirements that the OIT Systems Security Section needs to identify and implement.

The current OIT Systems Security Section has only one (1) full-time position dedicated to systems security and compliance. Having additional staff will allow the OIT Systems Security Section to further meet the compliance requirements that is currently handled by the lone staff member and additional staff will provide for backup in the event that the lone staff member is incapacitated and unable to work.

Alternative Reductions
We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 904 – Temporary positions and funds for Project Management Office for Project Integration Work (SEQ #107-900)

Impact of Adjustment
When the Department made a decision to implement a new eligibility system for the Medicaid program in October 2013, it did so with the intention of implementing an infrastructure and platform that could be expanded to support the Department's other federal programs. This DHS Enterprise System strategy is consistent with the federal approach for states to develop integrated solutions, and the Department has received federal approval to expend federal funds toward this effort. The Department is planning

soon to release a Request for Proposals (RFP) to solicit vendors to continue the next phases of system development to support the Benefit, Employment and Support Services Division (BESSD) and Social Services Division (SSD).

This is a substantial effort for the Department and for the State. Hawai'i is recognized as one of just two states that has successfully built a comprehensive Medicaid eligibility application, and the next stages are equally significant. Individually, each BESSD and SSD project will cost millions of dollars and span multiple years. With both projects going on at the same time while still providing maintenance and operations for the Med-QUEST Division, good management practices dictate that the Department dedicate full-time positions to provide management oversight to assist in ensuring the projects are completed on time and on budget. Consultants, ETS, and best practice agree that stronger program management is necessary to be successful for DHS and for the State. The Department is not currently staffed for these positions and requested the additional three (3) full-time temporary positions. This is a small cost when weighed against the potential spend of nearly $100 million in information technology. The following is a summary of the increased risks to the Department for failure to fund these positions:

- The Department will remain dependent on consultants. Even if the positions are not provided, a minimal level of project management must be performed and typically, the Department will be required to use consultants to meet this obligation.

- Project costs will likely increase. Using consultants over using state staff is costly during the project and costly over the long term. Once the consultants leave, they take their knowledge with them and there may be no one left after the project with a good understanding of the project. Additionally, the State is not supporting the workforce development of in-house skills to manage complex IT projects.

- There may be missed interpretations. No matter how well-qualified the consultants, there is no substitute for Department staff knowing and understanding the State's programs and requirements. Without more State staff involved, the Department is at risk for accepting a system that may not adequately meet the state's requirements which require additional modifications in the future as changes become necessary.

Alternative Reductions

We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 904 – Governor's Message Number 10: Adding four positions to the Director's Office

Impact of Adjustment

Adds 4.00 permanent positions and general funds of $392,364 ($371,364 for personal services; $1,000 for other current expenses; and $20,000 for equipment) to restore the second Deputy Director position and Private Secretary, and to establish the Community/Project Development Director and Policy Director positions within the Office of the Director. The positions will help to improve the management of the department by stabilizing departmental operations, assisting with policy activities, and overseeing special projects.

The Department Director is expected to oversee the development and implementation of the recently acquired functions/responsibilities described above and has a very little time at her disposal to actually perform day-to-day responsibilities required to manage ongoing departmental operations. The Deputy Director currently oversees all Departmental operations and provides policy support, whenever possible, to the Director, four major divisions, six staff offices, two administratively attached agencies and two commissions. The expanded span of jurisdiction and control has virtually made it impossible for the Director and Deputy Director to manage the operations; therefore, the requested project staff is needed to stabilize the operations.

The Department, through this project, will establish critical positions to support the ongoing and new added functions. The project staff will assist with policy activities and other executive duties assigned; manage special projects, community development and advocacy efforts; and assist the Director in overseeing the expanded span of jurisdiction and lend stability to the operations. These positions will assist the Director and the Deputy Director in managing the policy and ongoing operations across the Department, and will assist in serving four major divisions, six staff offices, two administratively attached agencies and two commissions. There are 2,200 employees across the Department managing $2.8 billion budget.

This project, upon completion, will allow the Department to effectively and efficiently oversee ongoing operations; be more responsive to community and other governmental partners/stakeholders; be more responsive to the Legislature, divisions, staff offices, and administratively attached agencies within and throughout the Department; maximize federal resources; improve business processes; improve access to services, benefits and programs; comply with various federal and state requirements; and draft and implement better policies, programs and procedures intended to improve the Department's services to the public.

Alternative Reductions

We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 904 House Adjustment: Reduce funds for other current expenses (SEQ #1001-001)

Impact of Adjustment

Software Subscription for Microsoft Office365 (O365) in the amount of $500,000. Today, DHS does not have any available funds in Other Current Expenses to offset the cost of MS Office 365. DHS also does not have any recurring annual costs and operational funds for Microsoft software products related to Microsoft Office 365 to offset. Although DHS ran its own infrastructure for email utilizing Lotus Notes, the continued support and maintenance cost for the Domino/Lotus Notes infrastructure platform currently cannot be removed/shutdown and is still necessary as DHS is still in the process of migrating all of its staff and it hosts other crucial applications needed by DHS. DHS is currently exploring its options to continue running this infrastructure or migrate the applications to other platforms as necessary. If the decision is to migrate the necessary applications we hope to have all completed within the next three to four years (if funding is available). The impact of the reduction of funds in Other Current Expenses is that DHS will not have enough funds to keep all of its necessary functions and capabilities running. Example: MS Office 365 (Email, Microsoft Productivity Tools, etc.) and Applications (Random Moment Time Studies for Federal Cost Allocations, Request and Problem System, User Documentations/ Handbooks, workflow processes, etc.). Also, if and/or when DHS migrates off of the Domino Infrastructure Platform it will not offset the total cost of MS Office365 as it capabilities is not a one for one match in capabilities. DHS will not be able to return to its old Lotus Notes eMail system as it also relied on needed infrastructure that will no longer be available from ETS as the State moves forward with MS Office 365.

Alternative Reductions

Please restore $500,000 back to Other Current Expenses to DHS. Remove Funds for Software Subscription for Microsoft Office365 (O365) for DHS and move it into ETS's budget for payment of Microsoft Office365.

We appreciate your serious consideration of our budget request and impact statements. If you have any questions, please contact Rachael Wong, Director, at rswong@dhs.hawaii.gov or 586-4997. Thank you for your attention in this matter.

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: louis@hawaiidisabilityrights.org
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Wednesday, March 30, 2016 12:30:40 PM

HB1700
Submitted on: 3/30/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Louis Erteschik	Hawaii Disability Rights Center	Support	No

Comments: Re: Program ID HMS401: Adds Funds for Ticket to Work Medicaid State Plan Services. The House did not concur with the executive supplemental budget request to add $293,405 in A (general) Funds and $344,155 in N (federal) funds. Please add these funds in the Senate version of the Budget. It is important to support this Ticket to Work Program.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

DAVID Y. IGE
GOVERNOR

HAKIM OUANSAFI
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
HAWAII PUBLIC HOUSING AUTHORITY
1002 NORTH SCHOOL STREET
Honolulu, Hawaii 96817

Statement of
Hakim Ouansafi
Hawaii Public Housing Authority
Before the

Senate Committee On Ways and Means

April 5, 2016 9:00 A.M.
Room 211, Hawaii State Capitol

In consideration of

House Bill 1700, HD 1
RELATING TO THE STATE BUDGET

Honorable Chair Tokuda and Members of the Senate Committee on Ways and Means, thank you for the opportunity to provide testimony regarding House Bill (HB) 1700, House Draft (HD) 1 relating to the State budget. HB 1700, HD 1 appropriates funds for the operating and capital improvement supplemental budget of the Executive Branch for the fiscal biennium 2015-2017.

The HPHA's mission is to promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination through its public housing and rental assistance programs. The HPHA serves the State's most vulnerable populations, including those earning less than thirty percent of the Area Median Income (AMI), the disabled and the elderly. The HPHA respectfully requests the support of the Legislature as we continue to provide shelter to working families, elderly and those on the verge of homelessness.

HB 1700, HD 1 removed all but one[1] of the Governor's requests for funding and staff for HPHA program IDs HMS 220, HMS 229 and HMS 222, and CIP, which will have major impacts to HPHA programs. The HPHA offers the following **comments** on this measure:

I. Impacts to HMS 220 – State Family & Elderly Public Housing

[1] $560,000A funds under HMS220 – Cash CIP salaries

Without an appropriation or rent increases, the State Family and *S*tate Elderly housing programs will be running at a deficit of approximately $3 million per year, or suffer major cuts in our ability to maintain the 864 State units in a safe, decent and sanitary condition. Hawaii Revised Statutes Chapter 356D mandates that the State Family and Elderly low-income public housing programs shall be self-supporting, yet the rental income for both programs is insufficient to support the program. The originally requested $3 million in funding would allow the agency to offset a substantial portion of the deficit without having to raise rent on State Housing tenants who are mostly elderly and disabled.

The table below provides HPHA's operating budgets for State Family and Elderly Housing for FY16. The requested $3 million would be applied toward a portion of these expenses.

Expense Item	State Family	State Elderly
Utility	$845,376	$1,454,220
Private management contracts	$270,912	$1,261,215
Energy-Star appliances	$50,000	$100,000
Contracted R&M	$28,752	$24,000
Maintenance Materials	$98,764	$311,844
Refuse Collection	$98,112	$33,000
Subtotal:	$1,391,916	$3,184,279

Currently, the HPHA is paying for a portion of these expenses with G-020-K Rental Housing Services Funds, Housing Revolving Funds and Housing for Elders Revolving Funds.

Regarding deferred maintenance at the State housing properties, based on our Physical Needs Assessment conducted by our consultant in April of 2014, the capital need over the next ten years for the State Family and Elderly Housing is estimated at over $108 million.

II. Impacts to HMS 229 – Multi-Skilled Worker Program (MSW)

The HPHA requested 64 Multi-Skilled Worker (MSW) positions and funding to expedite the renovation of housing units at our properties statewide. Shortly after the last legislative session, in collaboration with the Administration and the United Public Workers (UPW), the HPHA and the Hawaii Government Employees Association (HGEA) established the MSW pilot program. The HPHA needs to establish positions to maintain the MSW program on a permanent basis to continue to promptly address public housing units that become vacant on a regular basis. However, the HPHA is also required to occupy and maintain the property units as safe, decent and sanitary, which requires adequate staffing at the properties. The age of our housing inventory makes this a challenging and expensive task.

The 64 positions that make up the MSW program each play a vital role in addressing the expeditious repair, maintenance and turnover of public housing units. The MSW program includes a Housing Maintenance Manager, two supervisors, six teams each containing seven skilled laborers, the REAC team that includes eight members, and a professional team that includes five electricians,

five plumbers and two plumber helpers. Although there will be a net gain of positions, the goal is to immediately engage with UPW and HGEA to collaborate toward the complete reorganization of the Property Management and Maintenance Services Branch. As a result of the reorganization, multiple positions will likely be abolished at that time.

These MSW positions would primarily be responsible for turnaround of units, which includes the repair and maintenance of low-income public housing properties, with carpentry, electrical, welding and plumbing work that will generate considerable benefits for the managed properties. A flexible MSW workforce is best suited to the needs of the agency to address and maintain multiple and varied low-income properties. This will result in faster turnaround and much cheaper unit cost as we are not able to privatize this public service work.

If in future years one or more AMP funds are insufficient to cover the services of the MSW team, HUD rules allow up to 10% of federal capital funds to cover AMP operations. Additionally, the HPHA anticipates the establishment of a Force Account capable of performing capital repairs, in addition to routine maintenance and repair work.

Without the 64 MSW positions, there will be significant impacts to the timely repair and maintenance of our housing units, to our operating subsidy by HUD, to our Public Housing Assessment Scoring/rating (PHAS), and to our ability to provide housing to the most in need. Currently, the MSW program with s a staff of 35 public servants, cannot keep up with the volume of repairs needed. Further, 12-15 of the workers are scheduled to and will return to their own AMPs in the near future, and the entire program is due to be disbanded on June 30, 2017 if further funding is not received. Since inception, the Exempt ("Special") Team, the predecessor to MSW, had cause to service over 5,000 units, almost every unit owned by HPHA on Oahu and Kauai and Maui between August 2012 and July 2015. MSW, the successor has repaired over 600 vacant units and 400 occupied units covering flood and fire damage, emergencies and other work since its inception on October 1, 2015.

III. Impacts to HMS 222 – Housing Choice Voucher (HCV)

The Housing Choice Voucher (HCV) program serves the most economically vulnerable families in the country, including disabled families, elderly families, formerly homeless veterans, and families with children. Funding for the HCV program consists of two main cost components: (1) Housing Assistance Payments (HAP) made to owners to cover the difference between a tenant's rent contribution and the unit rent, and (2) administrative fees paid to PHAs to cover the cost of administering the program.

The HPHA has a HCV budget authority for 3,000 vouchers and 423 Veterans Administration Supportive Housing (VASH) vouchers. The budget authority is the maximum amount of HCV vouchers each public housing agency in the nation is allowed. The HCV program began decades ago at the HPHA. For a number of reasons including the high rent in Hawaii, the HPHA is currently using less than 2,200 vouchers out of the current authorized authority.

The HPHA has been working on increasing the current voucher utilization leveraging available funds and the U.S. Department of Housing and Urban Development (HUD) reserves to build up the voucher count. In October 2015, approximately 2,160 families were served under the HCV program (an increase of 227 families from January 2015) representing approximately 99% utilization (excluding the HUD-held budget reserves). The HPHA also has approximately $3.0 million in HUD-held reserves which may only be used once the agency expends all voucher funding set aside for the program and which is being used for the 167 vouchers the HPHA already has on the street and the additional 250 vouchers which will be issued soon. The 167 families already in possession of vouchers will utilize approximately $2.1 million of the HUD-held reserves with the average cost per family per year at approximately $12,700.

HUD does not allow other funds to be infused into growing the HCV program except for other HCV monies (tenant portion and administrative fees). The HPHA's request was to cover the administrative costs of operating the HCV program (i.e., staffing and operating costs). If State funds are appropriated, the HPHA would "convert" the HUD administrative funds into housing assistance funds to be used for issuance of more vouchers. The A Funds that were requested would be used to pay for HCV staff and at the end of the fiscal year the administrative fees paid to the HPHA by HUD would be put back into the program to increase voucher lease up.

The HPHA has requested the conversion of the positions from federal funds to state general funds for one year in order to increase the number of section 8 vouchers. Following that year, those state general funds will be converted from state general funds to revolving funds. The state general funds expended in support of the administration of the HCV program, will allow the HPHA to leverage additional federal funds.

The potential impact of zero funding toward the HCV program is a loss of 90 additional vouchers for one year which in turn would leverage federal funding toward HCV vouchers for the life of the program. Without the A funds, the HPHA will be unable to increase the amount of vouchers and to leverage additional federal funding.

Additionally, the HPHA is required to conduct physical inspections of housing units under HUD's Housing Quality Standards (HQS) for the HCV Program. The HQS defines the minimum criteria necessary for the health and safety of a unit and program participants. Due to the current "temporary" status of the positions, the HPHA has had difficulty recruiting and maintaining employees who prefer the security of a "permanent" position. Since a unit cannot be rented without a completed HQS inspection, the HPHA needs to recruit and maintain qualified inspectors to expeditiously place families in housing. These are the positions that the HPHA has requested be made permanent:

Housing Quality Standards Inspector III (101214)
Housing Quality Standards Inspector II (119198)
Housing Quality Standards Inspector II (119192)
Housing Quality Standards Inspector II (119191)
Public Housing Specialist II (42526)

Public Housing Specialist II (35416)

Without the conversion of these positions to permanent, there will be further delays in placing tenants with units in an already tight, time-sensitive housing market, where HCV voucher holders are competing with non HCV vouchers that do not require similar inspections.

IV. Impacts to Removal of CIP

The most significant impact to HPHA programs under HB 1700, HD 1 is the blanking out of HPHA CIP funding. Initially, the HPHA requested $152 million in CIP funds for construction related activities. In consultation with the Department of Budget and Finance, that budget amount was reduced to a lump sum of $31 million: $25 million for public housing development, improvements, and renovations, statewide plans, design, construction and equipment to develop, upgrade or renovate public housing facilities, including ground & site improvements, infrastructure, equipment, appurtenances and all related or associated project costs, and $6 million toward costs related to expediting repairs to vacant units.

Due to the age of our housing inventory and unforeseen issues that often arise, the HPHA respectfully requests your consideration for a lump sum budget request (as appropriated in the past), which will provide the agency the flexibility to manage and expend capital funds in an expeditious manner. The current budget before you has $25,000,000 lump sum CIP and $6,000,000 R&M vacant unit repairs. These appropriations will assist to expedite the repair and maintenance and remodeling of about 200 units. The construction projects including site improvements, ADA compliance, structural repairs, re-roofing, spall repairs and painting. It will also allow us to design projects which will impact 400 public housing units.

A. Impacts to Development, Improvements & Renovations

According to a Physical Needs Assessment, there is a current backlog of over three-quarters of a billion dollars for the next 10 years of which $303.7 million (2013-2018) in the Federal projects and $57.5 million in the State projects for a total of $360.2 million in immediate capital need. Without the requested $25 million, the impact to the HPHA's 85 statewide public housing projects is substantial.

The impact of deferring the backlog of capital improvements of the HPHA's aging public housing inventory is that relatively "moderate repairs" such as concrete repairs and exterior painting, if not timely made, become extremely costly repairs and can pose safety hazards to tenants.

Delays in renovation of unit interiors will result in unhealthy living conditions, including plumbing leaks that can lead to mold and bacteria growth and possible vermin infestation.

Deferred reroofing will result in housing units being taken off line as uninhabitable, thereby reducing the number of units available to house low-income families. Delay in repairs to sewer and water lines will mean that entire buildings will need to be shut down for lack of necessary

infrastructure. Finally, deferring accessibility improvements puts the State at risk of lawsuits every day that the State does not show efforts toward making its housing inventory and common spaces accessible.

Due to the advanced age of our housing stock, as construction commences, we are stumbling upon very costly unforeseen conditions requiring additional design fees to correct, delays in permitting the revisions to the original design, and increased construction costs.

For example, at Salt Lake Apartments, the original project was to modernize a 28 unit 8 story apartment building. The entire exterior of the building was being redone with new windows, doors, etc. and the interior was being gutted and modernized. The replacement of the domestic water lines was thought to be in good condition and was therefore not part of the original scope. But in opening the walls to replace the sewer lines it was discovered that there were several issues with the domestic water lines including, not being built to code or per the design as indicated in the as-built drawings. Replacing the domestic water lines triggered backflow preventer and fire pump requirements that were also not part of the original scope. Installation of the required backflow preventer would decrease the water pressure for the wet stand pipe water line serving the fire hose cabinets, which required the installation of a booster water pump with emergency power (generator) to provide water to the fire hose cabinet in the event of a power failure.

This example shows how unforeseen circumstances can trigger costly design and construction impacts not to mention the time delay. When unforeseen situations or emergencies occur, the Agency's priorities must shift to address the unforeseen condition or emergency. The impact of not being able to have the flexibility to shift priorities to address critical needs, and not having the funds would have a detrimental impact on our ability to provide safe, decent housing and in the long run would be more costly to the State and taxpayers to whom we are held accountable.
In addition, the HPHA's inability to maintain the units to minimum standards may result in increased vacancies or possible liability (as was the case with Mayor Wright Homes).

Additionally, the HPHA is moving forward with various redevelopment projects that will help increase the affordable housing inventory for the State, taking more homeless individuals in and off the street, and will reinvigorate their surrounding communities. Today, the HPHA signed a predevelopment agreement with master developer Hunt Development Group for the redevelopment of Mayor Wright Homes. Similarly, the HPHA is working with the Retirement Housing Foundation on the School Street redevelopment project. CIP funding toward these and other future HPHA redevelopment projects will go far to provide housing for the State's most vulnerable populations.

B. Impacts to Repairs of Vacant Units

HPHA is requesting funds to conduct much needed deferred maintenance on its state buildings, to handle the current backlog. The HPHA property management operations division is responsible for the regular maintenance and management of all of HPHA's federal and state public housing units totaling 6,196. The Operations division staff includes property management, maintenance foremen,

mechanics, laborers and skilled trades. Property Management Operations focus their attention on preventative maintenance as well as abatement and repair of units as needed.

The impact of eliminating deferred maintenance repair would lower the desirability of the units to both current and prospective tenants. This can and does result in more vacancies, vandalism, and, in some cases, structural problems which can lead to units being de-programmed, that is, lost from the inventory, and will serve to devalue the State's investment portfolio.

Preventative maintenance efforts include inspections of dwelling units for housekeeping and unit conditions as well as comprehensive pest management. Under the Uniform Physical Conditions Standard (UPCS), maintenance workers perform annual UPCS inspections as part of our preventative maintenance program. Inspections are performed in October through June each year by maintenance staff to review unit conditions, note deficiencies and make necessary repairs. HPHA also needs to conduct Housekeeping Inspections. Property management staff perform yearly housekeeping inspections in an effort to identify potential health and safety concerns related to food storage, cleanliness, hoarding, and other conditions that may result in damages beyond normal wear and tear or exacerbate pest/vermin infestation. Housekeeping Inspections are conducted annually.

For the composition of the HPHA backlog, the observed repair or replacement requirement falls into one of four mutually exclusive categories, as follows:

- Ongoing capital repairs and replace needs directly related to system age (i.e., ordinary accrual).
- Extraordinary repair and replacement needs that arise unpredictably over time due to vandalism, fire, or "acts of God."
- Repairs and replacement that, under an adequately funded and well-maintained system, would be covered under routine project maintenance.
- Repairs and replacement that are the result of deferred replacement or repairs and would not occur if needs were addressed on a timely basis.

The shortage of this funding also impacts the high number of vacant units that should be repaired/renovated to provide housing shortage need in Hawaii and meeting the minimum standards of safe, decent and sanitary.

The HPHA appreciates the opportunity to provide the Senate Committee on Ways and Means with the HPHA's comments regarding HB 1700, HD 1, and thanks you very much for your dedicated support in addressing the affordable housing crisis in Hawaii.

DAVID Y. IGE
GOVERNOR

RACHAEL WONG, DrPH
DIRECTOR

PANKAJ BHANOT
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

April 4, 2016

TO: The Honorable Senator Jill Tokuda, Chair
Senate Committee on Ways and Means

FROM: Rachael Wong, DrPH, Director

SUBJECT: **HB 1700, HD 1 RELATING TO THE STATE BUDGET**

Hearing: Tuesday, April 5, 2016, 9:00 a.m.
Conference Room 211, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) requests the committee's support of the **FY 2017 Supplemental Budget for the Department of Human Services.**

Part I
For brevity and clarity, this section highlights the significant and vital requests for funding.

The Department's mission and multi-generational approach, 'Ohana Nui, are focused on serving children, families, and individuals in our community and empower Hawai'i residents with support and services to expand their capacity for self-sufficiency, self- determination, independence, healthy choices, quality of life, and personal dignity.

We achieve this through our four divisions, two attached agencies, two commissions, our team of 2,000+ members, and a shared commitment to our mission and clients. We recognize that the department's $3 billion budget represents nearly one-fourth of the state budget, and we manage our programs with fiscal prudence, responsibility for meeting our statutory and ethical responsibilities, and the goal of continual improvement.

The Department of Human Services provides health coverage to nearly 50% of the children in Hawai'i, administers services to one-fourth of all people in the state, and takes the lead in the provision of programs to those who face financial, health, housing, food, and other challenges. WE collectively invest in local residents and, ultimately, a healthy Hawai'i.

If we, as a society, can press on the levers of these social determinants of health, we can actually improve individual and the community health. The work and programs at DHS are the very levers that can be pressed for impact because they are the social determinants of health.

This is the argument for investing in DHS and the reason why our budget focuses on four areas:

1. Investing in children and families;
2. Improving health and safety;
3. Increasing departmental capacity and efficiencies; and
4. Improving systems.

We approached developing the budget with these areas in mind and with the larger goals of improving community health. We do so with an added focus on collaboration, inclusion, transparency, fiscal accountability, and doing the right things the right ways for the people of Hawai‘i. Please see below for key budget requests.

BENEFIT, EMPLOYMENT AND SUPPORT SERVICES DIVISION (BESSD)

Mission: Provide timely, efficient and effective programs, services and benefits, through a continuum of services, through nine programs that serve different populations, aimed at providing clients with monthly benefits to assist them with such essentials as food, shelter, and child care, as well as employment support and work-training and dependency diversion and prevention.

- **Invest in Children and Families: HMS 305 – Cash Support for child care** (A=$6,000,000)
  Request: Continuation of Preschool Open Doors program and support access to preschool

- **Invest in Children and Families: HMS 903 – A-Plus fee increases** (A=$770,000)
  Request: Funds to cover increases program fees as a result of adjustment to the State's minimum wage

- **Improve Health and Safety: HMS 903 – General Support for self-sufficiency services** (A=$1,000,000)
  Request: Additional funding for medical assessment

- **Improve Health and Safety: HMS 224 – Homeless Services** (A=$400,000)
  Request: Funds for on-going repair and maintenance of 9 State-operated homeless shelters

- **Increasing Departmental Capacity and Efficiencies: HMS 224 – Homeless Services** (A=$58,736)
  Request: Add 2 positions and funds for the Homeless Programs Office to implement Homeless Program Office services.

- **Improve Systems; Increasing Departmental Capacity and Efficiencies: HMS 224 – Homeless Services** (A=$250,000)
  Request: Add funds for training and modifications for the Homeless Management Information System (HMIS)

Please note: These following requests are both from the DHS Homeless Programs Office (HPO) and the Governor's Coordinator on Homelessness.

- **Improve Health and Safety; Improve Systems: HMS 224 – Homeless Services** (A=$3,000,000)
  Request: Add general funds for Housing First Program

- **Improve Health and Safety; Improve Systems: HMS 224 – Homeless Services** (A=$2,000,000)
  Request: Add funding for homeless outreach

- **Improve Health and Safety; Improve Systems: HMS 224 – Homeless Services** (A=$2,000,000)
  Request: Add funding for Rapid Re-Housing Program

MED-QUEST DIVISION (MQD)

Mission: Help low-income adults and children obtain needed healthcare through the federal Medicaid health insurance program and other state-funded medical programs.

- **Improve Health and Safety:**
  - **HMS 401 – Health Care Payments** (A=4,878,120/N=$5,721,880)
    Request: Fund Autism Spectrum Disorders (ASD) beyond first year.
  - **HMS 401 – Health Care Payments** (A=$8,000,000/N=$9,383,746)
    Request: Fund Sovaldi treatment of chronic HCV infections, second year.
  - **HMS 401 – Health Care Payments** (A=$4,799,926/N=$7,664,177)
    Request: Restore Adult Dental Benefits for Medicaid recipients
  - **HMS 401 – Health Care Payments s** (A=$4,294,333/N=$3,343,667)
    Request: Meet increased cost of Medicare Part B supplements for Medicaid recipients
  - **HMS 401 – Health Care Payments** (A=$900,000)
    Request: Expand Premium Assistance Programs (PAP) payments
- **Improve Health and Safety AND Improve Systems:**
  - **HMS 401 – Health Care Payments** (A=$293,405/N=$344,155)
    Request: Establish Ticket to Work Program
- **Improve Systems:**
  - **HMS 902 – General Support for Health Care Payments** (A=$925,000/N=$2,775,000)
    Request: Funds to move the DHS Disaster Recovery Center to University of Hawai'i

- **HMS 902 – General Support for Health Care Payments** (A=$500,000/N=$4,500,000)
  Request: Additional Design, Development & Implementation (DDI) funds (transition to new vendor)

- **HMS 902 – General Support for Health Care Payments** (A=$100,000 /N=$900,000)
  Request: Hawaii Health Information Exchange (HHIE)

- **Increase Departmental Capacity and Efficiencies: HMS 902 – General Support for Health Care Payments** (A=$5,905,962/N=$17,717,886)
  Request: Funding for DHS Enterprise System Maintenance and Operations (M&O)

- **Increase Departmental Capacity and Efficiencies AND Improve Systems:**

  - **HMS 902 – General Support for Health Care Payments** (A=$600,000/N=$5,400,000)
    Request: Health Information Technology (HIT) Design, Development and Implementation (DDI) Funding

  - **HMS 902 – General Support for Health Care Payments** (A=$35,000 /N=$315,000)
    Request: Medical Electronic Health Record (EMR) System

  - **HMS 902 – General Support for Health Care Payments** (A=$85,000 /N=$765,000)
    Request: Medicaid Info Technology Architect (MITA)

  - **HMS 902 – General Support for Health Care Payments**
    (A=$227,000 /N=2,043,000)
    Request: Health Info Tech Consulting Services

- **Increase Departmental Capacity and Efficiencies:**

  - **HMS 902 – General Support for Health Care Payments** (A=$375,000/N=$375,000)
    Request: Business Process Redesign for the Med-QUEST Division

SOCIAL SERVICES DIVISION (SSD)

Mission: Protect vulnerable adults and children from abuse, neglect, and exploitation so they may live safely in their homes and communities. This is accomplished through two branches: 1) Child Welfare Services, and 2) Adult Protective and Community Services.

- **Increase Departmental Capacity and Efficiencies: HMS 301 – Child Welfare Services**
  Request: No-cost transfer of sixteen (16) vacant positions and funding.

- **Increase Departmental Capacity and Efficiencies: HMS 301 – Child Welfare Services**
  (A=$331,012/N=$110,337)
  Request: Restore the Hawaii Child Welfare Education Collaboration to educate and train social workers to fill Child Welfare Services vacant positions.

DIVISION OF VOCATIONAL REHABILITATION (DVR)

Mission: DVR exists to serve its participants and works together as a team so participants can achieve their goals and aspirations for meaningful employment through timely and individualized vocational rehabilitation services.

- **Increase Department Capacity and Efficiencies:**

  - **HMS 802 – Conversion of positions**
    Request: No-cost conversion of 2 Temporary to Permanent Vocational Rehabilitation Specialist (VRS) positions who serve individuals with disabilities to prepare for, obtain, and maintain employment in the Division's Maui and Kona offices.

  - **HMS 802 – Conversion of positions** (A=$10,112/N=$32,660)
    Request: Conversion of 0.5 FTE to 1.0 FTE Vocational Rehabilitation Specialist (VRS) Position at the Division's Kauai Branch serves individuals with disabilities to prepare for, obtain, and maintain employment.

  - **HMS 802 – OIB Program** (A=$90,000)
    Request: Salary support (salary, fringe and indirect costs) for the program's 3 FTE positions to provide statewide coverage and do outreach to underserved and unserved populations.

GOVERNOR'S COORDINATOR ON HOMELESSNESS

- **Invest in children and families; Improve health and safety: HMS 224 - Homeless Services** (A=$900,000)
  Request: Add funds to operate new Kaka'ako shelter

- **Improve health and safety: HMS 224 Homeless Services** ($A=$400,000)
  Request: Establishes a Stored Property Program

- **Improve systems; Increase departmental capacity and efficiencies: HMS 904 - Administrative Services** (A=$226,000)
  Request: Positions and funds for the Governor's Special Homelessness Project

Please note: These requests are both from the DHS Homeless Programs Office (HPO) and the Governor's Coordinator on Homelessness.

- **Improve Health and Safety; Improve Systems: HMS 224 Homeless Service** (A=$3,000,000)
  Request: Add general funds for Housing First Program

- **Improve Health and Safety; Improve Systems: HMS 224 Homeless Service** (A=$2,000,000)
  Request: Add funding for homeless outreach

- **Improve Health and Safety; Improve Systems: HMS 224 – Homeless Service** (A=$2,000,000)
  Request: Add funding for Rapid Re-Housing Program

DEPARTMENT OF HUMAN SERVICES GENERAL ADMINISTRATION

- **Increase Departmental Capacity and Efficiencies: HMS 904 General Administration** (A=$24,927/N=$11,976)
  Request: Add permanent General Professional V position for the DHS Administrative Appeals Office (AAO)

- **Increase Departmental Capacity and Efficiencies AND Improve Systems:**

  - **HMS 904 General Administration** (A=$79,455/N=$78,970)
    Request: Add 3.0 temporary exempt positions for Project Management Office

  - **HMS 904 General Administration** (A=$710,348)
    Request: Add 2.0 permanent positions and funds for OIT Help Desk

  - **HMS 904 General Administration** (A=$136,722)
    Request: Add 4.0 permanent positions for DHS IT compliance staff

  - **HMS 904 General Administration** (A=$400,00/N=$400,000)
    Request: IT compliance plan

  - **HMS 904 General Administration** (A=$63,370/N=$137,712)
    Request: Privacy and compliance programs

HAWAIʻI PUBLIC HOUSING AUTHORITY

Mission: The Hawaii Public Housing Authority is committed to promoting adequate and affordable housing, economic opportunity and a suitable living environment for low income families and individuals, free from discrimination.

HPHA submitted its testimony separately.

OFFICE OF YOUTH SERVICES (OYS)

Mission: Provide programs and services for Hawaii's youth including the provision of balanced and comprehensive services for at-risk youth, to prevent delinquency, reduce recidivism, and maximize opportunities for youth to become productive, responsible citizens through community based and family-focused treatment interventions.

- **Invest in Children and Families: HMS 501 – In-Community Youth Programs** (A=$250,000)
  Request: Additional Funds for REACH Program

- **Increase Departmental Capacity and Efficiencies: HMS 503 HYCF**
  Request: No-cost trade-off of positions for fringe benefits

HAWAI'I STATE COMMISSION ON THE STATUS OF WOMEN

Mission: Work toward equality for women and girls in the State by acting as a catalyst for positive change through advocacy, education, collaboration and program development.

The Commission submitted its testimony separately.

HAWAI'I STATE COMMISSION ON FATHERHOOD

Mission: Promote healthy family relationships by emphasizing the important role fathers play in the lives of their children.

There are no budget requests.

Part II

Please see the attached comments and concerns regarding the impact of decisions made by the House Committee on Finance (FIN) in H.B. 1700, H.D. 1. Also note that these comments and concerns were submitted, via an email transmission, to WAM staff on Thursday, March 24, 2016.

Thank you for the opportunity to provide comments on this bill.

Attachment

DAVID Y. IGE
GOVERNOR

RACHAEL WONG, DrPH
DIRECTOR

PANKAJ BHANOT
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

March 24, 2016

TO: Senator Jill N. Tokuda, Chair
Senate Committee on Ways and Means

FROM: Rachael Wong, DrPH, Director
Department of Human Services

SUBJECT: Review of Executive Budget Bill

Thank you for the opportunity to provide information on changes made to the DHS budget requests under HB1700 HD1. In response to the memorandum dated March 17, 2016, please see the following impact statements by program ID.

HMS 224 - Housing First Program (SEQ #100-001)

Impact of Adjustment

The Department would like to thank the Legislature for its past support of the Housing First (HF) program. HF is the cornerstone of the State's plans to address homelessness, and the HF program has been funded in the amount of $1,500,000 on a year-to-year basis. The request of $3,000,000 will allow continued funding of housing and services for an estimated 93 households on Oahu, and will expand the program to serve an additional 69 households on the neighbor islands. The total amount of households projected to be served with the $3,000,000 is 162, with an estimated $1,500,000 for the island of Oahu and $1,500,000 for the neighbor islands.

If funding for the HF program does not continue, an estimated 93 households served by the current program will lose their housing and return to homelessness. This represents over-100 chronically homeless individuals with serious mental health and physical health conditions who reside in these households, who are unable to maintain stable housing without assistance. Without stable housing, the physical and mental condition of these individuals may further deteriorate and result in serious illness or potentially death.

The absence of additional funding for the HF program will also prevent the program from expanding to the neighbor islands. According to the 2015 Point in Time Count, there are an estimated 1,904 unsheltered homeless individuals residing on the neighbor islands. In addition, the largest percentage increase in unsheltered homelessness occurred on Hawaii Island – an increase of 55% between 2014 and 2015. Without the addition of new programs to address unsheltered homeless on the neighbor islands, the number of unsheltered homeless individuals in these communities may further increase.

Background

Housing First is an evidence-based approach to ending homelessness that centers on placing people experiencing homelessness with housing as quickly as possible – and then providing services as needed. The implementation of HF has resulted in significant reductions in chronic homelessness in cities such as Phoenix, Los Angeles, Salt Lake City, and New Orleans. The State's current HF program, which began in June 2014, specifically targets chronically homeless individuals and families who have been homeless for a long period of time and have serious mental illness or other health conditions.

The Legislature established the Housing First Special Fund in 2010 (Act 212, SLH 2010), and the Department implemented the HF Pilot project between June 2012-June 2013. The initial pilot served 60 homeless households (a total of 71 individuals). During the HF Pilot, DHS collaborated with the University of Hawai'i Center on Family to conduct an analysis of the pilot program's outcomes and recommend areas of improvement. The Center on the Family's analysis suggested that funding on a year-to-year basis makes program implementation challenging for providers to execute a continuum of services and for clients to maintain stability in housing. Of the $1 million appropriated for the HF pilot, 97.4% of $974,314 was expended – 66.2% of funds were used for rental costs and 27.3% of funds were used for social and supportive services, with only 6.5% used for administrative costs. The average cost per person was approximately $13,273 for one year, or $1,143 per month.

Based on lessons learned from the HF pilot, the Department implemented the first year of the current HF program in June 2014. Additional measures were taken to ensure that the HF program maintained a high level of fidelity to the evidence-based practice as employed by Department of Health's Substance Abuse and Mental Health Services Administration (SAMHSA) grant called Hawaii Pathways Project. Federal funds from SAMHSA were leveraged with State Housing First funds to provide housing and comprehensive support services to chronically homeless individuals living with substance abuse and or co-occurring mental disorders. By June 2016, the HF program will be providing housing subsidies for a projected 93 households (including over 100 chronically homeless individuals) who will also receive supportive services. Once again, these 93 households will lose their housing and return to homelessness if the current level of HF funding is not sustained.

While the Department acknowledges that it may appear that a relatively small number of chronically homeless individuals have been served by the existing Housing First program,

several key points must be considered to provide context for the HF program as it is currently being administered:

1. Since the HF Pilot, our homeless services system achieved several milestone upgrades. Service providers are now using one common assessment tool to establish the needs of homeless individuals. This screening tool, the VI-SPDAT, helps to determine the individual's acuity (the seriousness of need and /vulnerability). Thus, those who have the most needs and are most vulnerable have been prioritized for appropriate services.

2. The homeless services system has implemented a coordinated process for entry into services that allows for those clients with the highest needs to be best matched with the appropriate resources in the community based on empirical data. This coordinated entry system essentially means that individuals are not over- or under-resourced—they are matched with the proper level and type of service. Consequently, resources are being better spent and outcomes are improving.

3. The DOH Hawaii Pathways Project (SAMHSA grant) provides robust services for eligible homeless. One of the major goals of the SAMHSA program is to create a sustainability plan for these critical services when federal funding ends. Systems integration between the Departments of Health and Human Services to further utilize federal Medicaid dollars is being actively pursued.

4. The work of the Hawaii Interagency Council on Homelessness (HICH) has strengthened partnerships and collaborations that will demonstrate the efficacy of the Housing First program and the alignment of our system of care. For example, the University of Hawaii Center on the Family conducted a preliminary analysis of a subset of State Housing First clients, which found that estimated healthcare costs for clients dropped an average of 43% in the six months following housing placement – from an average of $10,570 per client per month to $5,980 per client per month. This is a projected savings of $4,590 in healthcare costs per client per month.

   The Department is currently working with HMSA to provide further analysis of the cost savings experience as a result of Housing First. HMSA is not currently prepared to publicly announce the results of their findings; however, this data should be available by the end of 2016.

5. As noted in the University of Hawai'i analysis of the HF pilot, sustainable funding is critical to the success of programs serving those who are chronically homeless. The provision of uninterrupted housing assistance and support services is required to stabilize housing for this vulnerable population. Without stable funding, those housed, even if on a year to year basis, will be vulnerable to a return to homelessness.

Alternative Reductions
We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 224 - Homeless Management Information System (HMIS) (SEQ #101-900)

Impact of Adjustment
The Homeless Management Information System (HMIS) is a HUD-mandated and -funded data system used to collect and analyze data about homeless individuals and families and the services they receive. The State of Hawai'i was one of the first states in the nation to implement a statewide system in the late 1990s that captured information from homeless shelters and outreach services. More recently,, the State lost our long-time provider and is transitioning to a new HMIS solution called CaseWorthy. The Homeless Programs Office (HPO) administers the HMIS on behalf of the state's two HUD Continua of Care, Partners in Care on Oahu and Bridging the Gap representing the neighbor islands. HPO receives some HUD funding for HMIS.

The present funding request is to provide State support to accomplish a number of objectives:

1. Provide wide-reaching training in the use of the new HMIS solution statewide to additional service providers that currently do not use HMIS. This will further strengthen the coordinated system of care, especially addressing the intersection of homelessness and mainstream resources such as healthcare/hospitals, law enforcement, and mental health providers; and
2. Provide aggregate data and analysis reflecting the effectiveness of programs, identify trends in homelessness and services.

The impact of not funding this request is the loss of the capability to more accurately capture homelessness data, benchmark progress, measure outcomes, and analyze program effectiveness. This administration uses data to inform homelessness policy and activities, but there are limitations to analyzing current HMIS data: the quality of the data will remain limited because funding is needed to expand beyond current providers. Because HMIS is the repository of homelessness data across the islands, it will be extremely difficult to increase data analytics capacity and better measure outcomes without this funding.

Alternative Reductions
None. There are no funds to otherwise expand HMIS capacity.

HMS 224 - Homeless Outreach Services (SEQ #102-001)

Impact of Adjustment

The current level of funding for homeless outreach is $2,198,661. The number of outreach workers statewide is limited, and the Department currently contracts eight (8) agencies statewide to perform homeless outreach, including:

- Four (4) providers on Oahu
- Two (2) providers on Maui
- One (1) on Hawai‘i Island
- One (1) on Kauai

The Department is requesting an additional $2,000,000 to strengthen the quality of outreach provided and to focus outreach efforts more specifically on placing unsheltered individuals into permanent housing. In addition, the Department intends to procure outreach providers to concentrate on specific geographic regions, rather than contracting multiple agencies to serve the same general area.

Improved outreach is another critical component of the State's plans to address homelessness. If additional funding is provided, the role of outreach services will change to be more consistent with a case management model and specifically focused on housing as an outcome. This change in role will include smaller caseloads for each outreach worker, which will allow outreach workers to spend more time with each unsheltered individual. In order to connect an unsheltered person to housing, an outreach worker must often spend many hours with one individual, and provide support with a variety of activities including: completing applications for housing and public benefits; obtaining necessary documentation to apply for government identification; assessing the individual for mental health and clinical services; rebuilding connections with family and social support; and working in partnership with other service providers.

If additional funding is not provided, the other components of the State's plan to address homelessness—including Housing First, Rapid Re-Housing, and the Family Assessment Center—will be less effective. The face-to-face role of homeless outreach providers is important to building relationships and connecting unsheltered homeless persons with the appropriate type of housing intervention that will end their homelessness.

Background

The Department's request for additional funding is based on several factors:

- Hawai‘i's unsheltered homeless population has steadily increased. In other words, the percentage of homeless people who are unsheltered (vs. those housed in shelters) increased over the past three years. In 2013, 41% of the total homeless population was unsheltered. In 2014 and 2015, the percentage of unsheltered rose to 45% and 50%, respectively. This trend

suggests that a more coordinated and comprehensive system of outreach is needed to engage the unsheltered homeless population quickly into services appropriate to their level of need, with the ultimate goal of permanent housing.

- The significant changes to our homeless services system include the Coordinated Entry System (CES) that is based on using a common assessment or screening instrument (VI-SPDAT) and matching client need with appropriate resources that match the level of need. The CES assigns the role of "navigator" most frequently to outreach workers. Navigators are expected to maintain contact with unsheltered homeless clients and assist them with obtaining documents necessary for housing (social security cards, birth certificates, photo IDs, etc.). The CES require additional homeless outreach resources to work more efficiently. The importance of skilled outreach workers and a coordinated outreach effort is necessary to address the complex and increasing demand for homeless services.

- HPO found that multiple agencies may conduct outreach efforts in the same general area. We plan to procure this service by region on Oahu to ensure that one primary contractor is identified as the "lead agency" and so clients, concerned citizens, agencies, police, and law makers are able to work with one entity. Standards for outreach will be more stringent and outcomes based on the ultimate goal of achieving permanent housing.

- The State began regular enforcement of existing prohibitions (e.g., park closure rules) in 2015. As part of the process of enforcement, the City and State have both called upon homeless outreach providers to help inform homeless clients living in the parks about enforcement actions and connect them to shelter or housing resources. The State's policy is that services must be offered to those who may be disrupted by State enforcement efforts. By providing outreach services, the State can place unsheltered individuals directly into shelter or housing. For example, by including outreach services with enforcement efforts, the State assisted 230, of an estimated 293 unsheltered individuals, in Kaka'ako Makai to move from the streets to shelter or permanent housing.

Alternative Reductions

We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 224 - Rapid Rehousing Program (SEQ #103-001)

Impact of Adjustment

Rapid Re-Housing (RRH) is a new program that will be paired with the shelter program to achieve two (2) main objectives:

- Quickly and efficiently end homelessness for individuals and families who are capable of maintaining stability in permanent housing by providing short- (up to 3 months) and medium-term (3-24 months) rental assistance and case management services; and

- Increase efficiencies within the State's shelter system by targeting homeless individuals and families in shelter who are capable of maintaining sustainability in permanent housing.

By moving homeless individuals and families quickly out of shelter and into permanent housing, the RRH program will provide stability for the family and make space available within the existing shelter system for additional unsheltered individuals and families. In particular, this will help to address the growing number of unsheltered homeless families with minor children, which has increased 46% between 2014 and2015.

The Department projects that a total of 750 households will be served with the requested $2,000,000. However, it should be noted that if more households require medium-term rental subsidy, the total number served will be reduced. The Department will require a common assessment tool to be used to determine a family's level and duration of need for rental assistance.

The target population for RRH are homeless households who have a source of income, and require only temporary, short-term case management and financial support. According to assessment data collected by Oahu service providers, this target population is estimated to represent 42% of all homeless individuals.

If the requested funding is not provided, there is a concern that the number of unsheltered families with minor children will continue to increase. Currently, there is limited shelter space for families, and most family shelters are consistently at maximum capacity. As mentioned above, the RRH program would provide temporary rental assistance for low income working families, and allow for more efficient use of shelter space.

Background

RRH is an evidence-based practice that supported by the U.S. Department of Housing and Urban Development (HUD). It is based on the premise that rapidly re-housing a homeless individual or family is the most effective way to ensure stability and a permanent housing outcome for the client. By employing a RRH strategy, homeless individuals and families avoid the trauma and instability of becoming homeless, lengthy stays in unsheltered homeless conditions and time in emergency shelter and transitional housing. RRH programs provide not only rental subsidies but also case management services, which distinguish RRH from a simple rent subsidy program.

The federal government funds a similar rapid re-housing program through the Emergency Solutions Grants (ESG) program. However, the federal program only serve those homeless who are at or below 30% of Area Median Income (AMI).

On Oahu, 30% of AMI for a family of four is $28,750 (2015). DHS intends that our RRH program will allow greater flexibility than the HUD program, perhaps with AMI ranging from 31-60%. In terms of resource management, those who are eligible at the 30% level will be served through the ESG program, and those that make a little more money and cannot qualify for ESG could be served through the state funds. Thus, when viewed systemically, the State's proposed program will supplement, not duplicate HUD funding, and will allow many additional homeless clients with an income to be or maintain housing. Temporary rental subsidies for this income level will also avoid the unintended consequence of underemployment to qualify for housing subsidies.

Alternative Reductions
We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 224 – Repair and Maintenance of Homeless Shelters (SEQ #104-001)

Impact of Adjustment
If the requested $400,000 (A) funds is not appropriated to upkeep these facilities, we may lose the ability to shelter 1,628 people in safe and secure facilities.

The requested funds for repair and maintenance may also be used as overall improvements to install photovoltaic systems that would result in increased efficiency and cost savings for the State. Specifically, the installation of photovoltaic systems would decrease utility expenses, which are one of the largest operating costs for State-owned shelter facilities, and improve the properties for future conversion to permanent housing or other uses.

Background
The State currently owns 10 homeless shelters on Oahu. The ownership of most of the shelters dates back to a time when the Homeless Programs Office was administratively attached to the Hawaii Public Housing Authority (HPHA).

Located in Kalaeloa:

1. Onelauena (West Oahu's only exclusive emergency shelter)
2. Kumuhonua (adult singles and couples only)
3. Hale Ulu Pono (transitional shelter for people living with mentally illness)
4. Onemalu (transitional shelter for families)

Other locations:

1. Nakolea (Isenberg Street in Honolulu)
2. Kulaokahua (transitional shelter for elderly on Ward Avenue in Honolulu)
3. Weinberg Village Waimanalo (family shelter)
4. Pa'iolu Kalaulu (transitional and emergency shelter in Waianae)
5. Ulu Ke Kukui (Land owned by DHHL)
6. Next Step Shelter in Kaka'ako (property was transferred to OHA in ceded land agreement with DHS holding the lease)

All of the contracted operators of these shelters are required to make a small annual set-aside in their total contract amount to pay for routine repair and maintenance of the state-owned shelters. The shelter stipends have not increased in the past seven (7) years, and many of the shelters have overdue repair and maintenance needs. In FY 2014 and 2015, the Legislature appropriated funds totaling $750,000 for repair and maintenance of these shelters. This funding paid for long-needed repairs such as: exterior painting, repair of windows, removal of trees, repair of parking lots, and installation of anti-slip materials to walkways. These repairs not only address safety, but the dignity and quality of life for the people receiving services there, and maintain or improve the properties for future uses.

Alternative Reductions
We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 224 - Add (2) Positions and Funds for Homeless Services Expansion (SEQ #105-001)

Impact of Adjustment
Despite the support of these additional positions, the workload for HPO's current staff remains high.

Without the additional support, HPO will continue to struggle to effectively monitor existing contracts, and will likely face difficulty in implementing new programs in a timely manner. Increasing staff by two (2) more positions, by appropriating $58,736(A), will add the support needed to assist in the management of all current contracts and projects, and provide support for much needed Homeless services expansion efforts. The two new positions will support HPO as it transitions its existing contracts and programs to a more coordinated system of homeless care and services, which emphasizes permanent housing as the end goal for all homeless individuals and families.

Implementation of new programs requires a great deal of manpower, expertise and staffing capacity. Planning and procurement for new services require consultation with the community, with service providers, and with end users. HPO's program specialists also work

with the State's continua of care on issues of systemic planning and implementation of global objectives such as the Coordinated Entry System.

Background
The Homeless Programs Office (HPO) is currently staffed by:

- 1 Administrator
- 1 Secretary I
- 1 Office Assistant III
- 1 Program Specialist V
- 5 Program Specialist IV (5th Program Specialist will begin work on April 1, 2016).

Together, HPO staff manage six (6) State programs (homeless shelter, homeless outreach, emergency grant, Housing Placement Program, Housing First, and the Aloha United Way grant) that consist of 77 contracts. We are also the collaborative applicant of HUD funds on behalf of the neighbor island Continuum of Care, Bridging the Gap, and administer the Emergency Solutions Grant, HOPWA, and CoC programs that total 21 contracts. Even when fully staffed, the ratio of program specialist to contracts is 1:19.

Alternative Reductions
We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 224 - Funds to Operate New Kaka'ako Shelter (SEQ #106-001)

Impact of Adjustment
The $900,000 (A) is requested to fund the new Kaka'ako "Family Assessment Center" (FAC), which will be aligned with the Coordinated Entry System (CES). This is necessary to provide needed services to homeless families to transition them to permanent housing, and the adjustment directly impacts these children and individuals. The number of unsheltered homeless families with minor children has increased 46% between 2014 and 2015. If funding for this item is not provided, the number of unsheltered homeless families with minor children will likely continue to increase.

The absence of funding for the FAC will also have a direct impact on the unsheltered homeless population in the Kaka'ako Makai area. There are currently between 45-60 unsheltered households, including families with minor children that reside in Kaka'ako Makai. When completed, the FAC will serve as a potential resource for unsheltered families in this area who are unable to access other shelter facilities due to lack of available space. If the FAC is not funded, it is likely that the unsheltered homeless population in Kaka'ako Makai will continue to increase, and may result in unsafe conditions for both the homeless individuals and other Kaka'ako residents and businesses.

Background

In the fall of 2015, the population of homeless individuals and families living in unsheltered conditions in Kaka'ako Makai was growing, and at one point, the population was estimated at nearly 300 individuals. For a variety of reasons, unsheltered families in this specific region proved to be challenging to serve, and the capacity of existing shelters to accommodate unsheltered families was limited. After exhaustive searches were conducted about possible sites for an additional family service shelter closer to urban Honolulu, a vacant facility under the jurisdiction of the Hawaii Community Development Authority (HCDA) was identified as the most viable option. The preliminary planning for the Kaka'ako facility resulted in the re-design of the program. No longer referred to as a shelter, the facility is being referred to as the Family Assessment Center (FAC).

The objective of the FAC is to provide intensive case management and intervention with these families, with clear expectation that the length of stay in the shelter will be very brief, and that the families will be moving on to other resources such as transitional shelters or Housing Placement Programs.

The FAC will have a maximum capacity of 12-15 families or a total of sixty (60) people at a time. It is intended to be a triage center more than a shelter as the length of stay will be limited to 60 days. Families who have been administered the VI-SPDAT are living in unsheltered conditions will be targeted for entry. Based on the VI-SPDAT score, families will be linked to the appropriate resources. For example, if a family has a high VI-SPDAT score in the range of needing permanent supportive housing, they could be placed in the Assessment Center to allow outreach workers the time to help the family secure the documents necessary to sign a lease. Housing First program staff would be able to easily locate the family to begin their interventions and locate an appropriate housing unit. If a family requires rapid re-housing services, FAC staff would help the family find rapid rehousing resources either through HUD allocations or through the state program if available.

The FAC is intended to provide our homeless service system an opportunity to operationalize the coordinated entry system by prioritizing families with the highest needs and referring them to appropriate levels of care within a very specific time table and place. Thus far the coordinated entry system has been primarily used for those individuals and families that require permanent supportive housing. Having a short-term place for families to be relocated off the streets, have access to food and hygiene, and receive focused case management will help our system better refer families from homeless shelters to housing, and from the streets to available shelters.

With corresponding capacity building in our Homeless Management Information System (HMIS), the intention is to have a real-time inventory of shelter beds/units to better utilize our inventory, and reduce the contracting agencies' need to maintain separate wait lists.

Another benefit of the Family Assessment Center is there will be a low barrier for entry program. In other words, the rules governing the FAC will allow more families to be served.

We project a total of 240 persons/year will be served by the FAC. We want to implement a program that does not require the homeless families to "jump through hoops" to gain entry, but instead have greater access to the services of the FAC to promote a successful transition to permanent housing.

Alternative Reductions
We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 224 - Homeless Stored Property Program (SEQ #108-001)

Impact of Adjustment
The original request of $400,000 for this item was based on advice provided from the Department of Budget & Finance. This amount was determined using a six-month estimated budget of $200,000 prepared by the Hawaii Community Development Authority (HCDA) for a pilot project in the Kaka'ako Makai area. The breakdown of the original $400,000 request includes:

- Contract Storage Teams ($350,000 over 12-months) – Four storage teams would be contracted to implement the program. Each storage team will ideally consist of five (5) individuals:

    - (3) Laborers
    - (1) Camera person
    - (1) Scribe

  The duties of the storage team include: (1) Identifying abandoned items and determining which items are trash and which are property; (2) Recording the process of identifying and storing property, including a detailed description of what items are stored and where the items are encountered; (3) Storing the property items in bins and disposing of any items determined to be trash; and (4) Providing a written notice of any items that are stored. Multiple teams will allow for coverage on multiple state properties.

- Equipment and Supplies ($50,000) – This includes the purchase of storage bins, light towers and fuel (for work at night), waste disposal service fees, cameras and batteries, miscellaneous tools, safety vests, trash bags, stored property forms, and signage.

The Form A for this item specifically referenced the Department of Transportation Highways Division, and in recent discussions with various state departments, it was determined that the DOT would be the appropriate department to continue enforcement

and include funding for a Stored Property component. If this item is not fully funded, the State will be at risk for civil litigation, and the absence of a Stored Property Program will severely handicap the ability of State agencies to respond to homeless encampments on public land. Specifically, in light of recent court decisions in the U.S. Court of Appeals of the Ninth Circuit, State agencies were advised that a Stored Property Program is required to comply with emerging case law in this area and to avoid potential violations of constitutional protections relating to due process.

The absence of funding for a Stored Property Program may also directly impact the ability of homeless persons to access permanent housing. According to homeless service providers, many homeless persons report losing identification cards or other vital documents as a result of the enforcement of trespass statutes or other similar rules. A stored property program would ensure that any items left behind following an enforcement would be stored for a period of 30-45 days, and that homeless persons would have a means of retrieving these items. The loss, expense and process of replacing identification and vital documents often becomes a barrier for a homeless person to obtain housing or employment, and soon the ability to travel by air. By helping to prevent the loss of identification, a Stored Property Program also supports the State's goals to move homeless persons quickly into permanent housing and transition homeless persons off of the streets, sidewalks, and other public areas.

Alternative reduction
We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 305 - Funds for Preschool Open Doors Program (SEQ#100-001)

The Department respectfully requests that the $6 million for HMS 305 for the Preschool Open Doors program be funded through General Funds (A), rather than Federal Funds (N), to ensure that this 26-year-old state program can continue to help the children and families of Hawai'i prepare for kindergarten. The Department does not have other means to continue this program.

Impact of Adjustment
The Preschool Open Doors program was established in 1990, and Act 169 of Session Laws of Hawaii 2013, established Preschool Open Doors as the statewide school readiness program. The revised administrative rules for the Preschool Open Doors program was adopted in February 2014, pursuant to Chapter 91, Hawaii Revised Statutes (HRS), which lowered the sliding fee scale family co-payments and increased the program's eligibility income limits. This has allowed children from low and moderate income families to access preschool services through the child care subsidies. POD aims to provide children whose families might otherwise not be able to afford preschool the opportunity to gain essential skills to be

successful in school and in life. Section 346-181(a), Hawaii Revised Statutes (HRS), states, "The [Preschool Open Doors] program shall:

(1) Provide access to school readiness services that address children's physical, cognitive, linguistic, social, and emotional development;
(2) Require each provider to conduct school readiness assessments;
(3) Give priority to children from low- and moderate-income families; and
(4) Prepare children for school through either of the State's two official languages.

(b) Subject to the availability of funds, the program shall serve four-year-old children, with priority extended to:

(1) Children who are not eligible to attend public school kindergarten in the calendar year in which they turn five years of age because their birth date occurs after the kindergarten eligibility date pursuant to section 302A-411; and
(2) Underserved or at-risk children.

(c) Enrollment in the program shall be voluntary. A parent or guardian of a child enrolled in the program shall share in the costs of the program through a copayment according to a sliding fee scale that is based on need pursuant to rules adopted by the department.

Hawai'i's Federal Child Care and Development Fund (CCDF) block grant is relatively flat at nearly $21-$22 million each year, thereby restricting the ability to increase allocations for the Preschool Open Doors (POD) child care subsidies by $6 million without reducing the number of children served by the CCDF child care subsidy program. Therefore, this proposed budget would be a reduction to HMS 305 funding and services to families and children.

Furthermore, one of the essential elements of the Child Care and Development Block Grant (CCDBG) requirements for use of the CCDF monies is that families must be engaged in eligible activities, including employment, education, or job training to receive federal child care subsidies. While Preschool Open Doors serves many families where at least one parent has an eligible activity/activities, the primary purpose of the Preschool Open Doors program is to contribute to school readiness by providing up to a year of experience in a preschool program chosen by the child's parent/guardian prior to the child entering kindergarten. Recall, children who have not reached 5 years old by July 31, may not enter kindergarten in a public school until the following school year. Parents with children who turn 5 after July 31, will continue to need support for their child to attend some kind of early learning environment.

The current administrative rules for Preschool Open Doors vary significantly from the Department's child care subsidy program funded through federal CCDF monies and would require significant amendments in accordance with Chapter 91 to use federal funds. The differences include availability for any eligible child residing in Hawai'i, regardless of

citizenship or legal permanent resident status, distribution of available subsidies across specified geographic regions (Kauai, Leeward Oahu, Honolulu, Maui County, East Hawai'i and West Hawai'i) and prioritization of eligible families within those geographic regions to ensure statewide access to the service, higher income eligibility limits, lower family sliding fee scale co-payments, the elimination of a requirement for eligible activity/activities by the child's caretaker(s), and the elimination of calculating the number of hours of child care that overlap with the parents'/guardians' activity hours to determine child care need and subsidy payment amount.

Should the proposed HB1700 HD1 be approved, the Department would need to revise the current administrative rules, which would take six to twelve months to complete, to make the requirements for the Preschool Open Doors Program mirror the requirement of Department's federal child care subsidy program in order to use CCDF funds; this would include requiring the child to be a U.S. citizen or permanent resident, no distribution of available subsidies across specified geographic regions or prioritization of eligible families within their geographic regions, lowering the income eligibility limits, and requiring that the child's caretaker(s) be participating ineligible activities, including employment, education, or job training, in order to receive Preschool Open Doors subsidies.

The purpose of the Preschool Open Doors would change from a state-funded school readiness program to a federally-funded work support program, same as the federal child care subsidy program, which is in direct opposition of Act 169, Session Laws of Hawaii 2013. There may also be a question of equity access if the source of funds was changed to CCDF monies, which may then require Preschool Open Doors to be completely dismantled and be absorbed into the Department's federal child care subsidy program since it is questionable if there could be two federally funded child care subsidy programs with differing co-payments and methods of calculating the child care benefit. Further, the Department's block grant allocation can also be reduced if the State fails to meet the numerous new requirements of the Child Care and Development Block Grant (CCDBG) Act of 2014.

Approximately 1,200 children each year are served by the current state-funded Preschool Open Doors program with the $7,600,000 ($1,600,000 in the base budget and $6,000,000 allocated by the Legislature for the FYs 2015 and 2016), and priority for services go to children who are at-risk or underserved to prepare such children for kindergarten and reducing the need for more costly interventions later in primary and secondary education. Priority children include:

1. Special Needs – the child has a physical, developmental, behavioral, or an emotional health condition that is outside the normal range.
2. Homeless – the child's family must be participating in or enrolling in a program for homeless services
3. Limited English Proficiency
4. Environmental Risk factors including:
    a. parental age – less than 16 years,

b. any existing physical, developmental, emotional, or psychiatric disability in a primary caretaker,
c. abuse or any legal or illegal substance by a primary caretaker,
d. child abuse and neglect of target child or sibling;
e. or any two of the following situations: single parent, incarceration of a primary caretaker, birthweight less than 5.5 lbs., parental age: 16-18 years and less than high school education, economically disadvantaged family (less than 100% Federal Poverty Income Guidelines for Hawaii), or presence of physical, developmental, emotional, or psychiatric disability in a sibling or other family member in the home.

5. Income rankings apply to each priority group, so lowest income families for their household size get higher priority over higher income families of the same HH size within the priority groups for each geographic region. Due to the limited funding for the program, the Department distributes the available subsidies across geographic regions (Kauai, Leeward Oahu, Honolulu, Maui County, East Hawai'i and West Hawai'i) to ensure statewide access to the service.

This prioritization ensures that the neediest children and families across the state have access to this important service.

Alternative Reduction
The Department respectfully requests that the $6 million for HMS 305 for the Preschool Open Doors program be funded through General Funds (A), rather than Federal Funds (N), to ensure that this 26-year-old state program can continue to help the children and families of Hawai'i prepare for kindergarten.

HMS 401 - Proviso

Impact
This impacts the effective management of the State's $2 billion Medicaid program. It would be extremely challenging and difficult to manage the program with the proviso to only spend exactly what was appropriated in HMS 401 without the ability to fund our program support and administrative costs should an urgent need arise (e.g., flexibility to transfer to HMS 902 if needed or to cover medical expenditures in HMS 401). For example, if CMS were to determine that costs that were considered program costs (under HMS 401) were now to be administrative (HMS 902), we would be unable to cover them. Inability to transfer funds to cover urgent needs, would trigger requests for emergency appropriations.

Alternative Offered:
SECTION XX.X. Provided that of the general fund appropriations for health care payments (HMS401), any unrequired balances may be expended to pay for medically necessary services within HMS 401 or transferred to HMS 902 to fund program support and administrative costs associated with the administration of health care payments; and provided further that any

unexpended and unencumbered funds shall lapse to the general fund at the end of the fiscal year for which the appropriation was made.

HMS 401 – Overall Impact of Adjustments

The HD1 changes to HMS 401 reduced the general fund request to $1 and maintained the same federal fund level for Autism Spectrum Disorders ($4,878,120 A), Hepatitis C treatments ($8,000,000 A), and for Medicare Part B premiums ($3,343,667 A). Each of these are medically necessary services or benefits for Medicaid, and thus they must be paid for by Medicaid. With the HD 1, Med-QUEST (MQD) may not have sufficient general funds to cover the costs.

Alternative Reductions

If MQD does not have sufficient general funds for mandated services, there would be a shortfall. MQD would need to either request additional general funds through an Emergency Appropriation.

HMS 401 – Preventive Adult Dental Benefits (SEQ #90-001)

Impact of Adjustment

Restoration of Adult Dental (Governor's request $4,799,926 A, $7,664,177 N funds; HD 1 $0 A, $7,664,177 N funds): The restoration of adult dental benefits allows the provision of health care for the whole person by covering the provision of basic preventative oral health care, including cleanings, fillings and crowns, as well as dentures for approximately 220,000 Medicaid recipients. Whole person care is particularly important for adults with chronic diseases such as diabetes, heart disease, and pregnant women to prevent the spread of caries to their newborns. Oral health is essential to whole person care and overall well-being. It will lead to a decrease in emergency room care for oral health reasons and improved outcomes due to the early prevention and treatment of dental caries.

Alternative Reductions

None. Without a state fund appropriation, MQD will not have the state fund match to expend the federal funds and will not be unable to restore this benefit.

HMS 401 – Increase in Medicare Part B Premiums (SEQ #91-001)

Impact of Adjustment

The supplemental Medicare Part B premiums for individuals who have both Medicare and Medicaid health coverage have increased from about $105 per month per beneficiary to about $120. The Medicare Part B premiums, which are set by the federal Medicare program, cover doctor's visits, durable medical equipment, outpatient care and some preventive

services. Paying Part B premiums ensures that our lowest income seniors and individuals with disabilities can continue to access primary care and other physician services.

Alternative Reductions
None. Paying the Part B premiums is a mandatory benefit for low-income dually eligible (Medicare & Medicaid beneficiaries).

HMS 401 - Ticket-to Work/Medicaid Buy-In (SEQ #92-001)

Impact of Adjustment
The Medicaid Buy-In or Ticket-to-Work program changes eligibility criteria for employed individuals with disabilities by increasing the Medicaid eligibility income and asset limits. This would enable approximately 175 Medicaid beneficiaries with disabilities to gain and then keep employment, without losing their Medicaid benefits.

The majority of the 175 would likely already be covered by Medicaid. Individuals with disabilities who are able to gain and keep employment without losing their Medicaid benefits have improved health outcomes, are able to live more independently and increase positive economic contributions to society. This is also an important element in the Developmental Disabilities program renewal of their waiver for home and community based services. One important element to the waiver renewal is to enable and support individuals to live as independently as possible, including meaningful employment. Without a Medicaid Buy-In program, individuals have a disincentive to be employed for fear of losing their Medicaid benefits.

Alternative Reductions
None. Without an appropriation, MQD would be unable to implement this program, which would have an impact on other programs, such as the Department of Health, Developmental Disabilities Division

HMS 401 - Premium Assistance Program (SEQ #100-001)

Impact of Adjustment
Access to health insurance is necessary to maintain one's health. Adults who are under 65, live without disabilities, are between the Federal Poverty Line (FPL) 100% to 138%, and do not meet the Medicaid eligibility criteria due to their citizenship status (e.g. Hawai'i residents from the Compact of Free Association States—COFA—nations) now receive their health insurance via the health insurance exchange for which premiums are charged. Prior to 2015, most received Medicaid-like health coverage via Med-QUEST (state-funded only). This budget request is to increase the FPL eligibility criteria for individuals to receive Premium Assistance Program (PAP) from 100% FPL to 138%. Premium Assistance Program (PAP) ensures that the premium costs for health insurance remain free, equivalent to those at the same FPL on

Medicaid. Increasing the eligibility for PAP to the equivalent FPL eligibility levels of adults covered by Medicaid creates parity in access to health insurance for this population. Lack of funding will continue a gap group of adults who do not qualify for Medicaid coverage, most likely cannot afford a health plan premium, and will be penalized for not having insurance. The annual income of an individual at 133% FPL is $18,022.

Alternative Reductions
None. Without the appropriation, MQD would be unable to implement the higher FPL limits to assist extremely low-income families with their health insurance premiums. Uninsured individuals tend to have poorer health, stay in poverty for longer periods of time, and health care providers such as hospitals have higher levels of charity care and bad debt. This puts a financial strain on other parts of the health care system as those costs are shifted to those who are insured.

HMS 401 – Autism Treatment (SEQ #101-001)

Impact of Adjustment
Intensive behavioral therapies (IBT) have been shown to provide positive outcomes in the treatment of children with Autism Spectrum Disorder (ASD) services. For FY16, $5.4M was appropriated for these treatments. The FY budget request is for $10.6M assuming that approximately 100 children will receive over 1300 hours of the intensive behavioral therapies. Access to the treatment is likely to increase substantially because in January 2016, as a result of 2015 Hawai‘i legislation, Board Certified Behavior Analysts (BCBAs) will be licensed under the Department of Commerce and Consumer Affairs (DCCA). Licensure of these individuals will allow BCBAs to function as independent providers in the Medicaid program providing IBT for children with autism. Without funding, the Medicaid program cannot pay for autism treatment, and children, their development and existing family resources will be impacted.

Alternative Reductions
None. The ASD therapies are considered medically necessary therapies for children, and thus must be covered (paid for) by Medicaid.

HMS 401 - Hepatitis C Therapies (SEQ #102-001)

Impact of Adjustment
The Hepatitis C treatments are highly effective, but extraordinarily expensive drug therapies of Sovaldi and Harvoni, which first became available in 2014 and 2015 respectively. Unlike prior therapies, these can actually cure the Hepatitis C disease. Very rough estimates are that 300-500 individuals are at the more progressive stages of the disease, and that approximately 220 individuals are either receiving or have received Sovaldi or Harvoni

treatments. An appropriation of $17,383,746 was made for Hepatitis C treatment for FY 16. The impact of lack of funding is on direct care for individuals.

Alternative Reductions
None. Paying for the medically necessary treatments is required by Medicaid.

HMS 501 – Reduce REACH Program funds (SEQ#100-001)

Impact of Adjustment
The 2015 Legislature appropriated $750,000 for FY 16 and only $500,000 for FY 17. Our request is to maintain the level of funding obtained in the first year of the biennium. The list of schools and areas that received funding for FY 16 are as follows:

- Waikoloa Middle School Hawaii - $37,900.00
- Waiakea Intermediate School Hawaii - $70,000.00
- Kalanianaole Elementary & Middle School Hawaii - $45,000.00
- Waimea Canyon Middle School Kauai - $36,500.00
- Kalama Intermediate School Maui - $40,000.00
- Molokai Middle School Maui - $30,000.00
- Waialua High & Intermediate Oahu - $50,000.00
- Jarrett Middle School Oahu - $44,275.00
- Moanalua Middle School Oahu - $10,750.00
- Kalakaua Middle School Oahu - $40,000.00
- Kapolei Middle School Oahu - $15,000.00
- Washington Middle School Oahu - $42,025.00
- Waipahu Intermediate School Oahu - $40,000.00
- Kahuku High & Intermediate School Oahu - $30,000.00
- Middle School Athletics Initiative:
    - Ka'u, Kea'au, Pahoa Complex Hawaii - $126,858.00
    - Waianae, Nanakuli Complex Oahu - $91,692.00

Total awarded: $750,000.00

If this request is not granted, all schools and areas will receive less funds for FY17 or some schools and areas will be eliminated.

Alternative Reductions
We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 503 – Reduce Hawaii Youth Correctional Facility Positions (SEQ #1001-001)

Impact of Adjustment

- OFFICE ASSISTANT III (#8920; -29,988) – position filled: start date 4/1/16
- YOUTH CORRECTIONS OFFICER (E) (#31594; -47,040) – position committed
- LIVESTOCK HERDER (#31615; -41,748) – position committed
- PERSONNEL CLERK III (#34360; -27,768) – vacant: in recruitment and pending a list from DHRD (due to a change to class specifications and job title, new recruitment for Human Resources Assistant III opened on 2/27/16, closing 3/18/16)
  Impact of cut: Severe; position is critical for HYCF operations.
- INVESTIGATOR IV (#117903; -50,172) – position filled 2/22/16
- PERSONNEL MGMT SPECIALIST III (#117906; -44,580) – vacant; in recruitment, job offered, declined; working on RAM request to DHRD.
  Impact of cut: Severe; position is critical for HYCF staffing and labor relations.
- GENERAL PROFESSIONAL III (#118511; -50,172) – filled 12/2/15
- SOCIAL WORKER III (#12549; -56,460) – vacant
  Impact of cut: None.
- YOUTH CORRECTIONS OFFICER (FP) (#117169; -53,088) – position filled. However, position will be vacant when current YCO is appointed to the permanent YCO Position #31594.
  Impact of cut: None.
- CORRECTIONS RECR SPCLT II (#117215; -38,988) – vacant
  Impact of cut: None.

Alternative Reductions

Due to decreased staffing needs following the Office of Youth Services' work in the community, the downward trend of youth incarcerated, and the closing of Hoʻokipa Makai Cottage, the last three (3) positions—SW III, YCO, and Corrections Recr Spclt II—may be eliminated without impact to HYCF.

HMS 802 OIB Public Assistance Cost Allocation Plan (PACAP) (SEQ #101-001)

Impact of Adjustment

The Division of Vocational Rehabilitation (DVR) requests that SEQ #101-001, HMS 802 – DVR for the OIB Public Assistance Cost Allocation Plan be changed from $90,000 B Funds to $90,000 A Funds. DVR has no B Funds for this program. It appears that placement of this under B Funds was in error. DVR is unable to use other N Funds for this program.

Alternative Reductions
None. We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 902 - Disaster Recovery Center Move (SEQ #100-900)

Impact of Adjustment
There is a need to move the DHS Enterprise System platform and the KOLEA application to a more stable platform for Disaster Recovery (DR). Currently both the "production" and the "back-up" systems are housed at the same location, which is not desirable. If there were a disaster that impacted the physical location, it would be highly likely that the system would be down for longer than if the DR were located elsewhere. The system should be moved to the most cost-effective and secure setting as part of the University of Hawai'i's new data center.

Alternative Reductions
None. HMS 902 does not have funds available to pay for this line item.

HMS 902 - Maintenance & Operations (SEQ #101-900)

Impact of Adjustment
In order to continue to support the Department of Human Services (DHS) Enterprise System and Med-QUEST (MQD) online eligibility application, KOLEA, funding is needed for ongoing maintenance and operational costs. It is federally mandated that MQD have an online eligibility system. The maintenance and operational costs also include continued changes needed to increase automation and functionality, enabling eligibility workers to become more efficient. The reduced amount that was included in Enterprise Technology Services budget would cover 87 percent of the requested amount.

Alternative Reductions
If the entire amount is not appropriated, MQD will be unable to maintain the online eligibility system that is a federal Medicaid mandate and maintains eligibility data for 340,000 Medicaid beneficiaries.

HMS 902 - Health Information Technical Development (SEQ #102-900)
HMS 902 - Consulting Assistance (SEQ #103-900)

Impact of Adjustment
DHS needs to invest in the technical resources to capture, analyze and use clinical information on our Medicaid beneficiaries. This ranges from the technical infrastructure for meta-data management, automated electronic forms for clinical data information, interfaces

so that data can be appropriately shared, and health data analytics tools. Consulting services will enable us to implement appropriately.

Alternative Reductions
None. HMS 902 does not have funds available to pay for this line item.

HMS 902 - Re-Procurement of DHS Enterprise System and KOLEA APP (SEQ #107-900)

Impact of Adjustment
To continue to seek ways to decrease maintenance and operations costs (M&O), the Department is re-procuring the DHS enterprise system and KOLEA eligibility application in the upcoming fiscal year. This will entail some new development work for the successful vendor. The costs are estimated to be up to $5M with a 90/10 federal match.

Alternative Reductions
None. Without the appropriated general fund, it will not be possible to complete the re-procurement process and successfully transition to a new vendor.

HMS 903 – General Support for Self-Sufficiency (SEQ #101-001)

Impact of Adjustment
BESSD does not concur. Current deficit of general funding for the medical evaluations is $4 million. The additional $1 million that this budget item would have provided, if it was approved by House Finance, would have lessened the amount of deficit which BESSD currently is addressing through reprioritizing TANF MOE funds and leveraging TANF Contingency funding to back fill the TANF MOE costs. However, TANF Contingency is limited funding and is not certain to be appropriated every year by the federal government so this strategy is only a stop gap and cannot be a permanent solution to the need to have $4 million specifically appropriated for the medical evaluations.

Alternative Reductions
None. We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 903 – A+ Program Fee Subsidies for Employed Low-Income Families (SEQ #102-001)

Background
Hawai'i's Federal TANF block grant is fixed at $98.9 million thereby restricting our ability to increase allocations for cash assistance, child care subsidies -through CCDF transfer, social services -through SSBG transfer, supportive benefits, and other programs/services that target children and needy families. The block grant can also be reduced if the State fails to meet

specific TANF requirements, and to ensure funds are spent for children and families at maintain the expenditures at a specified level.

The After-School Plus (A+) Program services meet TANF Purpose Two, to end the dependence of needy parents on government benefits by promoting job preparation, work and marriage. In order to qualify for A+ subsidies, families must be determined TANF-eligible—total household gross income is below 300% of the current Federal Poverty level (FPL); there is a specified relative for a dependent child; and family members are U.S. citizens or documented non-citizens. It is important that the A+ subsidies are state-funded. If Federal TANF funds are used to subsidize A+ Program fees, then only families who are U.S. citizens would be eligible.

Impact of Adjustment
Prior to SFY 2012, the Federal TANF reserve funds were exhausted in its entirety. Since then, the Department has been expending Federal TANF Block Grant purposefully by utilizing other means of funding in order to restore the TANF reserve to a level that will enable the Department to issue cash assistance benefits to families in case of an economic downturn in the future.

Although Hawaii has qualified for Contingency Funds; however, these funds are provisional payments that are only available if funds are appropriated by the U.S. Congress and Hawaii meets the definition of a "needy state." There is no certainty that programs, funded using Federal TANF, can be sustained when there are possibilities of the Contingency Fund becoming unavailable, or no longer qualify as a needy state, or the State's TANF block grant is reduced.

It is imperative that the A+ subsidies continue to be state-funded for the above reasons.

Alternative Reduction
The Department respectfully requests that the $770,000 for HMS 903 for the A-Plus Program Fee Subsidies be funded through General Funds (A), rather than Federal Funds (N), to ensure that this program can continue to help provide after school care and supervision to school-aged children of working families.

HMS 904 - Add fund for Security Management and Compliance Plan (SEQ #100-900)

Impact of Adjustment
This funding is for consultant assistance while the Department implements its Privacy and Security Office. Without this funding, the Department cannot perform any work associated with complying with the newly established MARS-E 2.0 requirements, which must be implemented by April 2017. The estimate is based on the equivalent of two (2) contracted FTEs for one year. Please refer to the impact statement for Privacy and Security Office and information about the MARS-E 2.0 requirements (SEQ#103-900).

Alternative Reductions

We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services. The impact of not funding this request is similar to #103-900: it will put DHS at risk of non-compliance with federal regulations.

HMS 904 - Governor's Homelessness Special Project (SEQ #101-001)

Impact of Adjustment

The Department would like to thank the House for including the (1) Temporary Homeless Assistant position and $50,000 A funds of this request. However, we would like to highlight the positions and funds that were not included in this request:

- Temporary Homeless Community Development Specialist – This position adds significant capacity to the office to meet with legislators, service providers, other state agencies and staff from the four counties. Meetings include: five of the seven monthly meetings convened by Partners in Care, Oahu's Continuum of Care organization; quarterly meetings convened by Bridging the Gap, the neighbor island Continuum of Care; coordinating multiple technical assistance sessions provided by federal agencies (e.g. SAMHSA, National Governor's Association, Center for Medicaid and Medicare services, etc.); and neighborhood board meetings.

- Temporary Homeless Special Assistant – The primary responsibility of this position is the development of the State Plan to Address Homelessness. In addition, this position adds capacity to the office for public relations and communications.

- Administrative Assistant on Homelessness – Currently, only a portion of the salary for this position is included in the budget. This position is responsible for staffing the Hawaii Interagency Council on Homelessness (HICH), which is statutorily required and meets a minimum of four times a year, as well as meetings of the four working groups of the HICH. This position is also responsible for conducting research relating to best practices, and for coordinating community trainings related to Housing First and other evidence-based practices.

- (5) Phone lines - Currently, there is no money for phone lines included in the budget.

- Travel – The ability to travel is critical to ensure that the Governor's office receives direct input from neighbor island communities, and directly engages County offices and neighbor island providers to implement the State's plan. Without travel, the ability of the Governor's office to understand neighbor island homeless concerns would be severely limited.

- Office Supplies – Currently, there is no money for office supplies included in the budget. Office supplies include pens, notepads, paper, and other basic office equipment.

- Miscellaneous – $9,000 in miscellaneous funds was requested to purchase five computers for each member of the special project team, and to include training expenses. Currently, the Special Project team is physically located in the Office of the Governor, but anticipates moving to another physical location during FY17. The miscellaneous funds includes moving related and office start-up expenses, including funding to establish new phone and internet connections.

Statewide coordination is a key function of the Special Project team. Due to the statewide nature of homelessness, it is especially important that the Special Project be fully staffed, and supported by an operating budget that includes supplies and travel expense. Specifically, the additional staffing will build and maintain partnerships with the Counties and service providers. It is critical to engage directly with the counties, as county government administers federal funds for housing and homelessness, and each county administers its own Section 8 program and county grant-in-aid funds. If county funding and efforts are better leveraged, this will result in greater efficiency in the use of State funding and services moving forward.

Another key function of the Special Project team is to serve as a liaison between the public and other State and county agencies, including law enforcement. Additional staffing for the Homelessness Special Project will enable better coordination with law enforcement to address homeless encampments that pose a risk to public health and safety. Without additional staff, the Governor's Coordinator on Homelessness will not be able to respond promptly to inquiries from legislators and law enforcement regarding encampments on public land. Currently, the Coordinator plays an integral role in responding to encampments. This work includes researching jurisdiction of public lands, consulting with the Department of the Attorney General on legal authority, coordinating with nonprofit homeless service providers and other government agencies (e.g. Child Welfare Services, Adult Protective Services, etc.). The Coordinator's work in this area also includes organizing training for State agencies, such as the Hawai'i State Public Library System, which are directly impacted by homeless encampments. Without additional staffing, the Coordinator would no longer be able to assist with these efforts, which would impact the State's ability to respond.

Alternative reductions
None

HMS 904 - Office of Information Technology Training (SEQ #102-900)

Impact of Adjustment
The impact of no funds will result in less or no training and will further lengthen the transfer of the DHS Enterprise System's Maintenance and Operation (M&O) tasks to State staff. This will result in higher and longer contracted M&O costs.

Alternative Reductions
We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 904 - Temporary positions and funds Privacy and Security Office (SEQ #103-900)

Impact of Adjustment
The federal government expects states to build integrated enterprise systems that support Medicaid, TANF, SNAP, LIHEAP, Child Care and Child Welfare. The Centers for Medicare & Medicaid Services (CMS) can provide enhanced funding as long as the IT development supports the Medicaid program. Other federal funding is available for development of functionalities that are not Medicaid-related but necessary to support that specific federal program. By using federal dollars, the Department is required to comply with the security and privacy requirements established by CMS, and these requirements have been increasing over the years. For example, in January 2016, CMS finalized its rule for the Minimum Acceptable Risk Standards for Exchanges (MARS-E), Version 2.0. This version now has new requirements over version 1.0 that must be implemented by August 2017. Previously, the federal partners allowed a review of security controls once every three (3) years; now, that review must be performed annually.

Under MARS-E 2.0, the Department must document in its Systems Security Plan and comply with mandates of the Affordable Care Act (ACA) and U.S. Department of Health & Human Services (HHS) regulations of all security and privacy controls for the protection of all data received, stored, processed, and transmitted. The security controls include the Department's policy, processes, and technical implementations and currently there are **no** positions within the Department to perform this ongoing work. These are the types of activities for which the Department's Privacy and Security Office would be responsible—to implement and maintain a program that regularly monitors and evaluates the Department's actions to protect information.

The following is a summary of the increased risks to the Department for failure to fund these positions:

- The Authority to Connect (ATC) to the federal data services hub is necessary to be compliant with the ACA, and the ATC is directly related to compliance with

MARS-E. If sufficient resources are not directed to ensuring compliance with MARS-E, the Department could lose its ATC, at which time it will be out of compliance with the Medicaid program. If the Medicaid program is out of compliance with the ACA, their entire Medicaid program is at risk.

- The Department experiences a breach of confidential information. If the breach contains personal identifiable information, the Department could face financial penalties under HIPAA.

- The Department uses consultants to perform staff work which is costly. Consultants cost more on an hourly basis and since compliance work is ongoing, the Department would be continually need to procure the services of consultants.

Additionally, the State has not developed the in-house workforce skills and therefore cannot reduce the consultant costs over time. The Department is working with ETS to build internal IT capacity over time.

Alternative Reductions
We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 904 - Positions and funds for OIT Help Desk (SEQ #105-900)

Impact of Adjustment
The impact of no position and funds will hinder DHS from improving its process to provide information and resolve issues to assists its staff regarding the systems, information and tools they use to do their tasks and jobs. The non-funding of the positions and technology resources will not allow DHS to provide more efficient support to its own staff to do their jobs most efficiently.

Alternative Reductions
We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 904 – Positions and funds for OIT Security Staff (SEQ #106-900)

Impact of Adjustment
Privacy and Compliance. The impact of no positions and funds will cause the Department of Human Services (DHS) be unable to not meet several federal programs' compliance requirements of the need to establish additional staff for the DHS Office of Information

Technology (OIT) Systems Security Section. This was identified in the recent IRS site audit conducted in February, 2015. Several other state and federal audits have identified the need for additional positions.

With the increase use of IT technology by DHS and the requirement to use IT technology by the federal agencies for obtaining federal information to determine welfare eligibility for federally funded programs, there is an increased requirements from those federal agencies to meet their operational and technological compliance and privacy requirements.

These requirements include, but are not limited to, the auditing, monitoring, and incident response to the Department's network, databases, paper reports or welfare related documentation, proper use of IT resources by the departmental personnel; and the development and maintaining of departmental IT security policies as required by the ETS and the federal agencies.

DHS is also using IT technology as outlined by ETS by implementing the use of Microsoft 365. With Microsoft 365, comes the use of Skype for Business, OneDrive for Business, OneNote, and Adobe DC. There is the use of Outlook for email functions, and eSign for the movement of documents for signature. With the use of the Microsoft 365 products, come additional compliance requirements that the OIT Systems Security Section needs to identify and implement.

The current OIT Systems Security Section has only one (1) full-time position dedicated to systems security and compliance. Having additional staff will allow the OIT Systems Security Section to further meet the compliance requirements that is currently handled by the lone staff member and additional staff will provide for backup in the event that the lone staff member is incapacitated and unable to work.

Alternative Reductions
We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 904 – Temporary positions and funds for Project Management Office for Project Integration Work (SEQ #107-900)

Impact of Adjustment
When the Department made a decision to implement a new eligibility system for the Medicaid program in October 2013, it did so with the intention of implementing an infrastructure and platform that could be expanded to support the Department's other federal programs. This DHS Enterprise System strategy is consistent with the federal approach for states to develop integrated solutions, and the Department has received federal approval to expend federal funds toward this effort. The Department is planning

soon to release a Request for Proposals (RFP) to solicit vendors to continue the next phases of system development to support the Benefit, Employment and Support Services Division (BESSD) and Social Services Division (SSD).

This is a substantial effort for the Department and for the State. Hawai'i is recognized as one of just two states that has successfully built a comprehensive Medicaid eligibility application, and the next stages are equally significant. Individually, each BESSD and SSD project will cost millions of dollars and span multiple years. With both projects going on at the same time while still providing maintenance and operations for the Med-QUEST Division, good management practices dictate that the Department dedicate full-time positions to provide management oversight to assist in ensuring the projects are completed on time and on budget. Consultants, ETS, and best practice agree that stronger program management is necessary to be successful for DHS and for the State. The Department is not currently staffed for these positions and requested the additional three (3) full-time temporary positions. This is a small cost when weighed against the potential spend of nearly $100 million in information technology. The following is a summary of the increased risks to the Department for failure to fund these positions:

- The Department will remain dependent on consultants. Even if the positions are not provided, a minimal level of project management must be performed and typically, the Department will be required to use consultants to meet this obligation.

- Project costs will likely increase. Using consultants over using state staff is costly during the project and costly over the long term. Once the consultants leave, they take their knowledge with them and there may be no one left after the project with a good understanding of the project. Additionally, the State is not supporting the workforce development of in-house skills to manage complex IT projects.

- There may be missed interpretations. No matter how well-qualified the consultants, there is no substitute for Department staff knowing and understanding the State's programs and requirements. Without more State staff involved, the Department is at risk for accepting a system that may not adequately meet the state's requirements which require additional modifications in the future as changes become necessary.

Alternative Reductions

We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 904 – Governor's Message Number 10: Adding four positions to the Director's Office

Impact of Adjustment

Adds 4.00 permanent positions and general funds of $392,364 ($371,364 for personal services; $1,000 for other current expenses; and $20,000 for equipment) to restore the second Deputy Director position and Private Secretary, and to establish the Community/Project Development Director and Policy Director positions within the Office of the Director. The positions will help to improve the management of the department by stabilizing departmental operations, assisting with policy activities, and overseeing special projects.

The Department Director is expected to oversee the development and implementation of the recently acquired functions/responsibilities described above and has a very little time at her disposal to actually perform day-to-day responsibilities required to manage ongoing departmental operations. The Deputy Director currently oversees all Departmental operations and provides policy support, whenever possible, to the Director, four major divisions, six staff offices, two administratively attached agencies and two commissions. The expanded span of jurisdiction and control has virtually made it impossible for the Director and Deputy Director to manage the operations; therefore, the requested project staff is needed to stabilize the operations.

The Department, through this project, will establish critical positions to support the ongoing and new added functions. The project staff will assist with policy activities and other executive duties assigned; manage special projects, community development and advocacy efforts; and assist the Director in overseeing the expanded span of jurisdiction and lend stability to the operations. These positions will assist the Director and the Deputy Director in managing the policy and ongoing operations across the Department, and will assist in serving four major divisions, six staff offices, two administratively attached agencies and two commissions. There are 2,200 employees across the Department managing $2.8 billion budget.

This project, upon completion, will allow the Department to effectively and efficiently oversee ongoing operations; be more responsive to community and other governmental partners/stakeholders; be more responsive to the Legislature, divisions, staff offices, and administratively attached agencies within and throughout the Department; maximize federal resources; improve business processes; improve access to services, benefits and programs; comply with various federal and state requirements; and draft and implement better policies, programs and procedures intended to improve the Department's services to the public.

Alternative Reductions

We are not able to offer an alternatives due to a budget that is extremely tight. It would result in cuts to existing programs and services.

HMS 904 House Adjustment: Reduce funds for other current expenses (SEQ #1001-001)

Impact of Adjustment

Software Subscription for Microsoft Office365 (O365) in the amount of $500,000. Today, DHS does not have any available funds in Other Current Expenses to offset the cost of MS Office 365. DHS also does not have any recurring annual costs and operational funds for Microsoft software products related to Microsoft Office 365 to offset. Although DHS ran its own infrastructure for email utilizing Lotus Notes, the continued support and maintenance cost for the Domino/Lotus Notes infrastructure platform currently cannot be removed/shutdown and is still necessary as DHS is still in the process of migrating all of its staff and it hosts other crucial applications needed by DHS. DHS is currently exploring its options to continue running this infrastructure or migrate the applications to other platforms as necessary. If the decision is to migrate the necessary applications we hope to have all completed within the next three to four years (if funding is available). The impact of the reduction of funds in Other Current Expenses is that DHS will not have enough funds to keep all of its necessary functions and capabilities running. Example: MS Office 365 (Email, Microsoft Productivity Tools, etc.) and Applications (Random Moment Time Studies for Federal Cost Allocations, Request and Problem System, User Documentations/ Handbooks, workflow processes, etc.). Also, if and/or when DHS migrates off of the Domino Infrastructure Platform it will not offset the total cost of MS Office365 as it capabilities is not a one for one match in capabilities. DHS will not be able to return to its old Lotus Notes eMail system as it also relied on needed infrastructure that will no longer be available from ETS as the State moves forward with MS Office 365.

Alternative Reductions

Please restore $500,000 back to Other Current Expenses to DHS. Remove Funds for Software Subscription for Microsoft Office365 (O365) for DHS and move it into ETS's budget for payment of Microsoft Office365.

We appreciate your serious consideration of our budget request and impact statements. If you have any questions, please contact Rachael Wong, Director, at rswong@dhs.hawaii.gov or 586-4997. Thank you for your attention in this matter.

S E A C
Special Education Advisory Council
919 Ala Moana Blvd., Room 101
Honolulu, HI 96814
Phone: 586-8126 Fax: 586-8129
email: spin@doh.hawaii.gov

April 5, 2016

Special Education Advisory Council

Ms. Martha Guinan, *Chair*

Ms. Brendelyn Ancheta
Dr. Tammy Bopp
Dr. Robert Campbell, *liaison to the military*
Ms. Deborah Cheeseman
Ms. Annette Cooper
Ms. Shari Dela Cuadra-Larsen, *liaison to the Superintendent*
Ms. Gabriele Finn
Mr. Sage Goto
Ms. Valerie Johnson
Ms. Deborah Kobayakawa
Ms. Bernadette Lane
Ms. Dale Matsuura
Ms. Stacey Oshio
Ms. Zaidarene Place
Ms. Barbara Pretty
Ms. Kau'i Rezentes
Ms. Rosie Rowe
Dr. Patricia Sheehey
Ms. Ivalee Sinclair
Mr. Tom Smith
Ms. Lani Solomona
Dr. Todd Takahashi
Dr. Daniel Ulrich
Dr. Amy Wiech
Ms. Jasmine Williams
Ms. Susan Wood

Amanda Kaahanui, Staff
Susan Rocco, Staff

Senator Jill N. Tokuda, Chair
Committee on Ways and Means
State Capitol
Honolulu, HI 96813

RE: HB 1700, HD 1 - Relating to the State Budget

Dear Chair Tokuda and Members of the Committee,

The Special Education Advisory Council (SEAC), Hawaii's State Advisory Panel under the Individuals with Disabilities Education Act (IDEA), **strongly supports** HB 1700, HD 1 relating to the following specific budget items impacting children and youth with disabilities:

DEPARTMENT OF EDUCATION BUDGET

SEAC appreciates that the House of Representatives approved base funding for special education and student support services and concurred with the Department's request for additional school transportation funds. However, the following supplemental requests were not funded, and SEAC requests that your committee consider them favorably:

1) **EDN 100 - Weighted Student Formula Funds for ELL**
SEQ # 100-001, Budget Worksheet Page 194

These funds are needed to provide additional supports to students who are English Language Learners, many of whom are also eligible under the Individuals with Disabilities Education Act (IDEA). Their current academic performance is significantly behind their peers, and the Every Student Succeeds Act (ESSA) places a strong emphasis on improving outcomes for this group of students.

2) **EDN 100 - 2% Increase in Weighted Student Formula Funds**
SEQ # 101-001, Budget Worksheet Page 195

These funds will help build the capacity of all public school campuses to provide standards based academic and other support services to all students, including students with disabilites.

3) **EDN 150 - Skilled Nursing Services**
SEQ # 100-001, Budget Worksheet Page 197

The majority of students receiving skilled nursing services are special education students with significant support needs for health care and specialized feeding while in school. The rising numbers of students requiring specialized nursing services and the complexity of their support needs has resulted in increased expenditures for the Department. These supports are required under IDEA, and a lack of funding could jeopardize the health and safety of these students.

DEPARTMENT OF HUMAN SERVICES BUDGET
DHS submitted a number of supplemental budget requests for funding specific target populations under Medicaid. SEAC is in strong support of the following request:

4) **HMS401 - Funds for Medicaid Recipients through Age 6 with Autism Spectrum Disorder**
SEQ # 101-001, Budget Worksheet Page 256

Early diagnoses and treatment of autism results in better outcomes, including educational and behavioral outcomes, for these children.

DEPARTMENT OF HEALTH, DEVELOPMENTAL DISABILITIES DIVISION BUDGET
A supplemental budget request impacting students with disabilities is the following:

5) **HTH501 - Funds for State Match for Medicaid Intellectual and Developmental Disabilities 1915(c) Home and Community-Based Services Waiver**
SEQ # 100-001, Budget Worksheet Page 336

A number of students with developmental disabilities rely on the DD Waiver to provide important habilitation services and behavioral supports beyond the school day and on days when school is not in session.

SEAC respectfully asks your Committee to support these aforementioned budget items in order maintain continuity of services for students with disabilities. If you have questions or concerns, please contact me.

Respectfully,

Martha Guinan
Chair

CATHOLIC CHARITIES HAWAI'I

TESTIMONY RE HB 1700 HD1: RELATING TO THE STATE BUDGET

- ***In support of HMS 224 – DHS / Homeless Programs Office: Housing First, Rapid Rehousing, and Outreach***

TO: Senator Jill N. Tokuda, Chair; Senator Donovan M. Dela Cruz, Vice Chair; and Members, Committee on Ways and Means
FROM: Betty Lou Larson, Legislative Liaison, Catholic Charities Hawai'i
Hearing: Tuesday, April 5, 2016; 9:00 AM; Conference Room 211

Thank you for the opportunity to provide testimony **in strong support of HMS 224**, to allocate to the Department of Human Services: $3 million for Housing First, $2 million for Rapid Rehousing and $2 million for outreach services to the homeless. I am Betty Lou Larson, from Catholic Charities Hawai'i. We are also a member of Partners in Care.

Catholic Charities Hawai`i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai`i for over 60 years. Our mission is to provide services and advocacy for the most vulnerable in Hawai`i. Catholic Charities Hawai'i has a long history of working in the areas of affordable housing and homelessness. We support these three programs in the budget, which are part of a comprehensive plan to address homelessness.

Housing First is critical to help chronically homeless people, often with mental illness or disabilities, successfully get off the streets. This program has been highly successful this past year, with 97% of the housed clients remaining in housing. **Housing First saves the state money:** The Pathways preliminary study of healthcare savings found that there was a 43% reduction in healthcare costs in 6 months. After deducting the cost of rental subsidies ($1,100/mo) and supportive services ($1,120/mo), *the net savings was estimated at $2,370 per client/month*, for an annual savings of about **$28,440 per client.**

Rapid Rehousing is needed to quickly enable working homeless families to obtain a permanent rental unit. These rental subsidies would not only addresses family homelessness, they result in better utilization of shelter space, reducing the need to build and staff more family shelters.

Outreach addresses our State's growing unsheltered homeless population. Besides ranking # 1 among the US states for homelessness per capita, Hawaii also has the highest rate of unsheltered chronic homeless. More people are falling through the cracks in Hawai'i. Outreach can provide the compassionate contacts and housing navigation to help people be linked to appropriate resources with housing as the goal. We must also help unaccompanied youth, especially those who are newly homeless. 30% of all juvenile arrests in Hawaii were for running away—averaging **4,493 per year**! These street kids are at high risk for exploitation. We hope that that the $2 M for Outreach will include $300,000 for outreach to homeless unaccompanied youth.

The people of Hawaii have identified homelessness as the number one issue for the State. The proposed funding would be a significant commitment by the Legislature and State to address homelessness and actually move people into permanent housing. We urge your support for these budget items.

CLARENCE T. C. CHING CAMPUS • 1822 Ke'eaumoku Street, Honolulu, HI 96822
Phone (808)373-0356 • bettylou.larson@CatholicCharitiesHawaii.org

CATHOLIC CHARITIES HAWAI'I

TESTIMONY RE HB 1700 HD1: RELATING TO THE STATE BUDGET

- ***In support** of HMS 224 – DHS / Homeless Programs Office**: HMIS data system***

TO: Senator Jill N. Tokuda, Chair; Senator Donovan M. Dela Cruz, Vice Chair; and Members, Committee on Ways and Means

FROM: Betty Lou Larson, Legislative Liaison, Catholic Charities Hawai'i

Hearing: Tuesday, April 5, 2016; 9:00 AM; Conference Room 211

Thank you for the opportunity to provide testimony **on HMS 224, re: adding $250,000 to support the Homeless Management Information System (HMIS) at the Department of Human Services/Homeless Programs Office.** I am Betty Lou Larson, from Catholic Charities Hawai'i. We are also a member of Partners in Care.

Catholic Charities Hawai`i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai`i for over 60 years. Our mission is to provide services and advocacy for the most vulnerable in Hawai`i. Catholic Charities Hawai'i has a long history of working in the areas of affordable housing and homelessness. Catholic Charities Hawai'i staff have chaired the Data Committee of Partners in Care and actively participate in the HMIS system and the Statewide Data Committee that oversees the HMIS.

Catholic Charities Hawai'i strongly urges you to re-insert $250,000 into the budget for the Homeless Management Information System, which is part of the administration's budget. This funding is critical to provide data analysis of statewide homeless data to increase program effectiveness and to make data-driven decisions about funding. HUD provides technical assistance to Partners in Care, as a Continuum of Care, on homeless issues. Nate French, the national HUD consultant, who has worked with our CoC on data issues has stated that for a CoC of our size, usually 3 FTE would be needed to manage the data system. Most CoCs do not cover statewide data, but our HMIS does. Yet, the Department only has a contract with one individual to provide HMIS administration.

The Legislature, government entities, service providers, funders, the media and the community are often seeking data on how Hawai'i is serving the homeless. This funding would enhance the capacity of the HMIS system to provide data analysis of aggregate data to identify trends and increase program effectiveness. These are critical to our efforts to appropriately target funding to programs that can best work to end homelessness.

The people of Hawaii have identified homelessness as the number one issue for the State. The proposed funding would be a significant step to better data and more capacity to analyze data in order for the Legislature and State to address homelessness. We urge your support to add a $250,000 allocation for the HMIS system to the Senate draft of the State budget.

If you have any questions, please contact me at 373-0356, or bettylou.larson@catholiccharitieshawaii.org.

TO: Senator Jill Tokuda, Chair, and Members
Senate Committee on Ways and Means

FROM: Rev. Bob Nakata and Catherine Graham
Co-Chairs of FACE Housing Task Force and the Housing Coalition

RE: House Bill 1700

Chair Tokuda and Members of the Committee,

Thank you for this opportunity to testify in support of the items in Governor Ige's funding request for housing and homeless programs. They lay the groundwork for meeting the great crisis facing us. Most especially, we believe that the $75 million for the Rental Housing Revolving Fund, the $25 million for the Dwelling Unit Revolving Fund, and the $31 million for repair and maintenance of our public housing are necessary.

To approve SB 2561 without approval of HB 1700, with these major funds for affordable rental housing development that is so critical, would doom the Action Team's work to failure before it even begins its work of developing a coordinated plan to produce 22,500 affordable rental housing units in the next ten years. Its work cannot be allowed to languish on the shelf as have so many other plans over the years and decades.

That would be an utter shame and waste, for there is much work to be done and no time to lose. SB 2561 can be used to put the 2,000 acres or so of State land along the rail route into play for housing. If we can't build affordable housing there, where can we do it? Major efforts to do Transit Oriented Development (TOD) are underway at the City and State levels. Other bills to facilitate TOD are moving through this Legislature also. The Governor's leadership team on Housing and Homelessness is also working on their plan to produce on the order of 10,000 affordable units in ten years. The City is also working on its affordable housing strategy which is looking at similar numbers in the same time frame. It is also budgeting nearly $500 million for the sewer consent decree, a critical part of the infrastructure for housing development.

The City Council's appropriations of tens of millions of dollars for affordable rentals is also a big part of the mix. The media's steady stream of stories has created an atmosphere of needing to do something to address the crisis, even an anxiety about doing nothing, so passing both SB2651 and the funding in this HB 1700 is critical and timely. These will create the momentum to move us forward to the production of affordable rental housing. Almost all hands are on deck. Now the coordination is starting to happen. Let us keep it moving.

Thank you.

EAH

A NONPROFIT HOUSING CORPORATION

April 1, 2016

Hearing: HB 1700
Date: Tuesday, April 5, 2016
Time: 9:00 am
Room No. 211

Senate Committee on Ways and Means
Senator Jill N. Tokuda, Chair
Senator Donovan M. Dela Cruz, Vice Chair

COMMENTS ON HB 1700, HD 1 HOUSING APPROPRIATIONS

Chair Tokuda, Vice Chair Dela Cruz and members of the committee:

Thank you for this opportunity to submit our comments on HB 1700, HD1 and in particular the appropriation of funds to support the development of low income rental housing.

I am Kevin Carney, Vice President of EAH Housing. EAH is a 48 year old non-profit public benefit corporation whose mission is to develop, manage and promote affordable rental housing. We are one of the largest non-profit affordable rental housing developers in the western United States. We have developed over 95 affordable rental properties, manage over 100 properties and we serve over 20,000 residents in communities in Northern California and Hawaii. The people we serve are primarily those with incomes at or below 60% of the area median income (AMI).

In 2011 the State Legislature formally recognized that Hawaii has a housing crisis. The crisis existed long before 2011 but when it was recognized by the Legislature advocates such as EAH breathed a sigh of relief thinking that finally we would see some affirmative action in the way of increased funding and the availability of public lands on which to develop this badly needed affordable rental housing. But here we are five (5) years later and as the crisis continues to grow, we continue to make the same pleas for more funding and more developable land.

The primary source of equity funding for the projects we acquire and rehabilitate and for projects we develop from the ground up is the federal and state low-income housing tax credit (LIHTC) program. Secondary sources but equally important are Hawaii's Rental Housing Revolving Fund (RHRF) and Dwelling Unit Revolving Fund (DURF) administered by the Hawaii Housing Finance and Development Corporation (HHFDC) and the County's HOME and CDBG programs.

We know from our 19 years of experience in serving Hawaii residents that the demand for affordable rental housing at 60% of the area median income and below is huge. We have the waiting lists for our properties to prove it. A reliable and sustained source of funding is preferable but one-time infusions of funds will be helpful.

EAH respectfully requests your committee's support of the Governor's appropriation requests for $75 million for the RHRF and $25 million for DURF. Thank you.

Sincerely,

Kevin R. Carney, (PB), NAHP-E
Vice President, Hawaii

Hawaii Regional Office
1001 Bishop Street, Suite 2880
Honolulu, Hawaii 96813
808 / 523-8826 ■ Fax 808 / 523-8827

Main Office
2169 East Francisco Blvd., Suite B
San Rafael, California 94901-5531
415 / 258-1800 ■ Fax 415 / 453-4927

HPCA

HAWAI'I PRIMARY CARE ASSOC

Senate Committee on Ways and Means
The Hon. Jill N. Tokuda, Chair
The Hon. Donovan M. Dela Cruz, Vice-Chair

Testimony offering comments on House Bill 1700 HD1

Relating to the State Budget
Submitted by Robert Hirokawa, CEO
April 5, 2016, 9:00 am, Room 211

The Hawaii Primary Care Association (HPCA), which represents the federally qualified community health centers in Hawaii, would like to offer comments on House Bill 1700 HD1, which adjusts and requests appropriations for the upcoming fiscal biennium.

In the original draft of the supplemental budget, House Bill 1700, a supplemental budget request was made in the amount of $4,799,926 in state general funds for the coverage of adult dental benefits in Medicaid. (Seq. # 90-001) This funding request was to be matched by $7,644,177 in federal funding.

In the HD1, this appropriation was removed. The HPCA would like to ask that you strongly consider reinstating those funds, as the restoration of an adult dental benefit is an extreme area of need in Hawaii, especially for the most vulnerable populations.

In 2015, the Department of Health released a report outlining the need for these services, highlighting factors such as:

- From 2009-2011, only 41% of pregnant women, 29% of pregnant low-income women, and 27% of women in Medicaid or QUEST visited a dentist during their pregnancy.
- In 2012, 52% of low-income adults saw a dentist as compared to 82% of higher income adults.
- In that same year, 51% of low-income adults lost teeth due to dental disease, while only 32% of high-income adults did.
- From 2006 to 2012, there was a 67% increase in emergency room visits for dental problems, accounting for a $4.5M increase, bringing total expenditures for such visits alone to $8.5M.

For these reasons, and the fact that community health centers cumulatively provide more than 42,000 dental visits each year, more than half of them to Medicaid patients, we ask that you strongly consider reinstating the original budget request for such services.

Additionally, we ask that the committee consider reinstating SEQ. # 100-001 adding funds for premium assistance program payments, and the inclusion of funds for the Medicaid Buy-In Program. Both provide

ADD 735 BISHOP STREET, SUITE 230 HONOLULU, HI 96813 TEL 808.536.8442 FAX 808.524.0347 W

essential services to populations the health centers work with extensively, easing potential health and financial burdens both on patients and facilities.

Thank you for the opportunity to provide comments.

ADD 735 BISHOP STREET, SUITE 230 HONOLULU, HI 96813 TEL 808.536.8442 FAX 808.524.0347 W

HO'ŌLA LĀHUI HAWAI'I
P.O. Box 3990; Līhu'e, Hawai'i
Phone: 808.240.0100 Fax: 808.246.9551

March 31, 2016

COMMITTEE ON WAYS AND MEANS
Senator Jill N. Tokuda, Chair
Senator Donovan M. Dela Cruz, Vice Chair

Testimony on HB 1700, HD1

Relating to the State Budget
April 5, 2016, 9:00 am, Room 211

Ho`ola Lahui Hawaii the only Federally Qualified Health Center and Native Hawaiian Health Care System on Kauai urges the committee to include in the state budget the restoration of Adult Dental Benefits as recommended in the supplemental executive budget.

Unfortunately, the executive budget line item was eliminated in HD1. The original amount in the executive budget was $4,799,926 in state general funds for the coverage of adult dental benefits in Medicaid (Seq. # 90-001). This funding request was to be matched by $7,644,177 in federal funding.

It is vital to support the dental benefit restoration to Medicaid for those who are most in need. Prevention will save millions in emergency and restorative care services in the long term in addition to bringing federal matching funds to the state.

Respectfully Requested,

David Peters
Chief Executive Officer

KOKUA KALIHI VALLEY COMPREHENSIVE FAMILY SERVICES
2239 N. SCHOOL STREET ◆ HONOLULU, HAWAI`I 96819 ◆ TEL: 808-791-9400 ◆ FAX: 808-848-0979 ◆ www.kkv.net

Senate Committee on Ways and Means
The Hon. Jill N. Tokuda, Chair
The Hon. Donovan M. Dela Cruz, Vice-Chair

Testimony offering comments on House Bill 1700 HD1
Relating to the State Budget

Submitted by David Derauf MD

April 5, 2016, 9:00 am, Room 211

Kokua Kalihi Valley would like to offer comments on House Bill 1700 HD1, which adjusts and requests appropriations for the upcoming fiscal biennium. In the original draft of the supplemental budget, House Bill 1700, a supplemental budget request was made in the amount of $4,799,926 in state general funds for the coverage of adult dental benefits in Medicaid. (Seq. # 90-001) This funding request was to be matched by $7,644,177 in federal funding.

In the HD1, this appropriation was removed. The HPCA would like to ask that you strongly consider reinstating those funds, as the restoration of an adult dental benefit is an extreme area of need in Hawaii, especially for the most vulnerable populations like those in Kalihi.

We find year after year that oral health ranks amongst the highest health priorities in our community. This is NOT academic: our neighbors are suffering every day from pain and disability related to their mouths. Why is it that you can go the Emergency Room for a paper cut and be covered for treatment but you can't take care of one of the vital organs of the human body? We know this has downstream effects on our community: suffering, unemployment, adverse health effects on pregnant women, shame are just a few of them.

Please restore funding to this critical service!
Thank you for the opportunity to provide comments.

LĀNA‘I COMMUNITY HEALTH CENTER

P. O. Box 630142
Lāna‘i City, HI 96763-0142

Phone: 808-565-6919
Fax: 808-565-9111
dshaw@lanaicommunityhealthcenter.org

The Community is our Patient -- men, women, children, uninsured, insured!

March 31, 2016

Senate Committee on Ways and Means
The Hon. Jill N. Tokuda, Chair
The Hon. Donovan M. Dela Cruz, Vice-Chair

Testimony offering comments on House Bill 1700 HD1
Relating to the State Budget
Submitted by Diana M V Shaw, PhD, MPH, MBA, FACMPE
Executive Director, Lāna'i Community Health Center
April 5, 2016, 9:00 am, Room 211

Lāna'i Community Health Center (LCHC), a federally qualified community health center providing services to the island of Lāna'i, would like to offer comments on House Bill 1700 HD1, which adjusts and requests appropriations for the upcoming fiscal biennium.

In the original draft of the supplemental budget, House Bill 1700, a supplemental budget request was made in the amount of $4,799,926 in state general funds for the coverage of adult dental benefits in Medicaid. (Seq. # 90-001) This funding request was to be matched by $7,644,177 in federal funding.

In the HD1, this appropriation was removed. The LCHC would like to ask that you strongly consider reinstating those funds, as the restoration of an adult dental benefit is an extreme area of need in Hawaii, and especially on our island for the most vulnerable populations.

In 2015, the Department of Health released a report outlining the need for these services, highlighting factors such as:

- From 2009-2011, only 41% of pregnant women, 29% of pregnant low-income women, and 27% of women in Medicaid or QUEST visited a dentist during their pregnancy.

- In 2012, 52% of low-income adults saw a dentist as compared to 82% of higher income adults.

- In that same year, 51% of low-income adults lost teeth due to dental disease, while only 32% of high-income adults did.

- From 2006 to 2012, there was a 67% increase in emergency room visits for dental problems, accounting for a $4.5M increase, bringing total expenditures for such visits alone to $8.5M.

Most importantly, though, LCHC has just started its dental program and has been overwhelmed with adult patients — many of whom are exhibiting severe dental issues which negatively impact their health, wellness, and overall quality of life. For these reasons, and the fact that community health centers cumulatively provide more than 42,000 dental visits each year — and the volume and need continues to grow — and more than half of the patients are Medicaid, we ask that you strongly consider reinstating the original budget request for such services.

Thank you for the opportunity to provide comments.

WAIMĀNALO
HEALTH CENTER

TO: Senator Jill Tokuda, Chair
Senator Donovan Dela Cruz, Vice-Chair
COMMITTEE ON WAYS AND MEANS

FR: Mary Oneha, APRN, PhD
Chief Executive Officer, Waimānalo Health Center

Date: Tuesday, April 5, 2016
9:00am, Conference Room 211

RE: Testimony Offering Comments on House Bill 1700 HD1

The Waimānalo Health Center has been serving the Ko`olaupoko community for 24 years and providing dental services for 7 years. Each year, we have seen an increase in the number of dental emergencies.

In the original draft of the supplemental budget, House Bill 1700, a supplemental budget request was made in the amount of **$4,799,926** in state general funds for the coverage of adult dental benefits in Medicaid. (Seq. # 90-001). In the HD1, this appropriation was removed. Waimanalo Health Center would like to ask that you **strongly consider reinstating those funds**, as the restoration of an adult dental benefit is an extreme area of need in this community.

There are many instances of adults negatively affected by lack of regular dental care, instances resulting in bone loss, teeth loss, periodontal disease, and poor nutrition. The availability of resources (basic adult dental benefits) to assist these patients would have more positively impacted their outcomes. **The investment for basic adult services can have a dramatic effect on patient health and future costs.** The Waimānalo Health Center ask that you strongly consider reinstating the original budget request for such services. Thank you for the opportunity to provide comments.

Marya Grambs
140 Kaelepulu Drive
Kailua, HI 96734

TESTIMONY RE HB 1700 HD1: RELATING TO THE STATE BUDGET

- ***In support of HMS 224 – DHS / Homeless Programs Office: Housing First, Rapid Rehousing, and Outreach***

TO: Senator Jill N. Tokuda, Chair; Senator Donovan M. Dela Cruz, Vice Chair; and Members, Committee on Ways and Means
FROM: Betty Lou Larson, Legislative Liaison, Catholic Charities Hawai'i
Hearing: Tuesday, April 5, 2016; 9:00 AM; Conference Room 211

Thank you for the opportunity to provide testimony **in strong support of HMS 224**, to allocate to the Department of Human Services: $3 million for Housing First, $2 million for Rapid Rehousing and $2 million for outreach services to the homeless.

I am Marya Grambs. I am a member of the Board of Directors of PHOCUSED and a member of Partners in Care.

Housing First is critical to help chronically homeless people, often with mental illness or disabilities, successfully get off the streets. This program has been highly successful this past year, with 97% of the housed clients remaining in housing. **Housing First saves the state money:** The Pathways preliminary study of healthcare savings found that there was a 43% reduction in healthcare costs in 6 months. After deducting the cost of rental subsidies ($1,100/mo) and supportive services ($1,120/mo), *the net savings was estimated at $2,370 per client/month*, for an annual savings of about **$28,440 per client.**

Rapid Rehousing is needed to quickly enable working homeless families to obtain a permanent rental unit. These rental subsidies would not only addresses family homelessness, they result in better utilization of shelter space, reducing the need to build and staff more family shelters.

Outreach addresses our State's growing unsheltered homeless population. Besides ranking # 1 among the US states for homelessness per capita, Hawaii also has the highest rate of unsheltered chronic homeless. More people are falling through the cracks in Hawai'i. Outreach can provide the compassionate contacts and housing navigation to help people be linked to appropriate resources with housing as the goal. We must also help unaccompanied youth, especially those who are newly homeless. 30% of all juvenile arrests in Hawaii were for running away—averaging **4,493 per year**! These street kids are at high risk for exploitation. We hope that that the $2 M for Outreach will include $300,000 for outreach to homeless unaccompanied youth.

The people of Hawaii have identified homelessness as the number one issue for the State. The proposed funding would be a significant commitment by the Legislature and State to address homelessness and actually move people into permanent housing. We urge your support for these budget items.

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: geckogroup@cs.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Wednesday, March 30, 2016 12:57:55 PM

HB1700
Submitted on: 3/30/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Ann Yabusaki	Individual	Support	No

Comments: I am writing in support of HMS305 , EDN100 and HMS501 measures for continuing support to families and youth. These measures greatly benefit the people and future of Hawaii. As a family therapists working with many chaotic and needy families, investing in our youth, increasing their resilience and achievement is a far better investment than treating the consequences.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: geckogroup@cs.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Wednesday, March 30, 2016 12:57:55 PM

HB1700
Submitted on: 3/30/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Ann Yabusaki	Individual	Support	No

Comments: I am writing in support of HMS305 , EDN100 and HMS501 measures for continuing support to families and youth. These measures greatly benefit the people and future of Hawaii. As a family therapists working with many chaotic and needy families, investing in our youth, increasing their resilience and achievement is a far better investment than treating the consequences.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From:	Akiko Nakazato
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Thursday, March 31, 2016 9:29:31 AM

From: akikomcdowell@icloud.com <Akiko Nakazato>

Message:

Please restore POD program.

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Akiko Nakazato

Director of Sales

Kahului

Hawaii

From:	Alea Schechter
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Tuesday, March 29, 2016 4:51:45 PM

From: alealani@hawaii.rr.com <Alea Schechter >

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Alea Schechter

Preventative Wellness Advisor

Honokaa

Hawaii

From:	Alfred Castle
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Wednesday, March 30, 2016 5:56:42 AM

From: snandmarycastle@hawaii.rr.com <Alfred Castle>

Message:

POD is a critically important support for vulnerable Hawaii families.

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Alfred Castle

Chief Executive Officer and Treasurer

Honolulu

Hawaii

From:	Amanda Lindley
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Tuesday, March 29, 2016 6:11:19 PM

From: akiko1234@gmail.com <Amanda Lindley>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Amanda Lindley

Business development manager

Aiea

From:	Amy Wake
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Thursday, March 31, 2016 11:40:52 AM

From: amywake@firstumchonolulu.org <Amy Wake>

Message:

I am the pastor of First United Methodist Church. At our church, we see first hand the difference preschool makes in the lives of children. 2-year-olds who come to our preschool with no English capabilities, with emotional distress, with behavioral or social difficulties leave us as 5-year-olds with fluent language, positive social skills, and full hearts and they are ready for Kindergarten. Please support this important program for the most vulnerable of us all.

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Amy Wake

Honolulu

Hawaii

From:	Andrea Anixt
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Tuesday, March 29, 2016 7:43:24 PM

From: andreapeatmoss@gmail.com <Andrea Anixt>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Andrea Anixt

Kaaawa

Hawaii

From:	Benjamin Ancheta Jr
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Tuesday, March 29, 2016 3:52:05 PM

From: always@bancheta.com <Benjamin Ancheta Jr>

Message:

Educational opportunities for young children, especially in low socioeconomic circumstances, is very important to me and to the state of Hawaii.

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Benjamin Ancheta Jr

Honolulu

Hawaii

From:	Betty Jäger
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Wednesday, March 30, 2016 6:14:52 PM

From: 3jagdesign@gmail.com <Betty Jäger>

Message:

Please, these children need early development, they need a school, they need a system that will remain intact. No big deal, it's just the future.

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Betty Jäger

Minneapolis

From:	Brandon Antes
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Wednesday, March 30, 2016 3:48:31 PM

From: bantes85@gmail.com <Brandon Antes>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Brandon Antes

ALIQUIPPA

Pennsylvania

From:	Cheryl Yamamoto
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Thursday, March 31, 2016 12:38:55 PM

From: yamasrus@gmail.com <Cheryl Yamamoto>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don't shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Cheryl Yamamoto

home maker

Honolulu

Hawaii

From:	Corinne Uehara
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Wednesday, March 30, 2016 7:08:25 AM

From: gsphonolulu@gmail.com <Corinne Uehara>

Message:

I work at Good Shepherd Preschool, where many of our children rely on POD funding to attend school. As you know, the first five years of life are a huge time for kids to develop and learn. Please do not take this opportunity away from them; please continue to fund Preschool Open Doors. Mahalo!

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Corinne Uehara

Office Manager, Good Shepherd Preschool

Honolulu

Hawaii

From:	Darlene Rodrigues
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Monday, April 04, 2016 8:37:45 AM

From: darlene.rodrigues@gmail.com <Darlene Rodrigues>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Darlene Rodrigues

Church and Society Ministry Team Chair, HUMC

Mililani

Hawaii

From:	Darryll Naeole
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Thursday, March 31, 2016 3:01:46 PM

From: darrylln@hotmail.com <Darryll Naeole>

Message:

My child was a recipient of the open doors program. Without the help of the open doors program my child would have been forced out of attendance to her preschool. Please restore funding to this program so that other children may have the opportunity to obtain the early education that so many children are forced to go without because of financial difficulties. Mahalo Darryll Naeole

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Darryll Naeole

Millwright

kula

Hawaii

From:	David Le Duc
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Wednesday, March 30, 2016 6:00:51 PM

From: dleduc@gmail.com <David Le Duc>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don't shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

David Le Duc

Boat captain

Kailua Kona

Hawaii

From:	David Okumura
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Wednesday, March 30, 2016 1:10:08 PM

From: aoxomoxoa@mailbolt.com <David Okumura>

Message:

Mahalo for your continued support Jill. Please keep fighting for our keiki!

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

David Okumura

Kailua-Kona

Hawaii

From:	David Tester
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Saturday, April 02, 2016 7:59:31 AM

From: maui_dave@yahoo.com <David Tester >

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

David Tester

Makawao

Hawaii

From:	Desiree Abreu
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Thursday, March 31, 2016 12:15:23 PM

From: desabreu@gmail.com <Desiree Abreu>

Message:

Mahalo Nui Loa for helping our keiki by continuing to fund the Preschool Open Doors Program! It is a wonderful program that has helped to provide quality early childhood education for our children! Thank you!

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Desiree Abreu

DOE Student Services Coordinator

Kula

Hawaii

From:	Diane Matsuura
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Thursday, March 31, 2016 12:51:50 PM

From: matsuurak001@hawaii.rr.com <Diane Matsuura>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Diane Matsuura

Hon

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: fsayre@hawaii.rr.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Wednesday, March 30, 2016 4:27:57 PM

HB1700
Submitted on: 3/30/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Dr. Frank H. Sayre, D.D.S.	Individual	Support	No

Comments: It is absolutely vital that HB 1700 is passed. The Neighbor Island acute care hospitals and the Oahu Long Term Care hospitals are in danger of cutting even more critical servicesto their patients. Hopefully, the Maui transition to Kaiser will serve as a template for the other Neighbor Island hospitals to follow. This will free up resources for the Long Term care facilities in the long run. We just have to hold it together for now. Thank you.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From:	Gary Honda
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Thursday, March 31, 2016 12:24:50 PM

From: hondagt@hawaii.rr.com <Gary Honda>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don't shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Gary Honda

Retired educator

Honolulu

Hawaii

From:	Ginifer Nania Cole
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Friday, April 01, 2016 9:17:35 AM

From: gnaniacole@hotmail.com <Ginifer Nania Cole>

Message:

I am truly grateful for allowing my child the opportunity to attend a wonderful preschool that has proven to start the foundation of her educational journey. Without the assistance from the POD program, she would not have been able to attend. For this I am truly grateful!

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Ginifer Nania Cole

Kahului

Hawaii

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: chinheng@chinheng.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Monday, April 04, 2016 12:31:35 PM

HB1700
Submitted on: 4/4/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Chin Lee	Individual	Comments Only	No

Comments: Changing my testimony from "support" to "comment" only. I am writing to support the governor budget request to include the Ticket to Work Medicaid Buy In. Medicaid Buy-In program, if implemented in Hawaii, will allow working person with disabilities to continue to work and use Medicaid by paying a premium (buying-in). Hawaii is one of the remaining four states that do not have a Medicaid Buy-in program. Please add the funding to provide the necessary budget for DHS to implement a Medicaid Buy In program in Hawaii.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: yookom@gmail.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Sunday, April 03, 2016 1:18:13 PM

HB1700
Submitted on: 4/3/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Deborah dela Cruz	Individual	Comments Only	No

Comments: In the original draft of the supplemental budget, HB1700, a supplemental budget request was made in the amount of $4,799,926 in state general funds for the coverage of adult dental benefits in Medicaid. The appropriation was removed in HD1. I request that the funds be reinstated. Dental care is an integral part of good health though it is often viewed as not being an absolute necessity. The effects of dental disease affect a person's performance as much as a problem in other parts of the body. Preventive dentistry and catching problems early will reduce medical emergencies and expensive dental procedures. Hawaii has dismal dental statistics nationally and Lana'i, where I'm from, has dismal stats in the state. Being at the bottom of the bottom, I see the need for this funding. Many people here will have their teeth pulled, rather than fixed, to save money. They don't recognize the problems this creates down the road. Passing this Bill will help people avoid emergencies and give them the choice of restoration.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: pdxdina@gmail.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Thursday, March 31, 2016 2:18:09 PM

HB1700
Submitted on: 3/31/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Dina Nishioka	Individual	Comments Only	No

Comments: In the original draft of the supplemental budget, House Bill 1700, a supplemental budget request was made in the amount of $4,799,926 in state general funds for the coverage of adult dental benefits in Medicaid. (Seq. # 90-001) This funding request was to be matched by $7,644,177 in federal funding. In the HD1, this appropriation was removed. Please strongly consider reinstating those funds, as the restoration of an adult dental benefit is an extreme area of need in Hawaii, especially for the most vulnerable populations. In 2015, the Department of Health released a report outlining the need for these services, highlighting factors such as: • From 2009-2011, only 41% of pregnant women, 29% of pregnant low-income women, and 27% of women in Medicaid or QUEST visited a dentist during their pregnancy. • In 2012, 52% of low-income adults saw a dentist as compared to 82% of higher income adults. • In that same year, 51% of low-income adults lost teeth due to dental disease, while only 32% of high-income adults did. • From 2006 to 2012, there was a 67% increase in emergency room visits for dental problems, accounting for a $4.5M increase, bringing total expenditures for such visits alone to $8.5M. For these reasons, and the fact that community health centers cumulatively provide more than 42,000 dental visits each year, more than half of them to Medicaid patients, please consider reinstating the original budget request for such services. Much Mahalo, Dina Nishioka

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From:	Helena Ogle
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Thursday, March 31, 2016 1:09:50 PM

From: helenaogle@hotmail.com <Helena Ogle>

Message:

We must invest in our children and families so that we can have a more productive society.

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Helena Ogle

Preschool Director

Honolulu

Hawaii

From:	Janet Beyer
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Wednesday, March 30, 2016 1:27:04 PM

From: jaybird52256@hotmail.com <Janet Beyer>

Message:

If you want to improve the education available for the children in Hawaii please continue Open Door funding. We are able to help so many children become successful in school by giving them a positive head start in preschool. I work at a preschool and see for myself what a difference attending preschool can make.

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Janet Beyer

Honolulu

Hawaii

From:	Janlyn Ryusaki Phillips
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Wednesday, March 30, 2016 11:03:38 PM

From: kaui423@gmail.com <Janlyn Ryusaki Phillips>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Janlyn Ryusaki Phillips

Admin Asst

Kamuela

Hawaii

From:	Jim Eberle
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Wednesday, March 30, 2016 5:46:45 PM

From: eberlej001@gmail.com <Jim Eberle>

Message:

Please stop politicizing this critical program. This is the only statewide program that families can utilize to start their child on the path to success. Early learning has benefits that extend throughout a child's life, and permeates long term within our Hawaii communities. Hundreds of families will not be able to access preschool without Preschool Open Doors. Preschool for Hawaii has become an institution for the well off only. Let's keep the playing field available for our disadvantaged at-risk children. Thank you.

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Jim Eberle

Kaneohe

Hawaii

From:	Joy Addiss
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Thursday, March 31, 2016 2:39:00 PM

From: joy.addiss@kalihiunion.org <Joy Addiss>

Message:

As the Director of Kalihi Union Church Preschool I would like to let you know that half of my students come to preschool because of the help their parents qualify for through Preschool Open Doors. These parents work really hard but can't afford my tuition rates without this help. We work hard to keep our tuition low but families still can't pay it...thanks for helping the kids of Kalihi get the same start as children of middle class households. These families don't want to go on welfare but because this is a special program for their late-borns who can't go to kindergarten until next year they're willing to apply. Don't force these children to be left at home before kindergarten...

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this

session.

Sincerely,

Joy Addiss

Director

Honolulu

Hawaii

From:	Judith Wilhoite
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Wednesday, March 30, 2016 8:00:29 PM

From: jwilhoite@familyprogramshi.org <Judith Wilhoite>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don't shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Judith Wilhoite

Family Advocate

Kailua

Hawaii

From:	Karen Mac Rae
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Wednesday, March 30, 2016 8:50:25 AM

From: macraedr@hawaii.rr.com <Karen Mac Rae>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don't shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Karen Mac Rae

Honolulu

Hawaii

From:	Lani Kuakini Moniz
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Wednesday, March 30, 2016 5:59:29 AM

From: lilyannk@hcapweb.org <Lani Kuakini Moniz>

Message:

My full day program with subsidies from Pre School Open Doors, enables children & their families to experience pre school to it's full capacity. We need this benefit so much, that with out it, families will not have a "Head Start" on a positive beginning in life. Aloha for this opportunity to share.

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Lani Kuakini Moniz

Early Education Teacher

Waianae

Hawaii

From:	Lara Wasson
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Tuesday, March 29, 2016 6:50:58 PM

From: brightbeginninglearningcenter01@yahoo.com <Lara Wasson>

Message:

Our families need help! These children are precious and at an age where learning comes easily. Early education is vital for building a strong foundation. We work at a preschool and we are hurting. We are in a low income area and have brought our tuition as low as possible and are going without the basic needs. Do not put our children last.

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Lara Wasson

Preschool Director

Hauula

Hawaii

From:	Leslie Mullens
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Wednesday, March 30, 2016 11:03:05 AM

From: lmullens@yahoo.com <Leslie Mullens>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don't shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Leslie Mullens

President & Chief Strategist

Makawao

Hawaii

From:	Marek Nagpal
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Tuesday, March 29, 2016 7:39:32 PM

From: marekrajesh@gmail.com <Marek Nagpal>

Message:

Young kids are the most important asset a community has. Let them and their parents succeed by providing early education. thank you.

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Marek Nagpal

kihei

Hawaii

From:	Meagan Jones
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Wednesday, March 30, 2016 8:51:16 PM

From: meaganjones@mac.com <Meagan Jones >

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Meagan Jones

executive director

Kula

From:	Melanie Adams
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Wednesday, March 30, 2016 5:47:35 AM

From: missmelabc@gmail.com <Melanie Adams>

Message:

Please continue funding this vital program for the young children in our state. Many will never have the opportunity to preschool Programs without the assistance of Open a doors funding. The importance of learning self regulation and control in the earliest years is vital for a successful foundation in a child's life. Kearning these skills in preschool gives a child the tools necessary to be a great learner.

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Melanie Adams

Preschool teacher

Paia

From:	Melinda Cabreros
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Thursday, March 31, 2016 8:45:49 PM

From: teisea@yahoo.com <Melinda Cabreros>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Melinda Cabreros

Medical Assistant

Kahuku

Hawaii

From:	Michael Tanaka
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Thursday, March 31, 2016 1:24:31 PM

From: mtanaka@nkcpa.com <Michael Tanaka>

Message:

I personally have seen a huge difference from those that attended preschool (college education, good job, etc.) and those less fortunate who have not (homeless, jail, drugs, etc.). Please restore funding to this critically important program. Thank you!

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Michael Tanaka

CPA

Honolulu

Hawaii

From:	Michelle Flotildes
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Friday, April 01, 2016 10:39:48 AM

From: mflotildes8@gmail.com <Michelle Flotildes>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Michelle Flotildes

Admin.

Wailuku

Hawaii

From:	Michelle Gray
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Wednesday, March 30, 2016 7:28:55 AM

From: michelleplusnumbers@gmail.com <Michelle Gray>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Michelle Gray

Honolulu

Hawaii

From:	Michelle Kinoshita
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Tuesday, March 29, 2016 7:57:47 PM

From: michellekinoshita@yahoo.com <Michelle Kinoshita>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Michelle Kinoshita

Preschool teacher

Wahiawa

Hawaii

From:	Molly Cooper
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Saturday, April 02, 2016 8:56:40 AM

From: mollywcooper@gmail.com <Molly Cooper>

Message:

Welfare to work was enacted under Bill Clinton without any provision for full childcare. Yes Head-start is a good program but it is not available in every area with enough spaces. Also there is a gap group who may make slightly too much money for Head-start. Some parents relay on Grandparents which can be good or not. Those children are missing out on socialization with peers and pre-reading and pre -math skills.

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Molly Cooper

Teacher Montessori Community School

Honolulu

Hawaii

From:	Paul Okumura
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Wednesday, March 30, 2016 3:06:53 PM

From: paul_okumura@yahoo.com <Paul Okumura>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don't shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Paul Okumura

Kailua Kona

Hawaii

From:	Piper Pearson
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Wednesday, March 30, 2016 6:17:05 PM

From: piperrr510@gmail.com <Piper Pearson>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don't shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Piper Pearson

Kailua Kona

Hawaii

From:	Rachel Nishihara
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Wednesday, March 30, 2016 9:57:05 AM

From: rnishihara233@gmail.com <Rachel Nishihara>

Message:

Our keikis need chance for a better future. Any opportunity that any child can receive for knowledge and enrichment will give them a step up and confidence when they attended Kindergarten.

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Rachel Nishihara

Honolulu

Hawaii

From:	Reina Kurisu
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Tuesday, March 29, 2016 8:08:01 PM

From: rdkurisu@gmail.com <Reina Kurisu>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Reina Kurisu

Kapaa

Hawaii

From:	Robert Miyake Stoner
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Friday, April 01, 2016 7:46:36 PM

From: miyake6@gmail.com <Robert Miyake Stoner>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don't shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Robert Miyake Stoner

Retired Minister

Aiea

Hawaii

From:	Rona Mangayayam
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Thursday, March 31, 2016 12:07:18 PM

From: revrona@yaho.com <Rona Mangayayam >

Message:

As a pastor that work with Harris Preschool I have direct involvement with children and their families whose children are given opportunity to Preschool education because of Open Doors. Had it not been for Open Doors there is no way that this children will be able to attend preschool which will then hinder them to get a developmentally appropriate education. Moreover that would mean a parent is force to stay home to take care of the child instead of workforce to help meet the needs of the family which is already struggling enough. Keeping the 6 million fund for Open Doors is not just the right thing to do , it's the moral thing to do.

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Rona Mangayayam

Honolulu

Hawaii

From:	Rose Hatakeyama
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Thursday, March 31, 2016 6:02:26 AM

From: rosemhatakeyama@aol.com <Rose Hatakeyama>

Message:

Preschool will give our children a fighting chance to make it our world.

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Rose Hatakeyama

RETIRED

Kamuela

Hawaii

From:	Roxanne Book
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Tuesday, March 29, 2016 4:35:38 PM

From: roxannebook@yahoo.com <Roxanne Book>

Message:

I'm a single parent that put 3 of my kids through POD. Which helped me to be an Independent person

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Roxanne Book

Kitchen Manager

Honolulu

Hawaii

From:	Ruth Truce
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Wednesday, March 30, 2016 7:16:07 PM

From: ruthtruce@yahoo.com <Ruth Truce>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don't shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Ruth Truce

Teacher

Honoluu

Hawaii

From:	Sachiko Taketa
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Thursday, March 31, 2016 2:08:39 PM

From: ipochan@hawaiiantel.net <Sachiko Taketa>

Message:

Every child should have the opportunity for early education. The first 5 years are so critical in the development of the child. The social interaction with other children, teachers and other adults is so very significant in this developmental stage.

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Sachiko Taketa

NA..retired

Honolulu

Hawaii

From:	Sandy Ryan
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Wednesday, March 30, 2016 8:54:35 PM

From: sryanmaui@gmail.com <Sandy Ryan>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don't shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Sandy Ryan

Program Director

Makawao

From:	Sarah Guay
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Tuesday, March 29, 2016 7:51:24 PM

From: selguay@gmail.com <Sarah Guay>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Sarah Guay

kailuA

Hawaii

From:	Savenaca Ravono
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Thursday, March 31, 2016 12:31:22 PM

From: nabuabroncos@hotmail.com <Savenaca Ravono >

Message:

I have 2 toddlers who are currently benefitting from the Tutu and Me Program under Partners In Development thanks to federal grants. But when they turn 4 I will need to enroll them in a regular preschool and I can't afford it without some help from my state. I have seen how developed and how quickly my keikis learn with early education and realized how important it is for my ohana. However I am scared of what my keikis will endure throughout their education and what their generation will face. We need to start now in implementing more affordable or even free education for preschoolers. If we can't start now, then when?

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Savenaca Ravono

Scaffolder

Honolulu

Hawaii

From:	Scott Euken
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Thursday, March 31, 2016 7:41:07 AM

From: seuken@aol.com <Scott Euken>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Scott Euken

Contractor

Kaneohe

Hawaii

From:	Stephanie Halama
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Tuesday, March 29, 2016 6:00:30 PM

From: roses_forever_mine@yahoo.com <Stephanie Halama>

Message:

Restore the $6 million to the Preschool Open Doors program. Our family's and keiki' need this help. Our families can't pay for preschool cost on their own.

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Stephanie Halama

Preschool Teacher

Waianae

Hawaii

From:	Suzie Garrett
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Tuesday, March 29, 2016 6:27:03 PM

From: nalango@aloha.cm <Suzie Garrett>

Message:

Let's do this smart, from the beginning ! save lots of money later, as children are well educated from the beginning, Making us and them in their lives, much more interested and involved now AND later on!!! thank you

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Suzie Garrett

owner/proprietor

Honolulu

Hawaii

From:	Tyler Dos Santos Tam
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Tuesday, March 29, 2016 3:49:38 PM

From: tylerdst@gmail.com <Tyler Dos Santos Tam>

Message:

Submitted as an individual and as a board member of the Hawaii Children's Action Network.

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Tyler Dos Santos Tam

Honolulu

Hawaii

From:	Wally Wake
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Wednesday, March 30, 2016 7:04:38 AM

From: wakew@hawaii.rr.com <Wally Wake>

Message:

Please listen and respond to the many who are sending you this urgent request. Mahalo nui loa!

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Wally Wake

Retired

Aiea

From:	Xing He
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Tuesday, March 29, 2016 5:22:40 PM

From: hexing0105@icloud.com <Xing He>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don’t shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

Xing He

Honolulu

DAVID Y. IGE
GOVERNOR

JAMES K. NISHIMOTO
DIRECTOR

CINDY S. INOUYE
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
235 S. BERETANIA STREET
HONOLULU, HAWAII 96813-2437

April 1, 2016

TESTIMONY TO THE
SENATE COMMITTEE ON WAYS AND MEANS

For Hearing on Tuesday, April 5, 2016
9:00 a.m., Conference Room 211

BY

JAMES K. NISHIMOTO
DIRECTOR

House Bill No. 1700, H.D.1
Relating to the State Budget

TO CHAIRPERSON TOKUDA, VICE CHAIRPERSON DELA CRUZ AND MEMBERS OF THE COMMITTEE:

The purpose of H.B. 1700, H.D.1 is to appropriate funds for the operating and capital improvement costs for agencies in the Executive Branch for the fiscal year 2017.

The Department of Human Resources Development (DHRD) HAS THE FOLLOWING CONCERNS regarding H.B. 1700, H.D.1 as it relates to the reductions made to DHRD'S supplemental budget requests:

1. HRD102 – Reduces funding to address increasing workers' compensation costs from $500,000 to $1 for further discussion. DHRD is responsible for the administration, processing and payment of workers' compensation claims and benefits for Executive Branch employees (excluding the DOE, UH, and HHSC), Charter School employees, and the Legislature who suffer a work-related injury or illness. Without the $500,000 funding increase,

DHRD will not be able to meet its statutory obligations under Section 26-5, Hawaii Revised Statutes (HRS), to pay claims as required under chapter 386, HRS. Absent sufficient funds to support administration of the State's workers' compensation program, injured employees of State agencies may not get the statutory benefits (i.e., medical care) that they require to recover and return to work. Moreover, failure to pay timely benefits will result in assessment of statutory penalties which will also contribute to increasing our costs.

2. HRD102 – Does not add funds for the six month delay in hire that was applied to the Equal Employment Opportunity (EEO) program position. The six month delay may have been intended as a temporary delay in recognition of the time required to establish and fill the authorized position; however, funding for the position has not been restored to enable DHRD to fill the position on a full-time basis. Without adequate funding for the EEO position that was approved by the Legislature, the EEO program will not be able to respond to the growing number of requests for assistance from departments and employees, ensure complaints are addressed as legally mandated, and respond to complaints in an appropriate manner. This places the State at increased risk of more (and more costly) complaints and/or litigation arising out of EEO issues.

3. HRD191 – Adds $23,250 for the purchase of yearly licenses for Office 365 but reduces funds for other current expenses. DHRD currently uses Office 365. These licenses were purchased by OIMT/ETS as part of the migration of State personnel from the Lotus Notes system to the Microsoft Office 365 product suite and Outlook email. Not providing additional funding for the Office 365 annual license fees will leave DHRD with no access to the business application tools needed to carry out the department's core business functions.

The three requests noted above are the only supplemental budget requests submitted by DHRD, and we continue to request your favorable consideration of these requests. Regrettably, we have no alternative reductions to offer for the reductions made to our supplemental budget requests.

Finally, while we appreciate the add-ons recommended by the House, we respectfully request that the funds designated for the add-ons be reallocated to DHRD's three budget requests as set forth in the Executive Supplemental Budget.

We are aware of the challenges being faced and remain committed to work with the Legislature to seek solutions that effectively balance short and long term priorities.

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

STATE OF HAWAII
STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
919 ALA MOANA BOULEVARD, ROOM 113
HONOLULU, HAWAII 96814
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543
April 5, 2016

The Honorable Jill N. Tokuda, Chair
Senate Committee on Ways and Means
Twenty-Seventh Legislature
State Capitol
State of Hawaii
Honolulu, Hawaii 96813

Dear Senator Tokuda and Members of the Committee:

SUBJECT: HB 1700 HD1 - RELATING TO THE STATE BUDGET

The State Council on Developmental Disabilities (DD) **strongly supports** HB 1700 HD1 relating to the specific budget items noted below. The purpose of this bill is to adjust and request appropriations for Fiscal Year 2016-17 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

1. **HTH 905 – Developmental Disabilities Council**
   Page 25, Item No 22.
   FY 17: $246,464A

The above amount includes $17,350 for FY 17 for relocation of the DD Council to the Kamamalu Building (HTH 905/AH).

Budget Worksheet: Page 387 of 640
100-001 Supplemental Request FY 17: $17,350A
Status: The House concurs.

- Moving Expenses ($10,700)
- Telecommunications Costs – Voice/Data ($4,400)
- Disposal of Old Furniture ($2,250)
- $17,350 Non-Recurring

2. **HTH 907 – General Administration**
   Page 25, Item No 23.

   DD Council Lease Rent

Department of Health's budget request to add funds for the Army and Air Force Exchange Service Building Lease Rent (HTH 907/AB).

Budget Worksheet: Page 389 of 640
100-001 Supplemental Request FY 17: $1,968,000A
Status: The House concurs.

- Disability and Communication Access Board ($137,760)
- Developmental Disabilities Council ($57,240)
- Environmental Health Administration ($1,773,000)

3. **HTH 501- Developmental Disabilities**
   Page 23, Item No 15.
   FY 17: 75,819,840A

   A. State Match for Medicaid Intellectual and Developmental Disabilities 1915(c) Home and Community-Based Services Waiver

The above amount did not include $2,829,923 for State match for Medicaid Intellectual and Developmental Disabilities 1915(c) Home and Community-Based Services Waiver (HTH 501/CN).

Budget Worksheet: Page 336 of 640
100-001 Supplemental Request FY 17 $2,829,923A (State General Funds)
Status: The House does not concur. The House included $1.00A.

- Home and Community Based Services Waiver - 5% Rate ($2,413,347)
- Consumer Directed Personal Assistance Waiver - 5% Rate ($224,458)
- Intermediate Care Facilities for Individuals with Intellectual Disability - 5% Rate ($192,118)

These funds provide the State match funds for Federal reimbursement to enable individuals with DD to receive services under the Home and Community-Based Services Waiver program and to address the actual cost of providing services. Rates for services have not been adjusted in over ten years. Many factors are impacting costs, such as minimum wage increases and the cost of living. Centers of Medicare and Medicaid Services (CMS) requires Waiver programs to have payments that are sufficient to have an adequate pool of service providers.

Without these funds for the program, there would be a high probability of:

1) A reduction in current level of services to individuals in the program
2) No new admissions that would result in a waitlist
3) High risk of litigation
4) A reduction in Federal reimbursements
5) Non-approval of the waiver program from CMS

Items 1 and 2 would require approval from CMS. Last year, Department of Health (DOH) DD Division drew down over $55,000,000 in Federal Medicaid funds. Without Federal reimbursement, people with I/DD would be served through only State funds and may not be able to live in the community.

B. Electronic Health Records

DOH's budget request to add funds for an Electronic Health Record and Analysis Solution (HTH 501/KB).

Budget Worksheet: Page 336 of 640
101-900 Supplemental Request FY 17: $250,000A (State General Funds)
Status: The House concurs.
Development Cost - 10% State Portion ($170,000)

- Analytical Cost - 10% State Portion ($50,000)
- Administrative Cost - 50% State Portion ($30,000)
- $50,000 Non-Recurring

The funds are necessary for the processing of service claims in an efficient manner in order for service providers to receive timely payments.

4. EDN 150 – Special Education and Student Support Services
Page 32, Item No. 2

Department of Education's budget request for Skilled Nursing Services (EDN 150/SA).
Budget Worksheet: Page 197 of 640
100-001 Supplemental Request FY 17: $2,000,000A (State General Funds)
Status: The House does not concur. The House included $1.00A.

5. HMS 401 – Health Care Payments
Page 28, Item No. 18

A. Department of Human Services (DHS) Med QUEST Division's (MQD) budget request to add funds for Preventive Adult Dental Benefits (HMS401/PE)

Budget Worksheet: Page 254 of 640
90-001 Supplemental Request FY 17: $4,799,926A (State General Funds)
$7,664,177N (Federal Funds)

Status: The House does not concur.
These funds, in addition to Federal funds, would re-establish the adult dental program and restore adult dental benefits. This provision would directly benefit adults with DD in providing oral health services that includes preventive, restorative, and prosthetic services. The Council cannot emphasize enough the importance of comprehensive dental care services that include preventive, restorative, prosthetic, and emergency services for people with DD. We are all aware of how oral health, or the lack thereof, affects all aspects (emotional, psychological, and social) of our lives.

B. DHS MQD's budget request to add funds for Ticket to Work Medicaid State Plan Services (HMS401/PE).

Budget Worksheet: Page 255 of 640
92-001 Supplemental Request FY 17: $293,405A (State General Funds)
$344,155N (Federal Funds)

Status: The House does not concur.
These funds would allow DHS to establish and implement the Medicaid Buy-In program for individuals with disabilities. This program would enable them to seek and obtain employment while maintaining their Medicaid benefits.

C. DHS MQD's budget request to add funds for Services to Medicaid Recipients through age 6 with Autism Spectrum Disorder (HMS401/PE).

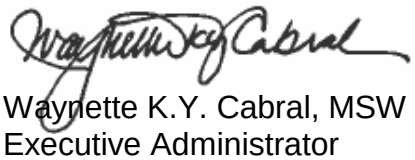
Budget Worksheet: Page 256 of 640
101-001 Supplemental Request FY 17: $4,878,120A (State General Funds)
FY 17: $5,721,880N (Federal Funds)

Status: The House does not concur. The House included $1.00A.

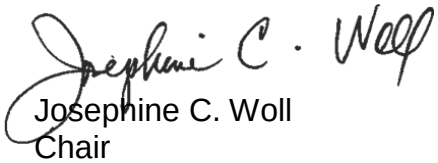
The Council respectfully ask for your favorable support of the above budget items that the House concurred with, and support to include the Supplemental budget amounts that the House did not concur with. In summary, we prefer the supplemental budget requests reflected in HB 1700, rather than HB 1700 HD1.

Thank you for the opportunity to submit testimony **strongly supporting the above mentioned budget items in HB 1700 HD1.**

Sincerely,



Waynette K.Y. Cabral, MSW
Executive Administrator



Josephine C. Woll
Chair

DAVID Y. IGE
GOVERNOR OF HAWAII

VIRGINIA PRESSLER, M.D.
Director of Health

STATE OF HAWAII
DEPARTMENT OF HEALTH
P.O. Box 3378
HONOLULU, HAWAII 96801-3378

In reply, please refer to:
File:

SENATE COMMITTEE ON WAYS AND MEANS

H.B. No. 1700, H.D. 1, RELATING TO THE STATE BUDGET

Testimony of Virginia Pressler, M.D.
Director of Health

April 5, 2016
9:00 AM, Room 211

Department's Position: The Department of Health has concerns with this measure.

Fiscal Implications: $18,022,258 million **reduction** in general fund operating appropriations from the Department's Executive Supplemental Budget Request.

Purpose and Justification: For the FY 2017 budget, the DOH requested $20.1 million for FY 2017 in additional general funds for operating costs. The majority of the DOH requests reflected actions to address significant shortfalls in waiver program deficits; operating cost deficits for the Hawaii State Hospital, lease rent for programs in the AAFES building, relocation costs, and ADRC funds. Major budget requests that were partially funded or not funded include:

- Relocation Costs – The House Draft approved partial request for relocation costs for Disability and Communication Access Board from AAFES to Kamamalu Building, Environmental Health Administration from AAFES to Waimano Ridge; and Early Intervention Section and Family Health Services staff from King Street and Kaimuki to Kamamalu Building. Without essentials such as telephones and furniture, it would be difficult for program to provide services.

- Hawaii State Hospital (HSH) - The House Draft approved $1 for Hawaii State Hospital operating deficit. $4.7 million increase to the operating budget is needed to provide a safe and therapeutic environment for the patients and safe working conditions for the staff given the increased average daily population at the hospital and the increased forensic referrals ordered by the courts.
- Developmental Disabilities Division (DDD) – The House Draft approved $1 for operating the waiver. $2.8 million is needed as state match for the federal Medicaid funds for services for people with the most severe intellectual and developmental disabilities in Hawaii. Without the $2.8 million, it is highly unlikely that the new five-year waiver application will be approved by Centers for Medicare and Medicaid Services.
- Office of Health Care Assurance (OHCA) – The House Draft did not approve positions for the Licensing section, Home Care Licensing, and for certification posting. Without these position the health, safety and quality of care provided to frail, vulnerable and elderly persons who utilize the health care services provided by state licensed health care providers under OHCA's regulatory authority, are seriously jeopardized.
- Communications Office – The House Draft approved $1,000 for equipment purchase. However, 1 permanent position and funds are needed to assist with responding to public health emergencies and provide crucial public health information to those at risk and all residents and visitors in the state. Without the position and supporting funds, the department will be unable to provide timely, accurate, credible, and effective health guidance and information to people who may be at risk of serious injury, illness, contamination, disease or other public health risks.
- Environmental Management Division (EMD) – The House Draft did not approve 3 positions and funds for the Red Hill Administrative Order of Consent. DOH is committed to an Administrative Order on Consent (AOC) that will require the upgrading

of the fuel storage tanks within the next 22 years. If the DOH is unable to agree on the engineering remedies, the Navy will not be able operate all the tanks they need to ensure military readiness in the Pacific.

- Administrative Services Office - Facilities – The House Draft did not approve a position and funds for a building manager. The Facilities Office oversees approximately 75 sites statewide including neighbor islands, with a mix of commercial lease spaces, DAGS buildings and DOH buildings. The Facilities Office currently has only one building manager that cannot respond to all emergencies and maintenance for all 75 sites in an efficient and timely manner.
- Alcohol and Drug Abuse Division (ADAD) – The House Draft did not approve 3 temporary positions and $252,000 general funds to continue the Clean and Sober Homes Registry program. Concerns about clean and sober homes and halfway houses have been expressed over the years regarding their location and operations. This program is needed to continue to ensure that these homes are properly monitored and accountable for meeting occupancy, zoning and permitting requirements, and that residents become respectful and responsible members of the communities in which they live.
- Environmental Health Services Division (EHSD) – House Draft did not approve request for to change means of financing from federal funds to general funds for 2 positions for the Asbestos regulation program. Failure to obtain general funds will result in the loss of asbestos-related activities including, but not limited to integrated asbestos inspections for compliance in 423+ schools in Hawaii (both public and private); guidance and oversight to ensure compliance and public health/safety for State asbestos abatement, renovation and demolition projects; and accreditation and certification of asbestos workers, inspectors, management planners and training providers.

- Environmental Health Administration (EHA) - House Draft did not approve request to add 2 position and funds (MOF: W) for management of State Revolving Fund (SRF) programs. The SRF Program Manager and SRF Funds Manager positions are needed to provide dedicated leadership, coordination, and management for both the Clean Water SRF and Drinking Water SRF programs. If these two positions are not established, the Department will not be able to comply with the Corrective Action Plan and the Drinking Water SRF program may lose more than $8 million in annual federal grants needed to improve drinking water infrastructure and protect public health throughout the State.
- Hawaii State Hospital CIP – House draft did not approve request for $160,500,000 for design and construction of a Patient Care Facility at the Hawaii State Hospital. In order to continue with design and construction of the new facility at the State Hospital, all funds are needed. If not, the project will come to a standstill once the architect and other consultants have spent down the contract amount of $2,500,000 that was previously appropriated. Additional design funds are necessary to supplement the architect's contract and keep the momentum on the project moving quickly. In order to expedite the preparation of the RFP (Request for Proposal) using the design/build model all requested funds must be appropriated. If not, there will be a delay in the completion of the new facility that will alleviate overcrowding at the State Hospital.

These requests, which have been partially funded or disapproved, would have enhanced the department's ability to utilize these positions and funds to fully deliver program services within the parameters of its existing budget.

Governor's Message No. 11 dated February 29, 2016

The DOH appreciates consideration of the following requests in the Governor's Message:

Environmental Health Services – Addition of 33 permanent general funded positions and $2,337,362 in general funds in FY17 to manage the Dengue fever outbreak and ensure adequate resources to effectively manage newly emerging public health threats such as the Zika virus.

Communications Office – Addition of 1 permanent general funded position and $266,864 in general funds in FY17 to provide public outreach and coordinate public education campaigns to more effectively manage the Dengue fever outbreak and newly emerging public health threats such as the Zika virus.

Communicable Disease and Public Health Nursing Services – Increase in the Medical Marijuana Registry Special fund sub-account by $160,715 to allow for enhancements to the data information registry system, linking systems of related programs, continuation of ongoing education program and technical support services, and support of operating costs.

The Department believes that our operating budget proposal addressed the essential core functions of the department within the context of economic constraint.

Thank you for the opportunity to testify on this measure.

DAVID Y. IGE
GOVERNOR OF HAWAII

TERRI BYERS
DIRECTOR

VIRGINIA PRESSLER, M.D.
DIRECTOR OF HEALTH

STATE OF HAWAII
EXECUTIVE OFFICE ON AGING
NO. 1 CAPITOL DISTRICT
250 SOUTH HOTEL STREET, SUITE 406
HONOLULU, HAWAII 96813-2831
eoa@doh.hawaii.gov

COMMENTING on HB1700, HD1
Relating to State Budget

SENATOR JILL N. TOKUDA, CHAIR
SENATOR DONOVAN M. DELA CRUZ, VICE-CHAIR
COMMITTEE ON WAYS AND MEANS

Testimony of Terri Byers
Director, Executive Office on Aging
Attached Agency to the Department of Health

Hearing Date: APRIL 5, 2016 9:00AM Room Number: CONF. ROOM 211

Department's Position: The Executive Office on Aging has serious concerns over provisions in HB1700, HD1 passed by the House which removes three critical areas for EOA. The House draft does not include:

1. A much needed change in the means of financing for 1.8 positions from federal funds to general funds,
2. $1,753,283 in funding for the Aging and Disability Resource Center,
3. $4,145,695 for the Kupuna Care.

The Administration's budget requests the transfer of funding of 1.8 FTE positions from Federal to General Funds. Title III of the Older American's Act caps administration costs at $500,000. This threshold has not changed in 15 years, but our employee costs continue to rise. EOA will transfer from our operating costs to cover the increase in State funded salaries. There will be no additional cost to the State. Without this transfer from Federal to State funds, there is

a significant likelihood of a reduction in force. If a reduction in force does occur, it could impact EOA's ability to manage the Title III Older American's Act grant effectively and could jeaopardize the $6 million it receives annually from the Department of Health and Human Services.

The request for $1.75 million to increase ADRC funding will help build capacity for EOA and the four county based Area Agencies on Aging to create and sustain statewide fully functional ADRC. The ADRCs help individuals and their families to identify their long-term supports and service needs, understand their options including the publicly and privately funded programs such as Kupuna Care that are available to them, and develop and activate a comprehensive support plan. During SFY 2015 (7/1/14 – 6/30/15), a total of 20,188 calls were made to the ADRC statewide. The ADRC linked 7,294 older adults to publicly funded (federal and state) long term services and supports.

Without the commitment of funding by the Legislature, the EOA will continue the inefficient process of submitting supplemental requests to the Legislature, awaiting annual legislative determinations and release by the governor, and modifying each of the counties ADRC contracts to add funds to their budgets. These activities take unnecessary time away from the planning, development, and monitoring of the ADRC.

Finally, we urge the Committee to support the Administration's request to place the $4.2 million requested for the Kupuna Care program into the Executive Office on Aging's base budget for a total of $9 million. Kupuna Care provides needed social supports and services which enable persons to be cared for in their homes and provides support to family caregivers.

The program is cost-effective in reducing the need for Medicaid enrollment and expensive residential care.

The current mode of funding, whereby a sizeable proportion of the budget must be passed each year by the Legislature and then services contracted by the county Area Agencies on Aging, is highly cumbersome and inefficient. Each year the supplemental budget must go through an elaborate and time-consuming process by the Department of Budget and Finance and the Executive Office on Aging, and the county offices on aging face a complicated process of executing contracts. The allocations typically do not become available until several months into each fiscal year, causing disruptions in services and problems for providers. The clients of the programs are in immediate need of such services as meals, personal assistance, bathing service, transportation, and case management and they and their caregivers suffer when those services are reduced or disrupted because of delays in administering the funding.

These problems would be greatly improved if the state funding were in the base budget. From a system and planning perspective, the State Executive Office on Aging and the county Area Agencies on Aging could effectively plan for the use of the funds through a single procurement process and award. Consequently the awarded service providers would be able to ensure infrastructure capacity to deliver the service and supports to the older adults and their caregivers.

Thank you for the opportunity to provide written comments.

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: deborah.stone-walls@co.maui.hi.us
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Monday, April 04, 2016 9:06:09 AM

HB1700
Submitted on: 4/4/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Deborah Stone-Walls	Maui County Office on Aging	Support	No

Comments: MCOA requests that funding be restored to the Governor's requested levels in two areas. Program ID: HTH-904; Executive Office on Aging, Sequence Number: 100-001. Please restore $1,753,283 to the ADRC budget. Without this increase, the Honolulu Elderly Affairs Division will be unable to implement the ADRC on Oahu. The ADRC has proven effective in the Neighbor Islands, and statewide success hinges on Honolulu's ability to fully implement the model. HTH-904 Executive Office on Aging, Sequence Number 101-001: Please reinstate $4,145,695 to the Kupuna Care Budget as proposed by Governor Ige. Without this funding, providing consistent and effective services to seniors statewide cannot occur. To date, FY2016 supplement funds have NOT YET been distributed to the County Area Agencies on Aging. This lag in funding prevents the AAAs from being able to consistently provide services such as home delivered meals, personal care, and homemaker services to frail elders. By including the full amount in the Base Budget, AAAs are able to more effectively plan service delivery to frail seniors statewide. Thank you for your consideration in these matters.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

S E A C
Special Education Advisory Council
919 Ala Moana Blvd., Room 101
Honolulu, HI 96814
Phone: 586-8126 Fax: 586-8129
email: spin@doh.hawaii.gov

April 5, 2016

Special Education Advisory Council

Ms. Martha Guinan, *Chair*

Ms. Brendelyn Ancheta
Dr. Tammy Bopp
Dr. Robert Campbell, *liaison to the military*
Ms. Deborah Cheeseman
Ms. Annette Cooper
Ms. Shari Dela Cuadra-Larsen, *liaison to the Superintendent*
Ms. Gabriele Finn
Mr. Sage Goto
Ms. Valerie Johnson
Ms. Deborah Kobayakawa
Ms. Bernadette Lane
Ms. Dale Matsuura
Ms. Stacey Oshio
Ms. Zaidarene Place
Ms. Barbara Pretty
Ms. Kau'i Rezentes
Ms. Rosie Rowe
Dr. Patricia Sheehey
Ms. Ivalee Sinclair
Mr. Tom Smith
Ms. Lani Solomona
Dr. Todd Takahashi
Dr. Daniel Ulrich
Dr. Amy Wiech
Ms. Jasmine Williams
Ms. Susan Wood

Amanda Kaahanui, Staff
Susan Rocco, Staff

Senator Jill N. Tokuda, Chair
Committee on Ways and Means
State Capitol
Honolulu, HI 96813

RE: HB 1700, HD 1 - Relating to the State Budget

Dear Chair Tokuda and Members of the Committee,

The Special Education Advisory Council (SEAC), Hawaii's State Advisory Panel under the Individuals with Disabilities Education Act (IDEA), **strongly supports** HB 1700, HD 1 relating to the following specific budget items impacting children and youth with disabilities:

DEPARTMENT OF EDUCATION BUDGET

SEAC appreciates that the House of Representatives approved base funding for special education and student support services and concurred with the Department's request for additional school transportation funds. However, the following supplemental requests were not funded, and SEAC requests that your committee consider them favorably:

1) **EDN 100 - Weighted Student Formula Funds for ELL**
SEQ # 100-001, Budget Worksheet Page 194

These funds are needed to provide additional supports to students who are English Language Learners, many of whom are also eligible under the Individuals with Disabilities Education Act (IDEA). Their current academic performance is significantly behind their peers, and the Every Student Succeeds Act (ESSA) places a strong emphasis on improving outcomes for this group of students.

2) **EDN 100 - 2% Increase in Weighted Student Formula Funds**
SEQ # 101-001, Budget Worksheet Page 195

These funds will help build the capacity of all public school campuses to provide standards based academic and other support services to all students, including students with disabilites.

3) **EDN 150 - Skilled Nursing Services**
SEQ # 100-001, Budget Worksheet Page 197

The majority of students receiving skilled nursing services are special education students with significant support needs for health care and specialized feeding while in school. The rising numbers of students requiring specialized nursing services and the complexity of their support needs has resulted in increased expenditures for the Department. These supports are required under IDEA, and a lack of funding could jeopardize the health and safety of these students.

DEPARTMENT OF HUMAN SERVICES BUDGET
DHS submitted a number of supplemental budget requests for funding specific target populations under Medicaid. SEAC is in strong support of the following request:

4) **HMS401 - Funds for Medicaid Recipients through Age 6 with Autism Spectrum Disorder**
SEQ # 101-001, Budget Worksheet Page 256

Early diagnoses and treatment of autism results in better outcomes, including educational and behavioral outcomes, for these children.

DEPARTMENT OF HEALTH, DEVELOPMENTAL DISABILITIES DIVISION BUDGET
A supplemental budget request impacting students with disabilities is the following:

5) **HTH501 - Funds for State Match for Medicaid Intellectual and Developmental Disabilities 1915(c) Home and Community-Based Services Waiver**
SEQ # 100-001, Budget Worksheet Page 336

A number of students with developmental disabilities rely on the DD Waiver to provide important habilitation services and behavioral supports beyond the school day and on days when school is not in session.

SEAC respectfully asks your Committee to support these aforementioned budget items in order maintain continuity of services for students with disabilities. If you have questions or concerns, please contact me.

Respectfully,

Martha Guinan
Chair

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: ecabatu@hhsc.org
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Tuesday, March 29, 2016 11:34:29 AM

HB1700
Submitted on: 3/29/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Elena Cabatu	East Hawaii Region of Hawaii Health Systems Corporation	Support	No

Comments: On behalf of the East Hawaii Region of Hawaii Health Systems Corporation, consisting of Hilo Medical Center, Hale Ho`ola Hamakua in Honoka`a and Ka`u Hospital, please accept our support for HB 1700 HD1. We ask that the Ways & Means Committee preserve the amounts designated for HHSC's General and CIP funds as stated in House Draft 1. Mahalo!

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

Hope • Purpose • Success

Testimony to the Senate Committee on Ways and Means

Tuesday, April 5, 2016

State Capitol, Conf. Room 211

RE: PROPOSED AMENDMENT TO HOUSE BILL NO. 1700, HOUSE DRAFT 1, RELATING TO THE STATE BUDGET – APPROPRIATION FOR WAHIAWA GENERAL HOSPITAL

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

My name is Joseph Acosta, and I am a resident of Waipio Gentry and a former HPD Police Officer assigned to District 2 (Mililani, Wahiawa, North Shore). I am submitting written testimony in SUPPORT of House Bill No. 1700, House Draft 1, but ask for your favorable consideration of an amendment to appropriate $3 million for Wahiawa General Hospital.

Wahiawa General Hospital is an essential medical facility in Central and North Shore Oahu. It is the only facility that provides emergency medical services in a vast geographical area extending from Mililani to Wahiawa, Waialua, Sunset, and Kahuku. This area encompasses nearly one-third of the entire Island of Oahu. The closure of Wahiawa General Hospital would have enormous ramifications to the health, welfare, and safety of these communities. **Both of my parents have been admitted to the Emergency Room at Wahiawa General Hospital for various medical emergencies in the past.** If the facility were to close, it could mean the difference between life and death.

Furthermore, Wahiawa General Hospital is one of the largest employers in Central Oahu with approximately 90% of its workers residing in the surrounding areas. Most of the employees are members of the ILWU, UPW, and HNA unions. **My sister-in-law is currently employed at the hospital as a Registered Nurse.** The closure of Wahiawa General Hospital would be devastating to the well-being of their family.

As the Executive Director of ALEA Bridge, our non-profit organization realizes that a strong partnership with Wahiawa General Hospital is critical to the success of our homeless outreach efforts in the community. **The emergency medical services that the hospital provides are essential for the growing homeless population in helping them rebuild a life of Hope, Purpose and Success.**

It is vital that Wahiawa General Hospital remain operational. For these reasons, I respectfully urge your SUPPORT for an amendment to House Bill No. 1700, House Draft 1, that would include a $3 million appropriation for Wahiawa General Hospital.

Very Respectfully,

Joseph I. Acosta
ALEA Bridge, Executive Director/Founder
jacosta@aleabridge.org
(808) 492-2214

Scanned by CamScanner

CATHOLIC CHARITIES HAWAI'I

TO: Senator Jill N. Tokuda, Chair
Senator Donovan M. Dela Cruz, Vice Chair
Committee on Ways and Means

FROM: Jerry Rauckhorst, President and Chief Executive Officer

DATE: Tuesday, April 5, 2016 (9:00 a.m., Room 211)

RE: **HB 1700, HD1 Relating to the State Budget**

Catholic Charities Hawai`i (CCH) is a tax exempt, non-profit agency that has been providing supportive home and community based services to elders since 1973 and currently serves over 4,000 older persons each year.

1. **CCH respectfully asks that the following items, which were part of the Governor's Supplemental Budget request, be included in HB 1700, HD1 for the Executive Office on Aging (HTH904):**

   - **Increase the base funding for KUPUNA CARE services at $5.1M**
     (Governor's request at $4.1M)

     Catholic Charities Hawai`i is a current provider of Kupuna Care transportation and homemaker services for frail elders. Through Kupuna Care, CCH Transportation and Homemaker Services also provide relief for caregivers, especially working caregivers who would otherwise have to take time off from work to provide transportation or homemaker assistance for their elderly relatives.

     Supplemental funding by the Legislature has allowed Kupuna Care services to be provided at an average of $9M per year for the past several years. Without additional funding, Kupuna Care services would return to base funding (4.8M), which would reflect a **46% reduction to current Kupuna Care services statewide**. This will have significant negative repercussions on frail elders and caregivers at a time when the elderly population continues to increase.

     A **Cost Comparison** of what $9M will pay for:
     - Institutional nursing home care for only 72 frail elders ($124,830/patient/annually)[i]
     - Community based Kupuna Care services for more than 4,500 frail elders, enabling them to remain in their own homes and supporting family caregivers

     Kupuna Care services are cost effective and provide a safety net for all kupuna and their caregivers who cannot afford to pay for in-home and community based services and are unable to receive these services through other means.

- **<u>Increase the base funding for the AGING & DISABILITY RESOURCE CENTERS (ADRC's) at $1.7M</u>**

  Aging & Disability Resource Centers (ADRC's) are being developed to serve as single entry points for individuals who need information about long term support services. The role of the ADRC's is critical, especially as they serve as the sole entry point to become eligible to receive Kupuna Care services.

  As a provider of Kupuna Care services in the C&C of Honolulu, Catholic Charities Hawaii supports additional funding for the Honolulu ADRC, in order to increase its capacity to become more responsive and effective in meeting the needs of kupuna and their caregivers.

2. **<u>CCH also respectfully requests that $285,00 be added for SENIOR CENTERS</u>**
   - **Lanakila Multi-Purpose Senior Center/Catholic Charities Hawai`i ($150,000)**
   - **Moiliili Senior Center/Moiliili Community Center ($60,000)**
   - **Waikiki Community Center ($75,000)**

   While not part of the Governor's Supplemental Budget request, CCH believes that the senior centers provide programming that delays and prevents costly institutional care and asks that you consider including this funding in HB 1700, HD1.

   - A study published in the American Journal of Public Health, found that *interventions for loneliness may result in reduced doctor visits, which may also reduce health care cost.*[ii]
   - As indicated in Hawaii's 2013 Profile of Successful Aging, "*Supportive relationships, interactions with the environment, engagement in social activities . . . all have positive correlations on the well-being of older adults*." [iii]
   - The Centers for Disease Control and Prevention also advises older adults that "*regular physical activity is one of the most important things you can do for your health. It can prevent many of the health problems that seem to come with age*."[iv]
   - A study published in the Journal of the American Academy of Neurology indicates that *engagement in leisure type activities may reduce the risk of dementia*.

   Senior centers help to meet the overall community goal of helping seniors remain independent in the community and prevent more costly (and often public funded) institutional care.

Catholic Charities Hawai`i respectfully asks for your consideration of this request. For more information or questions, please contact Diane Terada, Division Administrator, at 527-4702. Thank you for this opportunity to provide testimony.

---

[i] Genworth 2015 Cost of Care Survey Hawaii: https://www.genworth.com/dam/Americas/US/PDFs/Consumer/corporate/cost-of-care/118928HI_040115_gnw.pdf
[ii] http://ajph.aphapublications.org/doi/abs/10.2105/AJPH.2014.302427,
[iii] Executive Office on Aging – Department of Health, "Profile of Successful Aging Among Hawaii's Older Adults", January 2013.
[iv] http://www.cdc.gov/physicalactivity/everyone/guidelines/olderadults.html

Chamber of Commerce HAWAII
The Voice of Business

Testimony to the Senate Committee on Ways and Means
Tuesday, April 5, 2016 at 9:00 A.M.
Conference Room 211, State Capitol

RE: PROPOSED AMENDMENT TO HOUSE BILL NO. 1700, HOUSE DRAFT 1, RELATING TO THE STATE BUDGET—APPROPRIATION FOR WAHIAWA GENERAL HOSPITAL

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

My name is Kamakana Kaimuloa, and I am the Vice President of Military Affairs at The Chamber of Commerce of Hawaii (The Chamber). I am here to state that The Chamber **supports** HB1700, HD 1, but ask for your favorable consideration of an amendment to appropriate $3 million for Wahiawa General Hospital.

In recognizing how critical the U.S. military presence is to Hawaii's economy, the Chamber officially established a military affairs department in 1985. For 31 years the Chamber, through its Military Affairs Council (MAC), has served as the State's liaison in matters relating to the military and has been steadfast in working to protect and preserve the military's presence in Hawaii, promote public awareness and understanding of issues challenging the military locally and nationally, and serve as the advocate for military and their families.

Wahiawa General Hospital is an essential medical facility in the communities of Central and North Shore Oahu. It is the only medical facility that provides emergency medical services in the vast geographical area extending from Mililani to Wahiawa, Waialua, Sunset, and Kahuku.

Due to the large population of military families that live in the communities surrounding Schofield Barracks and Wheeler Army Airfield, Wahiawa General Hospital is the nearest facility capable of addressing critical medical emergencies for military families. As such, the closure of Wahiawa General Hospital would have enormous ramifications to the health, welfare, and safety of these communities that house active duty military and their dependents. Ultimately, the closure of this facility could impact the quality of life for military members, as well as military readiness in Hawaii.

Thank you for the opportunity to testify.

1132 Bishop Street, Suite 2105 • Honolulu, Hawaii 96813 • Phone: (808) 545-4300 • Facsimile: (808) 545-4369

91-1841 Fort Weaver Road
Ewa Beach, HI 96706
Phone 808.681.3500
Fax 808.681.5280
Email cfs@cfs-hawaii.org
www.childandfamilyservice.org

BOARD OF DIRECTORS
Michele Saito
CHAIR

Tony Mizuno
FIRST VICE CHAIR

Louise Ing
SECOND VICE CHAIR

Catherine Camp
SECRETARY

Mark Yamakawa
TREASURER

Richard Wacker
PAST CHAIR

Howard S. Garval
PRESIDENT & CEO

Carol Ai May
John L. Arizumi
Christopher Dods
George Ehara
Barbara Falvey
John Geppert
David Haverly
Gina Haverly
Kathy Inouye
Glen Kaneshige
Anton Krucky
Frances P. Lui-Kwan
Lori Lum
Arnold Martines
Alika M. Mau
Steve Metter
Terri Ann Motosue
Alan Ong
Crystal Rose
Martha Smith
Earl Stoner
David Striph
Cheryl Walthall
Rann Watumull
Joseph A. Young

ACCREDITATIONS
Council on Accreditation
Better Business Bureau

AFFILIATIONS
Alliance for Strong Families and Communities
Kauai United Way
Maui United Way
Hawaii Island United Way

United Way
Aloha United Way

April 1, 2016

Child & Family SERVICE
A private nonprofit serving Hawai'i since 1899

TO: Senator Jill Tokuda, Chair

Senator Donovan Dela Cruz, Vice-Chair

Senate Committee on Ways and Means

FROM: Howard S. Garval, MSW, President & Chief Executive Officer

RE: **In Support of HB 1700 Relating to the State Budget**

HEARING: Tuesday, April 5, 2016 at 9:00 a.m., Conference Room 211, State Capitol, 415 South Beretania Street, Honolulu, HI

Aloha, Senators Tokuda, Dela Cruz, and members of the Senate Ways and Means Committee. I am Howard S. Garval, President & CEO of Child & Family Service (CFS), Hawaii's oldest and most comprehensive human services organization. We serve from keiki to kupuna and touch the lives of over 40,000 Hawaii residents each year with services that range from child abuse prevention and treatment, early childhood programs, child welfare programs, domestic violence programs, services for troubled youth, and kupuna services.

I would like to make several comments in support of HB 1700. They are as follows:

1-CFS is asking for your support of the Executive Office on Aging's original budget submission (**HTH 904**) request of an additional **$5.1 million** for Kupuna Care which is in addition to the base budget amount. This funding is essential to meet the needs of a growing number of seniors in Hawaii and to help our kupuna "age in place" and prevent institutional care that is not only more expensive but is not what seniors want if they can be maintained in their own community. The Kupuna Care services are specifically designed to help kupuna stay either in their own homes or in the homes of a loved one for as long as possible.

2-As I understand it, HB 1700 includes a proposed **3 additional positions** in the **POS** (Purchase of Service) unit at the **Department of Human Services**. These positions are vital to efficiently and effectively procure for the wide range of

91-1841 Fort Weaver Road
Ewa Beach, HI 96706
Phone 808.681.3500
Fax 808.681.5280
Email cfs@cfs-hawaii.org
www.childandfamilyservice.org

BOARD OF DIRECTORS
Michele Saito
CHAIR

Tony Mizuno
FIRST VICE CHAIR

Louise Ing
SECOND VICE CHAIR

Catherine Camp
SECRETARY

Mark Yamakawa
TREASURER

Richard Wacker
PAST CHAIR

Howard S. Garval
PRESIDENT & CEO

Carol Ai May
John L. Arizumi
Christopher Dods
George Ehara
Barbara Falvey
John Geppert
David Haverly
Gina Haverly
Kathy Inouye
Glen Kaneshige
Anton Krucky
Frances P. Lui-Kwan
Lori Lum
Arnold Martines
Alika M. Mau
Steve Metter
Terri Ann Motosue
Alan Ong
Crystal Rose
Martha Smith
Earl Stoner
David Striph
Cheryl Walthall
Rann Watumull
Joseph A. Young

Child & Family SERVICE
A private nonprofit serving Hawai'i since 1899

human services that not only CFS provides under contract with the Department, but for various other nonprofit organizations that do the same. In the last two years especially, CFS and other providers have seen significant delays by DHS in getting RFPs out for competitive re-bid as these contracts in some cases have reached their six-year limit. Last fiscal year there were also numerous amendments at the final hour to a couple of RFPs that made it very difficult for CFS and other providers to respond effectively in the time allotted. This also created a rush to execute contracts at the last minute in time for the new fiscal year without which CFS and other providers would not get paid for services even with a contract award. This fiscal year DHS has even more contracts that need to go out to competitive re-bid and we are already into April and only one is out with a deadline this month to submit. DHS is now communicating that it will extend several contracts another 6 months because it cannot get RFIs and RFPs out in time. While this is much appreciated by CFS and other providers to allow for adequate time and to prevent a recurrence of what happened last fiscal year, the problems continue due to lack of adequate staff resources at DHS for procurement.

If the Committee has any questions about either of these two budget items, please feel free to contact me at hgarval@cfs-hawaii.org or by calling me at 681-1418.

Mahalo for the opportunity to submit testimony.

ACCREDITATIONS
Council on Accreditation
Better Business Bureau

AFFILIATIONS
Alliance for Strong Families
and Communities
Kauai United Way
Maui United Way
Hawaii Island United Way

United Way
Aloha United Way

ROMAN CATHOLIC CHURCH IN THE STATE OF HAWAII

DIOCESE OF HONOLULU

Witness to Jesus

DATE: April 1, 2016

TO: Senate WAM Committee
Senator Jill Tokuda, Chair
Senator Donavan Dela Cruz, Vice Chair

FROM: Walter Yoshimitsu, Executive Director – Hawaii Catholic Conference

POSITION: **Strong Support of Funding (1) Relating to the Creation of Housing and (2) Funding for Wahiawa General (HB 1700 HD1)**

Mahalo for the opportunity to testify. I am Walter Yoshimitsu, the executive director of the Hawaii Catholic Conference which is the public policy voice of the Roman Catholic Church in the State of Hawaii. We support two areas of funding in HB 1700 HD1 because a lack of affordable housing and access to health care services continue to be two of the State's most significant and challenging social problems.

Although we understand that many worthwhile agencies are vying for funding, we strongly suggest that you re-insert $250,000 into the budget for the Homeless Management Information System, which is part of the administration's budget. This funding is critical to provide data analysis of statewide homeless data to increase program effectiveness and to make data-driven decisions about funding.

We also request that you consider adding $3 million to the State Budget as an appropriation to Wahiawa General Hospital so that it may continue to serve the community. As Catholics, we are proud of the Church's healthcare contribution to the world. Indeed, the hospital was originally an innovation of the Catholic faithful responding to our Lord's call to care for the sick. Wahiawa General has been providing essential healthcare to the community which includes both Medicare and Medicaid patients who make up 85% of the hospital's patient services. Those services directly impact the low-income members of our community. It also includes the elderly population.

Pope Francis stated that "…many problems would be solved if our societies protected families and provided households, especially those of recently married couples, with the possibility of dignified work, housing and healthcare services to accompany them throughout life."[i] The Diocese of Honolulu supports funding that makes homelessness and affordable housing one of its primary areas of focus. For many households in Hawaii at risk of becoming homeless, high housing costs mean skimping on food and medical care, moving frequently to find lower rents—which can interrupt a child's education—creating periods of homelessness. As people of faith, we simply cannot sit back and watch while families fall apart. Mahalo for the opportunity to testify.

[i] http://en.radiovaticana.va/news/2015/09/27/pope_thanks_families_for_witness_to_truth,_goodness,_beauty/1175057

HAWAII CATHOLIC CONFERENCE
(The public policy voice for the Roman Catholic Church in the State of Hawaii)
6301 Pali Highway, Kaneohe, Hawaii 96744-5224 Phone: (808) 203.6735 | www.catholichawaii.org hcc@rcchawaii.org

HAWAII FAMILY ADVOCATES

A 501(C) (4) organization associated with Hawaii Family Forum

On Line Testimonial Submittal
Senate Committees on Ways and Means
Hearing on April 5, 2016 @9:00 A.M.
Conference Room #211

DATE: April 4, 2016

TO: Senate Committee on Ways and Means
Senator Jill N. Tokuda, Chair
Senator Donovan M. Dela Cruz, Vice Chair

FROM: James R. "Duke" Aiona, Jr. President & CEO, Hawaii Family Advocates

RE: Strong Support of HB 1700 HD1 Wahiawa General Hospital, Funding

My name is James R. "Duke" Aiona, Jr., and I have been an attorney, state family and circuit court judge and lieutenant governor of the State of Hawaii. I am currently, the President and CEO of Hawaii Family Advocates, a 501(c) (4) non-profit organization. Along with our community associate Hawaii Family Forum; we strongly support this bill.

A part of Hawaii Family Advocates (HFA) mission is to strengthen families. Wahiawa General Hospital has had a significant and vital role in the development and sustainability of the health and welfare of generations of families who have resided in the Wahiawa, Waialua, Haleiwa, and Mililani area for decades and this service to the community and its families must continue. It's service to nearly 20,000 patients on an annual basis, 100 long term care and 60 acute care beds cannot be ignored.

Wahiawa General Hospital is at a critical juncture in determining the continuation of its existence. Without the requested financial assistance of the state government at this point in time its demise is inevitable. Like many we believe that the financial assistance sought should not be ongoing. This one time infusion of financial assistance as stated by the officers and officials of Wahiawa General Hospital will allow it to "re-purpose" its financial sustainability and ability to continue its vital service to the families of its community.

Mahalo for the opportunity to submit our support of this bill.

P.O. Box 2757 • Honolulu, HI 96803 • Phone: 808-429-4872
E-mail: info@hffaction.org | Website: www.hffaction.org

ONLINE SUBMITTAL
Hearing on: Tuesday, April 5, 2016 @ 9:00 a.m.
Conference Room #211

DATE: April 2, 2016

TO: Senate Committee on Ways and Means
Sen. Jill Tokuda, Chair
Sen. Donavan Dela Cruz, Vice Chair

FROM: Eva Andrade, President

RE: Support for Emergency Appropriation to Wahiawa General Hospital via HB 1700 HD1

Hawaii Family Forum is a non-profit, pro-family education organization committed to preserving and strengthening families in Hawaii. As people of faith in Hawai'i, we care deeply about the community. We strongly believe that true health care services, and access to those services, are vital. We understand that as you try to balance the state budget you are going to have to place certain things as top priority. As you weigh the many options before you, we ask for your favorable consideration of an amendment to appropriate $3 million for Wahiawa General Hospital.

Personally, as a resident of Mililani, I understand the issue of accessibility. Wahiawa General Hospital is an essential medical facility in Central and North Shore Oahu and it the only facility that provides emergency medical services in a vast geographical area extending from Mililani to Wahiawa, Waialua, Sunset, and Kahuku. The closure of Wahiawa General Hospital would have enormous ramifications to the health, welfare, and safety of these communities. In some cases, it may even be a matter of life and death because a person living in Waialua or Sunset or Kahuku would have to travel 40 miles (instead of the 20) to access emergency services.

In addition, the closure of Wahiawa General Hospital would be devastating to entire families as 600 people will need to seek reemployment while they make every effort to pay their mortgage and feed their children. Surely this situation ranks as one that requires your immediate consideration. It is vital that Wahiawa General Hospital remain operational. For these reasons, we respectfully urge your SUPPORT for an amendment to House Bill No. 1700, House Draft 1, that would include a $3 million appropriation for Wahiawa General Hospital.

Mahalo for the opportunity to testify.

6301 Pali Highway • Kaneohe, HI 96744-5224 • Ph: 808-203-6704 • Fax: 808-261-7022
E-mail: director@hawaiifamilyforum.org | Website: http://www.hawaiifamilyforum.org

HAWAII HEALTH SYSTEMS
C O R P O R A T I O N
Quality Healthcare For All

Senate Committee on Ways & Means
Senator Jill N. Tokuda, Chair
Senator Donovan M. Dela Cruz, Vice Chair

April 5, 2016
9:00 am
Conference Room 211
Hawaii State Capitol

Testimony Supporting House Bill 1700, H.D.1, Relating to the State Budget. To adjust and request appropriations for Fiscal Biennium 2015-17 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

Linda Rosen, M.D., M.P.H.
Chief Executive Officer
Hawaii Health Systems Corporation

On behalf of the Hawaii Health Systems Corporation (HHSC) Corporate Board of Directors, thank you for the opportunity to present testimony **in support** of H.B. 1700, H.D.1, that relates to the State Budget.

HHSC REQUEST

In the fiscal year 2015-2017 biennium budget passed during the 2015 Legislative Session, the Legislature appropriated $86,440,000 in general fund appropriations for all of HHSC's programs for fiscal year 2017, which is $21,000,000 less than what was appropriated for fiscal year 2016. In accordance with the Governor's Message, HHSC is requesting additional general fund appropriations for fiscal year 2017 of **$21,000,000**. This means that HHSC as a whole is requesting from the Legislature **no more** than what it had provided HHSC in fiscal year 2016. The $21,000,000 would be expended as follows:

1) $3,400,000 would be used to complete the funding for the first year of operations of the new Maui Regional healthcare entity,
2) $9,000,000 would be used to fund Maui Region's share of Corporate-wide costs for fiscal year 2017, and
3) $8,600,000 would be used to fund cash flow deficits for the remaining four HHSC regions as a result of anticipated fringe benefit rate increases of approximately

$13,000,000 from fiscal year 2016 and known collective bargaining pay raises net of general funds provided of approximately $7,900,000.

H.B. 1700, H.D.1 provides funding to HHSC in support of its $21,000,000 request.

While we appreciate the additional funding provided to the remaining HHSC regions after the planned departure of Maui Region, we must stress that the increase in general appropriations after subtracting out the portion for the new Maui entity will not be enough to fund the entire cash flow deficit for fiscal year 2017. HHSC's regions will have to partially fund this deficit by either stretching out accounts payable further or eating into cash balances. It is projected that the current funding levels in H.B.1700 H.D.1 will leave HHSC with less than 35 days cash on hand at the end of fiscal year 2017, which is the equivalent of living paycheck to paycheck. We understand the tight fiscal situation of the State of Hawaii, and we will be prepared to continue seeking cost savings and revenue enhancement activities to reduce the need for further general fund appropriations. However, any unanticipated forces that will negatively impact HHSC's cash flow may result in the need for HHSC to seek an emergency appropriation in the 2017 Legislative Session.

As mentioned in previous testimony, the adequacy of the amount of "A" funds to HTH 212 as provided in the H.D.1 is largely dependent on the fringe benefit rate that the State Department of Budget & Finance (B&F) assesses HHSC. As you know, B&F receives general fund appropriations to pay for the fringe benefit expenses for all agencies, but assesses all "special-funded agencies" for their share of those expenses. The impact of the fringe benefit rate assessed to HHSC cannot be overstated. For HHSC, every 1% increase in the fringe rate equates to approximately $1,900,000 annually in additional expense. As an example, the 2.5% difference between maintaining the current 49.5% rate that Budget & Finance is currently assessing HHSC and the budgeted 52% rate could mean $4,750,000 in expense savings to HHSC annually. As a result, it is clear that even the smallest change in the fringe benefit rate could make the difference between further service closures or not. Given the surprise increase in the fringe benefit rate to 49.5% in the last four months of fiscal year 2016, we are concerned that any future fringe rate increases above what is planned in our current financial forecasts will be something that HHSC cannot absorb.

Thank you for the opportunity to testify in support of H.B. 1700, H.D.1, and we hope that you will agree to the funding levels contained therein. Thank you for all of your support in the past and your continued support of HHSC.

HAWAII LABORERS-EMPLOYERS COOPERATION AND EDUCATION TRUST
650 Iwilei Road, Suite 285 · Honolulu, HI 96817 · Phone: 808-845-3238 · Fax: 808-845-8300

COMMITTEE ON WAYS AND MEANS
Senator Jill N. Tokuda, Chair
Senator Donovan M. Dela Cruz, Vice Chair

NOTICE OF HEARING

DATE: Tuesday, April 05, 2016
TIME: 9:00 a.m.
PLACE: Conference Room 211, State Capitol

TESTIMONY ON HB 1700, HD1 – RELATING TO THE STATE BUDGET

TO THE HONORABLE JILL TOKUDA, COMMITTEE CHAIR, DONOVAN DELA CRUZ, COMMITTEE VICE CHAIR; AND MEMBERS OF THE COMMITTEE:

My name is Clyde T. Hayashi, and I am the Director of Hawaii LECET. Hawaii LECET is a labor-management partnership between the Hawaii Laborers Union, Local 368, and its unionized contractors.

Mahalo for the opportunity to testify in **SUPPORT** of House Bill No. 1700, HD1, but request an amendment to appropriate $3 million for Wahiawa General Hospital.

Many of our members and their families live in the affected area. Hawaii LECET believes that it is imperative to provide funding for Wahiawa General Hospital (WHG) in order to keep it operational, as it is the only facility that provides emergency medical services for the area extending from Mililani to Wahiawa, Waialua, Haleiwa, Sunset Beach, and Kahuku. Without these services, the nearest emergency room facility would be either Pali Momi or Queen's Medical Center West, which are both approximately 14 miles farther away. For someone from Kahuku, which is nearly 25 miles from WGH, they are now 39 miles from emergency care.

For the critically ill or injured, the additional time required to go to a facility located further away, especially during high traffic periods, could be the difference between life and death. When Hawaii Medical Center West closed, WGH and Pali Momi were overwhelmed and many ambulances were rerouted to other hospitals such as Kaiser Moanalua, Kuakini Hospital, and sometimes Castle Medical Center. Without WGH, it is very likely that rerouting will occur, which means that for someone from Kahuku, they are much further than 39 miles away from emergency care.

We also have many contractors and members who work on construction projects in the affected area. If any of them should unfortunately get hurt on the job, having the Wahiawa General Hospital emergency room close by is extremely important. Our contractors and members built the North Shore wind farms and they are now doing the repaving of Kaukonahua Road and Wilikina Drive. Many construction injuries are extremely serious and unfortunately fatalities occur. Without WGH, this added distance and time could be the difference between life and death for our injured members.

In addition, Wahiawa General Hospital is the largest employer in Central Oahu, providing more than 600 jobs, many of them for full-time employees, 90% who reside in the surrounding areas. These are good-paying jobs, professional jobs and most are members of the ILWU, UPW and HNA Unions. The closure of Wahiawa General Hospital would be devastating to entire families and to those who need urgent medical care within the community. It is of utmost importance that Wahiawa General Hospital remain operational.

For these reasons, Hawaii LECET **strongly supports an amendment to HB1700, HD1,** to appropriate $3 million for Wahiawa General Hospital.

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: bwilson@hrcc-hawaii.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Monday, April 04, 2016 11:07:23 AM

HB1700
Submitted on: 4/4/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Brooke Wilson	Hawaii Regional Council of Carpenters	Support	No

Comments: Wahiawa General Hospital is an essential medical facility in Central and North Shore Oahu. It is the only facility that provides emergency medical services in a vast geographical are extending from Mililani to Kahuku - nearly 1/3 of Oahu. Not only does the Hawaii Regional Council of Carpenters have thousands of member, retirees and their families living in this area, but additionally, there are thousands of construction workers who are working on various projects in the region at any given moment in time. When accidents do occur on construction sites, it is critical that there are options for accessible medical treatment. We strongly support the request for $3 million in funding for Wahiawa General Hospital as it is much needed medical resource for rural Oahu. It is vital that Wahiawa General Hospital gets the support it needs to keep operations at acceptable levels. Thank you for considering our position.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

HAWAII STATE AFL-CIO

345 Queen Street, Suite 500 • Honolulu, Hawaii 96813

Randy Perreira
President

Telephone: (808) 597-1441
Fax: (808) 593-2149

The Twenty-Eighth Legislature, State of Hawaii
Hawaii State Senate
Committee on Ways and Means

Testimony by
Hawaii State AFL-CIO

April 5, 2016

H.B. 1700, H.D. 1 – RELATING TO THE STATE BUDGET

The Hawaii State AFL-CIO supports H.B. 1700, H.D.1, which adjusts and requests appropriations for Fiscal Biennium 2015--17 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs; however, we strongly encourage an amendment to H.B. 1700, H.D.1 to appropriate $3 million for Wahiawa General Hospital.

Wahiawa General Hospital employs over 600 workers – many of whom are ILWU, UPW, and HNA union members. Most of these jobs provide good wages and benefits that many of these workers rely on to pay their mortgages, rent, and many other bills. Furthermore, Wahiawa General Hospital provides essential emergency medical services to the thousands of residents that live in the area including the North Shore and other rural areas. Ensuring the hospital remains open is important to the health and well-being of the community and to the hundreds of workers employed at Wahiawa General.

Thank you for the opportunity to testify.

Respectfully submitted,

Randy Perreira
President

IBEW1260
BRIDGING THE PACIFIC

April 3, 2016

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee,

The International Brotherhood of Electrical Workers Local Union 1260 (IBEW) respectfully offers testimony in support of House Bill No. 1700_HD1 and ask the Committee to amend HB1700_HD1 by appropriating $3 million for Wahiawa General Hospital.

As the only medical facility providing emergency medical services in Mililani, Wahiawa, Waialua, Sunset and Kahuku, communities which encompass nearly a third of the entire island; closure of Wahiawa General Hospital would be detrimental to the health, welfare and safety of anyone living, working or traveling through these communities. Those bearing the brunt of this impact will be our kupuna, keiki and the chronically ill.

Additionally, closure of Wahiawa General Hospital, one of the largest employers in Central Oahu, would serve a serious financial blow to the Central Oahu community as Wahiawa General Hospital provides well-paying, middle-class jobs to over 600 employees most of whom live within the surrounding communities.

For these reasons, the IBEW respectfully ask the Committee to support HB1700_HD1 and an amendment for $3 million for Wahiawa General Hospital.

Respectfully,



Michael M. Brittain
Director of Legislative Affairs
IBEW Local 1260

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCAL 1260
700 Bishop Street Suite 1600, Honolulu, Hawaii 96813
Phone: 808.941.9445 Fax: 808.946.1260 Email: office@ibew1260.org

International Union of Bricklayers and Allied Craftworkers Local #1 of Hawaii

2251 North School St. * Honolulu, HI 96819 * Phone (808) 841-0491 * Fax (808) 847-4782

Testimony to the Senate Committee on Ways and Means
Tuesday, April 5, 2016
State Capitol, Conf. Room 211

RE: PROPOSED AMENDMENT TO HOUSE BILL NO. 1700, HOUSE DRAFT 1, RELATING TO THE STATE BUDGET – APPROPRIATION FOR WAHIAWA GENERAL HOSPITAL

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

My name is Todd Saito, and I am a resident of Mililani. I am submitting written testimony in SUPPORT of House Bill No. 1700, House Draft 1, but ask for your favorable consideration of an amendment to appropriate $3 million for Wahiawa General Hospital.

Wahiawa General Hospital is an essential medical facility in Central and North Shore Oahu. It is the only facility that provides emergency medical services in a vast geographical area extending from Mililani to Wahiawa, Waialua, Sunset, and Kahuku. This area encompasses nearly one-third of the entire Island of Oahu.

The closure of Wahiawa General Hospital would have enormous ramifications to the health, welfare, and safety of these communities. If Wahiawa General Hospital was to close, the nearest emergency room for a person situated in Wahiawa would be either Pali Momi near Pearlridge Center, or Queen's Medical Center West – both of which are approximately 14 miles away.

For a person living in Waialua or Sunset or Kahuku, the distance would be 40 miles instead of the 20 miles it is to go to Wahiawa General Hospital. In a case of a critical accident or sickness, the extra miles it takes to get a person to an emergency room might be the difference between life and death.

For our Local #1 IUBAC members working on this part of the island and for the Constrution Industry in general. Which has very hazardous working conditions it is necessary to have Wahiawa General Hospital remain open.

Furthermore, Wahiawa General Hospital is one of the largest employers in Central Oahu with approximately 90% of its workers residing in the surrounding areas. Most of the employees are members of the ILWU, UPW, and HNA unions. These are very good paying, professional jobs.

The closure of Wahiawa General Hospital would be devastating to entire families as heads of households will need to seek reemployment while keeping up payments for the mortgage, putting food on the table, and doing all they can to make life "normal" for their children and families.

It is vital that Wahiawa General Hospital remain operational. For these reasons, I respectfully urge your SUPPORT for an amendment to House Bill No. 1700, House Draft 1, which would include a $3 million appropriation for Wahiawa General Hospital.

Thank you for the opportunity to provide this testimony.

Todd Saito
Business Representative
Local #1 HI, IUBAC

International Union of Painters and Allied Trades
District Council 50

2240 Young Street
Honolulu, HI 96826
Phone
808.941.0991
Fax
808.955.9091
Email
info@dc50.org
Website
www.dc50.org

PAINTERS
808.941.0991

GLAZIERS, ARCHITECTURAL METAL AND GLASSWORKERS
808.946.3329

CARPET, LINOLEUM AND SOFT TILE
808.942.3988

DRYWALL TAPERS, FINISHERS
808.946.6621

TO THE SENATE COMMITTEE ON WAYS AND MEANS
TWENTY-EIGHTH LEGISLATURE
REGULAR SESSION OF 2016

Tuesday, April 5, 2016 – 9:00 a.m.
State Capitol, Conf. Room 211

TESTIMONY IN SUPPORT OF: HOUSE BILL NO. 1700, HD1 – "RELATING TO THE STATE BUDGET."

Dear Chair Jill N. Tokuda
and Members of the Committee on Ways and Means:

The International Union of Painters and Allied Trades, District Council 50 (DC50) is comprised of the Painters, Local Union 1791, the Drywall Tapers, Finishers, Local Union 1944, the Glaziers Architectural Metal and Glassworkers, Local Union 1889, the Carpet Linoleum and Soft Tile, Local Union 1926 and the Pearl Harbor Metal Trades, Local Union 1941. Altogether, DC50 represents approximately 2,000 members state wide.

DC50 is submitting written testimony in SUPPORT of House Bill No. 1700, HD1, and is requesting your favorable consideration of an amendment to appropriate $3 million for Wahiawa General Hospital

Wahiawa General Hospital is an essential medical facility in Central and North Shore Oahu. It is the only facility that provides emergency medical services in a vast geographical area extending from Mililani to Wahiawa, Waialua, Sunset, and Kahuku. This area encompasses nearly one-third of the entire Island of Oahu.

The closure of Wahiawa General Hospital would have enormous ramifications to the health, welfare, and safety of these communities. If Wahiawa General Hospital was to close, the nearest emergency room for a person situated in Wahiawa would be either Pali Momi near Pearlridge Center, or Queen's West – both of which are approximately 14 miles away.

For a person living in Waialua or Sunset or Kahuku, the distance would be approximately 40 miles instead of the 20 miles it is to go to Wahiawa General Hospital. In a case of a critical accident or sickness, the extra miles it takes to get a person to an emergency room might be the difference between life and death.

Furthermore, Wahiawa General Hospital is one of the largest employers in Central Oahu with approximately 90% of its workers residing in the surrounding areas. Most of the employees are members of the ILWU, UPW, and HNA unions. These are very good-paying, professional jobs.

The closure of Wahiawa General Hospital would be devastating to entire families as heads of households will need to seek reemployment while keeping up payments for the mortgage, putting food on the table, and doing all they can to make life "normal" for their children and families.

It is vital that Wahiawa General Hospital remain operational. For these reasons, we respectfully urge your SUPPORT for an amendment to House Bill 1700, HD1 that would include a $3 million appropriation for Wahiawa General Hospital. Thank you for the opportunity to provide testimony.

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: jdonovan@hhsc.org
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Wednesday, March 30, 2016 1:30:28 PM

HB1700
Submitted on: 3/30/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Judy Donovan	Kona Community Hospital, West Hawaii Region, HHSC	Support	No

Comments: On behalf of the West Hawaii Region of Hawaii Health Systems Corporation, consisting of Kona Community Hospital and Kohala Hospital, please accept our support for HB 1700 HD1. We ask that the Ways & Means Committee preserve the amounts designated for HHSC's General and CIP funds as stated in House Draft 1. Mahalo!

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

Testimony of
Pacific Resource Partnership

State of Hawaii
Senate Committee on Ways and Means
Senator Jill N. Tokuda, Chair
Senator Donovan M. Dela Cruz, Vice Chair

HB 1700, HD1– Budget
Requesting the Governor and the Legislature of the State of Hawaii to Provide Immediate and Emergent Financial Assistance to Wahiawa General Hospital

Tuesday, April 5, 2016
9:00 A.M.
State Capitol – Conference Room 211

Aloha Chair Tokuda, Vice Chair Dela Cruz and members of the Committee:

We respectfully request your support in providing immediate and emergent financial assistance to Wahiawa General Hospital (WGH).

WGH is in danger of financial failure and face possible closure by the end of the year if immediate financial assistance is not provided. If this non-profit community hospital closes, the effects could be catastrophic for a large portion of Oahu.

The next closest emergency services facility and hospital is approximately 13-14 miles away from WGH and thus could affect over 60,000 residents and visitors to the area. The inability to access a nearby hospital could be an issue of life and death for emergency patients.

WGH is the largest private employer in Wahiawa employing approximately 600 employees with approximately 90% of its employees living within Wahiawa, Kahuku, Haleiwa, Waialua, Wahiawa, Mililani, and West Oahu. The survival of the hospital is crucial not only to the town itself and its residents economically, but absolutely necessary in terms of the public health, safety and welfare to the residents and visitors.

Thank you for allowing us to share our views with you and we respectfully ask for your support in providing $3 million a year for the next two years to help keep WGH running.

(Continued From Page 1)

About PRP

Pacific Resource Partnership (PRP) is a not-for-profit organization that represents the Hawaii Regional Council of Carpenters, the largest construction union in the state, and more than 240 of Hawaii's top contractors. Through this unique partnership, PRP has become an influential voice for responsible construction and an advocate for creating a stronger, more sustainable Hawaii in a way that promotes a vibrant economy, creates jobs and enhances the quality of life for all residents.

TO: Honorable Senator Jill Tokuda, Chair
Honorable Senator Donovan Dela Cruz, Vice Chair
Members of Committee on Ways and Means

DATE: Tuesday, April 5, 2016
TIME: 9: 00 am
PLACE: State Capitol, Conference Room 211

SUBJECT: Testimony in support of HTH 904 (EOA Code), part of HB 1700, HD 1 – Relating to the State Budget

Chair Tokuda, Vice Chair Dela Cruz, and Committee Members on Ways and Means,

Thank you for the opportunity to submit a written testimony in support of HTH 904 (EOA Code), HB 1700, HD 1- Relating to the State Budget.

As parts of HB 1700, HD 1, Relating to the State Budget, an additional funding of $5.1 million for Kupuna Care (KC) is very much needed to increase the base budget for crucial and necessary services to seniors. Additional funding of $1.7 million is needed to increase the base budget for the Aging and Disability Resource Center to provide basic services to seniors.

Please support the additional funding for Kupuna Care and Aging and Disability Resource Center as part of HTH 904, HB 1700, HD1-Relating to the State Budget.

Both Kupuna Care and ADRC funds provide needed services for seniors to age in place in their homes in Hawaii's community.

Thank you very much.

Rose Nakamura
Project Dana

THE HAWAII STATE SENATE
The Twenty-Eighth Legislature
Regular Session of 2016

COMMITTEE ON WAYS AND MEANS
Senator Jill Tokuda, Chair
Senator Donovan Dela Cruz, Vice Chair

DATE OF HEARING: Tuesday, April 5, 2016
TIME OF HEARING: 9:00 a.m.
PLACE OF HEARING: State Capitol
415 South Beretania Street
Conference Room 211

Proposed Amendment to House Bill 1700, House Draft 1, Relating to the State Budget – Appropriation for Wahiawa General Hospital

By DAYTON M. NAKANELUA,
State Director of the United Public Workers (UPW),
AFSCME Local 646, AFL-CIO

My name is Dayton M. Nakanelua, State Director of the United Public Workers, AFSCME, Local 646, AFL-CIO. The UPW is the exclusive bargaining representative for approximately 12,000 public employees, which include blue collar, non-supervisory employees in Bargaining Unit 01 and institutional, health and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties. The UPW also represents about 1,500 members of the private sector.

Wahiawa General Hospital (WGH) is an extremely essential facility in Central and North Shore, Oahu. It is the only facility that provides emergency medical services in a vast geographical area extending from Mililani to Wahiawa, Waialua, Sunset and Kahuku. This area encompasses nearly 0ne-third of the entire island of Oahu.

The closure of WGH would have enormous ramifications to the health, welfare, and safety of these communities. If Wahiawa General Hospital was to close, the nearest emergency room for a person situated in Wahiawa would be either Pali Momi near Pearl Ridge Center, or Queen's Medical Center West, both of which are approximately 14 miles away.

For a person living in Waialua or Sunset or Kahuku, the distance would be 40 miles instead of 20 miles to go to Wahiawa General Hospital. In case of a critical accident or sickness, the extra miles it takes to get a person to an emergency room might mean the difference between life and death.

Furthermore, Wahiawa General Hospital is one of the largest employer in Central Oahu with approximately 90% of its workers residing in the surrounding areas. Most of the employees are members of the ILWU, UPW and HNA unions. These are very good paying and professional jobs. The UPW has about 153 members working at the WGH and a closure would have an untenable impact on the lives of these workers, their families and the entire community.

It is vital that Wahiawa General Hospital remain open and provide needed medical services. It is for these reasons that I respectfully urge your support for an amendment to House Bill 1700, House Draft 1, that would include a $3 million appropriation for Wahiawa General Hospital.

On behalf of the workers of WGH, their families and the entire community which depends on WGH for medical services, we convey our sincerest appreciation for your consideration of this request.

The UPW strongly supports this proposed amendment and thanks the Committee for the opportunity to submit this testimony.

THE WAHIAWA CENTER FOR COMMUNITY HEALTH

Testimony to the Senate Committee on Ways and Means
Tuesday, April 5, 2016
State Capitol, Conf. Room 211
RE: PROPOSED AMENDMENT TO HOUSE BILL NO. 1700, HOUSE DRAFT 1,
RELATING TO THE STATE BUDGET – APPROPRIATION FOR WAHIAWA
GENERAL HOSPITAL

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:
My name is Mary C. Talon and I am a resident of Wahiawa as well as the Board President for the Wahiawa Center for Community Health. I am submitting written testimony in SUPPORT of House Bill No. 1700, House Draft 1, but ask for your favorable consideration of an amendment to appropriate $3 million for Wahiawa General Hospital.

Wahiawa General Hospital is an essential medical facility in Central and North Shore Oahu. It is the only facility that provides emergency medical services in a vast geographical area extending from Mililani to Wahiawa, Waialua, Sunset, and Kahuku. This area encompasses nearly one-third of the entire Island of Oahu.

The closure of Wahiawa General Hospital would have enormous ramifications to the health, welfare, and safety of these communities. If Wahiawa General Hospital was to close, the nearest emergency room for a person situated in Wahiawa would be either Pali Momi near Pearlridge Center, or Queen's Medical Center West – both of which are approximately 14 miles away.

For a person living in Waialua or Sunset or Kahuku, the distance would be 40 miles instead of the 20 miles it is to go to Wahiawa General Hospital. In a case of a critical accident or sickness, the extra miles it takes to get a person to an emergency room might be the difference between life and death.

While the Wahiawa Center for Community Health is in the process of establishing primary care services for the medically underserved population, it will not include emergency care, radiology, mental health or many other ancillary services. We would need Wahiawa General Hospital as a collaborative partner to deliver these comprehensive health services.

Address

P. O. Box 860339
Wahiawa HI, 96786

Board Members

Board President:
Mary C. Talon, RN

Vice President:
Jonette Buza

Treasurer:
June Hurst-Jones.

Secretary:
Scott Harada

Directors:
Doug Aton
Stuart Feinberg
Robert Oliveira
Jeanne C. Ishikawa
Nicole Jones Vannatta
Joy Mahiko
Velma A. Kekipi
Jay Raymundo

THE WAHIAWA CENTER FOR COMMUNITY HEALTH

Furthermore, Wahiawa General Hospital is one of the largest employers in Central Oahu with approximately 90% of its workers residing in the surrounding areas. Most of the employees are members of the ILWU, UPW, and HNA unions. These are very good-paying, professional jobs.

The closure of Wahiawa General Hospital would be devastating to entire families as heads of households will need to seek reemployment while keeping up payments for the mortgage, putting food on the table, and doing all they can to make life “normal” for their children and families. It is vital that Wahiawa General Hospital remain operational.

For these reasons, I respectfully urge your SUPPORT for an amendment to House Bill No. 1700, House Draft 1, that would include a $3 million appropriation for Wahiawa General Hospital.

Respectfully,

Mary C. Talon

April 5, 2016

Before the Senate Committee on Ways and Means, State Capitol, Conf. Room 211

Re: PROPOSED AMENDMENT TO HOUSE BILL NO. 1700 HOUSE DRAFT 1, RELATING TO THE STATE BUDGET – APPROPRIATION FOR WAHIAWA GENERAL HOSPITAL

Dear Chair Tokuda, Vice Chair Dela Cruz, and Committee Members:

This testimony is to provide the STRONG SUPPORT of the Wahiawa Community and Business Association (WCBA) to House Bill No. 1700, House Draft 1, and plead for an amendment to appropriate $3 million for Wahiawa General Hospital.

The WCBA is Wahiawa's oldest community association. Since the Wahiawa General Hospital opened its doors almost 70 years ago it has strongly supported Wahiawa General Hospital's (WGH) efforts to provide health care services to Wahiawa and the surrounding areas.

It is critically vital that the Wahiawa General Hospital remain operational to perform emergency room treatment to Wahiawa and the surrounding areas. WGH currently provides 7 days a week 24 hour a day emergency room services. If WGH closed, the nearest emergency room would be Pali Momi or Queen's West. That's 13 miles away! For Waialua or Sunset Beach residents facing life-threatening conditions it means they have to travel over 20 miles for emergency treatment. The WCBA considers this a life or death issue.

Additionally, 600 employees would face layoff.

We are at a critical point to save Wahiawa General Hospital. The loss of WGH will mean over 100 families will lose long-term care for their relatives.

Thank you for this opportunity to testify. The WCBA urges your support for House Bill No. 1700, House Draft 1, to include a $3 million appropriation for Wahiawa General Hospital.

Sincerely,

Walter R. Benavitz, Jr.
Chair WCBA Government Action Committee

Wahiawa Community & Business Association
P. O. 861408
Wahiawa, Hawaii 96786

WAHIAWA GENERAL HOSPITAL

Never Out Of Touch

HAWAII STATE LEGISLATURE
Testimony to the Senate Committee on Ways and Means
Tuesday, April 5, 2016
State Capitol, Conf. Room 211

RE: PROPOSED AMENDMENT TO HOUSE BILL NO. 1700, HOUSE DRAFT 1, RELATING TO THE STATE BUDGET—APPROPRIATION FOR WAHIAWA GENERAL HOSPITAL

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee

On behalf of Wahiawa General Hospital (WGH), I am submitting 6 written testimonies. There may be some of the group who submitted their testimonials electronically. If so, we apologize in advance.

Authors:
Don Olden, CEO Wahiawa General Hospital
Randal Suzuka, M.D., Chairman of the Board Wahiawa General Hospital
Susan Rich, R.N., Assistant Administrator, Wahiawa General Hospital
Craig Thomas, M.D., President of Hawaii Emergency Physicians Associated Inc.
Diane Canon, R.N., Retired Administrator, Wahiawa General Hospital
Danny Bamber, M.D., Emergency Services Medical Director, Wahiawa General Hospital

Sincerely,

R. Don Olden
CEO Wahiawa General Hospital

128 Lehua Street, Wahiawa, Hawaii 96786 Phone (808) 621-8411

WAHIAWA GENERAL HOSPITAL

Never Out Of Touch

HAWAII STATE LEGISLATURE
Testimony to the Senate Committee on Ways and Means
Tuesday, April 5, 2016
State Capitol, Conf. Room 211

RE: PROPOSED AMENDMENT TO HOUSE BILL NO. 1700, HOUSE DRAFT 1, RELATING TO THE STATE BUDGET—APPROPRIATION FOR WAHIAWA GENERAL HOSPITAL

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee

I am Don Olden, the CEO of Wahiawa General Hospital. I am submitting written testimony in SUPPORT of House Bill No. 1700, House Draft 1, but ask for your favorable consideration of an amendment to appropriate $3 million for Wahiawa General Hospital.

Wahiawa General Hospital is an essential medical facility in Central and North Shore Oahu. It is the only facility that provides emergency medical services in a vast geographic area from Mililani to Wahiawa, Waialua, Sunset and Kahuku. This area encompasses nearly one-third of the entire Island of Oahu.

Currently, Wahiawa General Hospital treats over 20,000 Emergency Patients annually. In addition, the hospital provides medical care to over 100 Skilled Nursing Patients on a daily basis, approximately 30+ acute care inpatients and 40 outpatients. Without WGH, some North Shore patients will have to travel 37 miles to reach Pali Momi and Queens Medical Center West for emergency services. It is 24 miles from Kahuku Hospital to Wahiawa Hospital on a two lane rural road and another 13 miles to Pali Momi Hospital.

As a stand-a-lone community hospital, over the past nine years, WGH has experienced serious financial difficulties due to a convergence of circumstances that were beyond its control:

1. Opening of Queens Medical Center West in May 2014
2. Declines in Medicare/Medicaid and private insurance reimbursements
3. Affordable Care Act increased operating costs—with no new revenues
4. Shortage of private care physicians on Oahu and at Wahiawa
5. New HMSA policies have increased WGH costs and cut payments
6. Indigent care for the homeless, poor and uninsured have increased

128 Lehua Street, Wahiawa, Hawaii 96786 Phone (808) 621-8411

These issues have caused the following:

Operating losses averaging over $3 million per year over the past three years due to:

- Queen's Medical Center West opening in May 2014 resulted in a revenue decline of $7.5 million in 2015.
  - ✓ WGH cut operating costs by over $9 million but it was not enough to offset losses.
  - ✓ WGH's cost reductions would have been larger but ACA mandates added costs
  - ✓ WGH is in danger of having to cut costs that impacts quality and ACA mandate compliance
- Over 85 percent of WGH patients are Medicare and Medicaid. *These programs simply do not cover the cost of caring for their Members services.*
  - ✓ Private insurance programs have always subsidized Medicare and Medicaid shortfalls.
  - ✓ Only 14 percent of WGH's admissions are private insurance patients, far too low to offset the hospital's losses due to Medicare/Medicaid patients.
  - ✓ Medicare/Medicaid reimbursement payments have recently been cut further.
- Declining inpatient admissions partially driven by Medicare and HMSA inpatient rule changes,
- Mandates of the ACA required additional personnel and information systems costs.
- Services and support systems that need integration with a larger healthcare system to improve cost efficiencies of caring for patients.
- New HMSA policies have increased WGH costs and cut payments.
  - ✓ Under the ACA, HMSA increased WGH's employee health insurance cost by over $1 million per year.
  - ✓ Recently HMSA began aggressively denying reimbursement for inpatient and outpatient services, further reducing patient revenues.

The shortage of private care physicians on Oahu forced the hospital to spend $1.7 million per year to acquire specialized Inpatient Hospitalists and On-Call Surgeons to treat patients.

- 95% of inpatient acute care admissions are through Emergency Services, which results in higher costs to the hospital.
- Plus, 60/75% of long term care patient admissions are from acute care patients
- Due to the Residency Program closure, the Hospitalists are asking for a large increase in support funding.

Closure will severely impact the public health, safety, and welfare of the local community.

- Over 20,000 emergency visits per year will need to be relocated to other hospitals
- Nearly 12,000 acute inpatient and observation days will also need to be relocated
- WGH has 95 to 100 Skilled Nursing patients who would need to be relocated to another facility at a time when there is a shortage of SNF beds on Oahu.
- WGH is the largest private employer in Central Oahu, providing over 600 jobs, or 380 FTE's
- Most full time employees are members of ILWU, UPW and HNA unions; 90 percent of the employees live in the community.

Wahiawa needs bridge funding for 2 years to permit the hospital to develop a sustainable business model.

As a stand-a-lone independent community hospital, Wahiawa is facing financial and operational problems that creates an extreme danger of closure within six to nine months without financial assistance from the Legislature and Governor's Office.

The community has been very responsive and in a very short time has provided over 8,000 letters and petition signatures of support for keeping Wahiawa General Hospital open. In addition, the Star Advertiser Editorial Board issued a large editorial article in Saturday's, 4-2-2016, newspaper supporting short-term financing support for a two year period so the Hospital can develop a new sustainable business model.

It is vital that Wahiawa General Hospital remain operational. For these reasons, I respectfully urge your SUPPORT for an amendment to House Bill No. 1700, House Draft 1, that would include a $3 million appropriation for Wahiawa General Hospital.

Respectfully Submitted.

R Don Olden

R. Don Olden, CEO Wahiawa General Hospital

Wahiawa General Hospital

"Never out of Touch"

HAWAII STATE LEGISLATURE

Testimony to the Senate Committee on Ways and Means

Tuesday, April 5, 2016

State Capitol, Conf. Room 211

RE: PROPOSED AMENDMENT TO HOUSE BILL NO. 1700, HOUSE DRAFT 1, RELATING TO THE STATE BUDGET—APPROPRIATION FOR WAHIAWA GENERAL HOSPITAL

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee

My name is Randall Suzuka, M.D.. I have been a Family Physician at the Haleiwa Family Health Center and a resident of Mililani for 30 years. I have been on the Medical Staff at Wahiawa General Hospital for 30 years, on the Board of Directors off and on since 1988 and Chairman of the Board of Wahiawa General Hospital since 2005. I am submitting written testimony in SUPPORT of House Bill No. 1700, House Draft 1, but ask for your favorable consideration of an amendment to appropriate $3 million for Wahiawa General Hospital.

Wahiawa is in urgent need ot short-term funding to allow it to function without disruption of critical healthcare services while it assesses how these critical services can be sustained through partnerships, orderly transfer of services or delivery under new models. Without State support in the next fiscal year, it is very possible that critical services would abruptly end causing an immediate threat to life and health. Wahiawa services an area equal to 1/3 of the island of Oahu. Wahiawa's Emergency Room cares for more than 21,000 patients a year and receives over 3200 patients through the EMS. Reperfusion for strokes needs to occur within 3.5 to 4 hours from onset of symptoms. This includes time to ER, evaluation by ER team, CT scan of brain, stabilization and assessment of condition, and treatment. Reperfusion for heart attacks is best done in 2 hours although angioplasty can be done after that time. Clearly lives and families will be disrupted and suffer if Wahiawa General Hospital Emergency Room were to suddenly close.

Currently 45% of the population of Oahu lives west of Red Hill and on the North Shore of Oahu. The hospitals and Emergency Rooms most likely to be crowded or on "divert" status are Pali Momi, Queens West, and Queens Punchbowl. In the past, during periods of high census (includ-

ing Wahiawa, but without what is now Queens West), many of my patients had to be hospitalized at Kuakini, Straub and Castle. The situation will get worse as Hoopili (size of Hawaii Kai) is developed right next to Queens West. We need time to transition or get partners for Koa Ridge. Five to ten years from now, people in senatorial districts 17-23 will be asking their senators and representatives why nothing was done to preserve the 28 acres for healthcare services. The 28 acres at Koa Ridge is a donation from Castle and Cook only if Wahiawa (or its partners) can justify use and financing for the acreage. As many of you may recollect from an article in the Star Advertiser on March 6, 2015 that Wahiawa was in talks with Hawaii Pacific Health. Those talks did not lead to help for Wahiawa and Wahiawa now needs help from the state so that it has time to develop plans and restructure to make future partnering more feasible.

If Wahiawa were unable to make payroll, there would be an immediate impact for over 100 SNF families and for the Department of Health as they try to help those families place loved ones in an already tight SNF market.

For Wahiawa, $3 million for each of two years is a lifeline that lets it continue to perform necessary and critical services for the residents of the State of Hawaii while it develops plans and restructures. For the State of Hawaii, $3 million is the least costly option to avoid much higher human life-safety and fiscal costs in the near future.

Thank you for your thoughtful consideration to amend House Bill No. 1700 to appropriate $3 million for Wahiawa General Hospital.

Sincerely,



Randall Suzuka, M.D.
Chairman, Board of Directors
Wahiawa General Hospital

WAHIAWA GENERAL HOSPITAL

Never Out Of Touch

HAWAII STATE LEGISLATURE

Testimony to the Senate Committee on Ways and Means

Tuesday, April 5, 2016

State Capitol, Conf. Room 211

RE: PROPOSED AMENDMENT TO HOUSE BILL NO 1700, HOUSE DRAFT 1, RELATING TO THE STATE BUDGET- APPROPRIATION FOR WAHIAWA GENERAL HOSPITAL

Chair Tokuda, Vice Chair Dela Cruz and Members of the Committee:

My name is Susan Rich, I am the Assistant Administrator for Quality and Regulatory Compliance at Wahiawa General Hospital. I am submitting written testimony in SUPPORT of House Bill 1700, House Draft 1, but ask for your favorable consideration of an amendment to appropriate $3 million for Wahiawa General Hospital.

I was recruited from the mainland to help WGH with their Joint Commission readiness and quality initiatives. I have been in this position for more than seven years. The main reason I support WGH is because of the people. There are many wonderful people that work at WGH because it's like family. Actually, it's not unusual for several members of a family to work there. It's also not unusual for those same people to use WGH's services. Whether it's a visit to the ED, another outpatient service or when the hospital or long term care is needed, Wahiawa General Hospital has been there to support our community and surrounding community. Ninety percent of our employees live in our service area.

One of my roles at WGH is to stay abreast of the ever changing quality initiatives and regulatory expectations for the acute care setting. I am proud to say that when compared to state and national quality measures, we fall within or above average. Actually our last core measure composite score for the Joint Commission was 97 percent. The composite score is the sum of 50 accountability measures required by the Joint Commission as part of its accreditation process.

Some of our Emergency Department throughput times for care are faster than either the state or national numbers. That means that patients are seen quicker, treated and discharged, admitted or transferred faster. The location of our ED is critical to central, North Shore and the surrounding communities. WGH serves as a safety net for these communities. Without our services, the people of the communities will suffer. We treat over 20,000 emergency patients annually.

We are the closest hospital to the North Shore. Since I have been at WGH there have been several drownings that miraculously survived because we were there to treat them. One was a physician from the mainland visiting his son in the military. He later contacted us to say how well our ED functioned

and the care he received was instrumental in saving his life. We have had births in our ED and if we had not been here, the babies and mothers could have had a bad outcome.
WGH provides invaluable services to the people of our communities.

1. State of the art ED, completely renovated with Board Certified physicians.
2. 107 bed long term care facility that makes it easy for the residents to have their family members close by for visits.
3. Tele stroke program that is affiliated with Queens's neuro science department. This program provides real time interaction and consulting with the neurologist at Queens. Time is of the essence for all stroke patients. The delay in treatment can mean the difference between having a normal life and living with permanent disability.
4. We are affiliated with Pali Momi's heart program. This program is critical for patients that are having a heart attack to receive immediate care and transfer for more invasive treatment if needed.
5. WGH serves as a training center for future healthcare workers.
   The following is a partial list of programs we support:
   - The Family Practice Residency program—being transferred to Pali Momi but still partially at WGH,
   - Local and mainland medical students,
   - Seven Registered Nursing Schools,
   - One LPN Program,
   - Two CNA Programs
   - Both private and public local schools send their students to volunteer at WGH

These are just a few examples of how we serve our communities, our service men and women and visitors to the island.

My hope is that the Legislature will recognize the value that WGH provides to not only the surrounding communities but also by decompressing patient/resident volumes to the larger hospitals and long term care facilities. We all remember what happened when HMC West closed and the strain it caused to each and every healthcare service on the island including the Emergency Management System. There's no denying that the time it would take to transport a critical patient from the North Shore to the closest hospital could have severe consequences.

I would like to thank you for the opportunity to express our concerns in this very urgent matter that has the potential to affect all of Oahu's healthcare system. I would also like to thank the people of the community and the hospital staff for their outpouring of support for our hospital.

Respectfully submitted,

Susan Rich RN, Assistant Administrator Quality and Regulatory Compliance

HAWAII EMERGENCY PHYSICIANS ASSOCIATED

HAWAII STATE LEGISLATURE

Testimony to the Senate Committee on Ways and Means

Tuesday, April 5, 2016

State Capitol, Conf. Room 211

RE: PROPOSED AMENDMENT TO HOUSE BILL NO. 1700, HOUSE DRAFT 1, RELATING TO THE STATE BUDGET—APPROPRIATION FOR WAHIAWA GENERAL HOSPITAL

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee

I am Craig Thomas, Wahiawa General emergency physician, and am submitting written testimony in SUPPORT of House Bill No. 1700, House Draft 1. I ask for your favorable consideration of an amendment to appropriate $3 million for Wahiawa General Hospital. As president of Hawaii Emergency Physicians Associated Inc., a group of 70 board certified emergency physicians staffing nine community/rural hospitals on Kauai, Oahu, Molokai and Hawaii Island I have perspective on the role of rural hospitals, their challenges and evolving role in evaluating urgent/emergent conditions.

When I started at Wahiawa 33 years ago medicine was very different, diagnostic and treatment options were limited, patients were admitted for observation and prolonged evaluation. Today, emergency physicians use sophisticated tools to diagnose and cure time sensitive conditions across the state.

WGH characteristics:

- Safety net for nearly 1/3rd of Oahu, transport times up to 1 hour
- Diverse population, suburban, rural, military....
- Approximately 21,535 annual ED visits including 3,285 EMS arrivals
- Averages approximately 30 inpatients
- Greater than 100 SNF patients
- Inpatient geriatric psychiatric service is unique in state
- Only inpatient dialysis capability in Central and Leeward Oahu

PO Box 1266, Kailua, HI 96734 • Phone (808)226-1048 • Fax (808) 261-3092

Medical services:

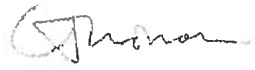
- New expanded ED
- State of the art diagnostics
- Provides emergent treatment for time sensitive conditions
  - Acute myocardial infarction
  - Stroke (pioneered tele-stroke network)
  - Sepsis resuscitation
  - Trauma support facility
  - Responds to mass casualty events (including military)
  - Admits broad spectrum of medical/surgical and orthopedic cases

WGH was a key element managing the surge after the failure of the St Francis health system - none of us want to experience a similar event again. Oahu ambulance re-route (currently 3,120 hrs. annually) soared and inpatients stayed in hallways. Currently, Wahiawa accepts transfers, particularly for dialysis, from Queen's West and the Waianae Comprehensive Health Center.

Working across the state I'm constantly reminded the best care keeps patients in their communities, close to families – reserving the tertiary centers for those who need specialized services.

Patients travel up to an hour to our ER, if the hospital closes, time sensitive treatments will be delayed and patients will be hospitalized far from home - likely in crowded facilities.

Mahalo,



Craig Thomas, MD

PO Box 1266, Kailua, HI 96734 ♦ Phone (808)226-1048 ♦ Fax (808) 261-3092

WAHIAWA GENERAL HOSPITAL

Never Out Of Touch

HAWAII STATE LEGISLATURE
Testimony to the State Senate on Ways and Means
Tuesday, April 5, 2016
State Capital, Conference Rm. 211

RE: PROPOSED AMENDMENT TO HOUSE BILL NO. 1700, HOUSE DRAFT 1, RELATING TO THE STATE BUDGET - APPROPRIATION FOR WAHIAWA GENERAL HOSPITAL

Chair Tokuda, Vice Chair Dela Cruz and Members of the Committee:

My name is Diane Canon, thrice retired administrator and Registered Nurse of Wahiawa General Hospital and Long Term Care Nursing Facility. I have worked for the hospital for over 40 years. As a nurse, I have had the privilege to serve the people of our community in the capacity as a Licensed Practical Nurse through being the Director of Nurses for both Acute Care Services and the Nursing Facility, plus being the Administrator of The Long Term Care Nursing Facility. I submitting written testimony in SUPPORT of House Bill No. 1700, House Draft 1, and ask for your favorable consideration of an amendment to appropriate $3 million for Wahiawa General Hospital.

The history of our hospital dates back to the 1940s and I am here today to ask for your financial support for the hospital so that we may continue to provide quality health care in the continuum of care module, for our patients, residents and the communities that surround us. The reciprocal relationship between the Acute Care Services and the Nursing Facility have provided this continuum of care to multiple generations of our communities and the need to continue our services must be preserved going forward. Throughout the years, as an employee of Wahiawa General Hospital and Nursing Facility, I have witnessed its growth in providing for the healthcare needs of the community. We have supported the Central, Leeward and North Shore communities, who have gratefully thanked us for being here for them. Their journey to health care begins in their physicians' offices or our Emergency Department and progress through the Acute Care Services of the Medical-Surgical and/or Intensive Care units or the specialized care of our Senior Behavior unit, utilizing all of the advanced services in Laboratory Testing and Diagnostic Imaging through to Rehabilitation and the extended care services of our Nursing Facility.

Our multi-disciplinary healthcare team collaborate to diagnose, plan, treat and teach our patients how to live a more healthy and productive life. Presently, we have 107 residents in our Skilled Nursing Facility who receive rehabilitation and specialized nursing care. Wahiawa General Hospital is the essential part of providing these services and must continue to be viable to our community. Our skilled nursing patients typically require more care than the free standing long term care facilities provide. Having to relocate all these patients into the present over utilized free standing skilled nursing facilities would be an almost insurmountable task.

128 Lehua Street, Wahiawa, Hawaii 96786 Phone (808) 621-8411

I strongly urge the members of the Legislature to enable us to continue our services and keep our hospital sustainable in these difficult economic times. It is the hope of our hospital family, the residents of the Nursing Facility and community that Wahiawa General Hospital remain here for all who need our services.

Mahalo Nui Loa for your support and consideration to help us save our hospital.

Respectfully submitted,

Diane Canon, Registered Nurse (Semi-Retired)

HEPA
HAWAII EMERGENCY
PHYSICIANS ASSOCIATED

HAWAII STATE LEGISLATURE

Testimony to the Senate Committee on Ways and Means

Tuesday, April 5, 2016

State Capitol, Conf. Room 211

RE: PROPOSED AMENDMENT TO HOUSE BILL NO. 1700, HOUSE DRAFT 1, RELATING TO THE STATE BUDGET—APPROPRIATION FOR WAHIAWA GENERAL HOSPITAL

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee

I am Danny Bamber, Wahiawa General emergency physician, submitting written testimony in SUPPORT of House Bill No. 1700, House Draft 1, and ask for your favorable consideration of an amendment to appropriate $3 million for Wahiawa General Hospital. As Medical Director of the Emergency Department at Wahiawa General Hospital. I understand the role of Wahiawa General Hospital and its emergency services to the community of central Oahu and the north shore of Oahu.

I am from Ewa Beach and live on the north shore with most of my family and friends. My wife, children, mother, aunts, uncles and cousins all live within the catchment area of Wahiawa and I am integrally connected to this hospital and community. When my family needs a physician, we go to Wahiawa General Hospital. I chose to become medical director at Wahiawa General Hospital because I live in and care about this community and this facility. Wahiawa General Hospital serves a unique and underserved population in Oahu.

Our emergency department is staffed only with board certified emergency physicians, who are trained to diagnose, stabilize and manage the sickest of patients. We frequently take care of patients with time-sensitive diagnoses such as traumas, strokes, heart attacks, severe infections (among many others), from central and north Oahu who would otherwise have significant delays of care. We work in a newly renovated, state of the art emergency department that can provide the most up to date, best medicine available. We have one of the most advanced CT scanners in the state, which allows us to make earlier

PO Box 1266, Kailua, HI 96734 • Phone (808)226-1048 • Fax (808) 261-3092

diagnoses than many other hospitals. Following is a list of unique services/characteristics that Wahiawa General provides to central Oahu and the north shore of Oahu.

1. Emergency Department manages 22,000 patients/yr.
2. Oahu is oversaturated with acute medical patients and this causes ambulances to be diverted to other, more distant hospitals, which causes delays to patient care.
3. The nearest facilities are Kahuku and Pali Momi, which is frequently closed to inpatient admissions and ambulances because it is at full capacity.
4. Wahiawa General is the only Stroke Center within 20 miles.
5. The skilled nursing facility manages more than 100 patients from all over the state
6. Wahiawa General provides the only geriatric/psychiatry services in the state (takes care of dementia patients)
7. Provides emergency services to military families who are too ill to transport to Tripler (avg 40min transport)
8. The only inpatient dialysis services in central and leeward Oahu
9. Provides Orthopedic Services to central and leeward Oahu
10. Provides Surgical Services to central and leeward Oahu
11. Provides unique support to military/mass casualty events

After St Francis West closed, Wahiawa General absorbed the influx of patients from the north shore, central Oahu, and the leeward side. WGH was a key element managing the surge after the failure of the St Francis health system - none of us want to experience a similar event again. Oahu ambulance re-route (currently 3,120 hrs. annually) soared and patients suffered and died. We provide critical services to our community that are otherwise unavailable.

I feel that the people of central, north and west Oahu deserve to have the same access to quality health care as the rest of the state and I urge you to approve the amendment that provides the security that Wahiawa needs to remain solvent.

Thank You,

Danny Bamber

PO Box 1266, Kailua, HI 96734 • Phone (808)226-1048 • Fax (808) 261-3092

WAHIAWA-WHITMORE VILLAGE NEIGHBORHOOD BOARD NO. 26

c/o NEIGHBORHOOD COMMISSION • 530 SOUTH KING STREET ROOM 406 • HONOLULU, HAWAII, 96813
PHONE (808) 768-3710 • FAX (808) 768-3711 • INTERNET: http://www.honolulu.gov/nco

Testimony to the House Committee on Health
Wednesday, March 23, 2016
State Capitol, Conference Room 329

RE: STRONG SUPPORT
HOUSE CONCURRENT RESOLUTION NO. 118 AND HOUSE RESOLUTION NO. 73, REQUESTING THE GOVERNOR AND THE LEGISLATURE OF THE STATE OF HAWAII, TO PROVIDE IMMEDIATE AND EMERGENT FINANCIAL ASSISTANCE TO WAHIAWA GENERAL HOSPITAL.

Chair Belatti, Vice Chair Creagan, and Members of the Committee:

My name is Jeanne Ishikawa, and I am the Chair of the Wahiawa-Whitmore Village Neighborhood Board No. 26. I am also a third and fourth generation resident of Wahiawa.

The Wahiawa-Whitmore Village Neighborhood Board No. 26 held its Regular Meeting on Monday, March 21, 2016, at the Wahiawa District Park's Hale Koa building. There were about 50 people in attendance, and the Board heard passionate and heartfelt testimony from the community and from employees of Wahiawa General Hospital (WGH). There is no doubt that we understand that Wahiawa, and our neighboring communities, are at a critical juncture regarding the future of our hospital.

The Board voted unanimously in STRONG SUPPORT of House Concurrent Resolution No. 118 and House Resolution No. 73; both Resolutions requests the Governor and the State Legislature to provide immediate and emergent financial assistance to WGH. The vote was 7 ayes, 0 nays, and no abstentions. Our nine (9) member Board requires five (5) members to establish quorum and to take official Board action.

It is vital that Wahiawa General Hospital remain operational, and the Wahiawa-Whitmore Village Neighborhood Board No. 26 respectfully urges your SUPPORT for the two Resolutions for the following reasons:

- WGH is the largest employer in Wahiawa, with nearly 600 employees working in various skilled, technical union jobs and certified professional jobs;
- WGH provides emergency medical services from Mililani to Wahiawa, Waialua, Sunset, and Kahuku, including our military neighbors at Schofield-Wheeler AAFB and NCTAMS in Whitmore, covering nearly 1/3 of Oahu. Closing WGH will have enormous ramifications to the health, safety, and welfare of these communities;
- WGH was built by the community, and has supported this community with qualified health care, wellness fairs, educational and health classes, support groups, etc.;
- As a community hospital, WGH supported the University of Hawaii's John A. Burns School of Medicine's Family Residency program for more than 20 years.

Thank you for the opportunity to provide this testimony.

Sincerely,

Jeanne Ishikawa
Chair, Wahiawa-Whitmore Village Neighborhood Board No. 26

cc:
Neighborhood Commission Office
Don Olden, CEO, Wahiawa General Hospital
Rep. Marcus Oshiro
Sen. Donovan Dela Cruz

OFFICE OF REPRESENTATIVE MARCUS R. OSHIRO

State Capitol, Room 424, Honolulu, Hawaii 96813
Phone: (808) 586-6700 • Fax: (808) 586-6702 • E-Mail: repmoshiro@capitol.hawaii.gov

Testimony to the Senate Committee on Ways and Means
Tuesday, April 5, 2016; 9:00 a.m.
State Capitol, Conf. Room 211

RE: HOUSE BILL NO. 1700, HOUSE DRAFT 1, RELATING TO THE STATE BUDGET.

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

My name is Marcus Oshiro, and I am the Representative of the 46th District of the State of Hawaii (Wahiawa, Whitmore Village, Launani Valley). I am testifying in support of House Bill No. 1700, House Draft 1, but request your favorable consideration of an amendment to include a $3 million appropriation in General Funds for Fiscal Year 2016-2017, and a $3 million appropriation in General Funds for Fiscal Year 2017-2018. The expending agency would be the State Department of Health.

I. THE PROBLEM

Over the past nine years, WGH has experienced severe financial difficulties due to a convergence of circumstances that were beyond its control:

(1) **The opening of Queen's Medical Center West in May 2014 resulted in declines of $7.5 million in 2015.** When the Hawaii Medical Center West Campus (St. Francis Ewa) closed in 2012, WGH experienced nearly double the cases for emergency inpatient care. Its tiny emergency room, which was accustomed to approximately 10,000 cases per year, treated over 20,000 that year as patients who would have been transported to St. Francis Ewa were brought to WGH. To meet this increase in demand, WGH hired more staff and expanded its emergency room facilities. However, when Queen's Medical Center reopened the former St. Francis Ewa facility in May 2014, WGH experienced a patient revenue drop of approximately 20% per month for the first six months of Fiscal Year 2015. Overall, the revenue decline was about $5.3 million for the six-month period through December 2014, reaching a total of about $7.5 million for that fiscal year.

(2) **Declines in Medicare/Medicaid and private insurance reimbursements have precipitated losses of over $3 million per year for the past three years.** Over 85% of WGH patients are covered under Medicare or Medicaid. With only 14% of admissions being private insurance patients, there are far too few who are available to offset the losses experienced from the Medicare and Medicaid patients.

(3) **The shortage of private care physicians on Oahu forced WGH to spend $1.7 million per year to acquire specialized inpatient Hospitalists and On-Call Surgeons to treat patients.** WGH serves a community having a higher shortage of doctors than Hawaii island, Molokai, and most of Maui. In 2012, the U.S. Health Resources and Services Administration designated Wahiawa as a Medical Underserved Population. In 2013, the Wahiawa community was granted a Medical Underserved Population Governor's Exceptional Designation (HSPA). Research shows that the Wahiawa census tract has a population-to-provider FTE ratio of 5,900:1. The bottom range, adjusted, for HPSA may be as low as 3,000:1. Because 95% of inpatient admissions are through emergency services, WGH has experienced higher costs in attracting and retaining qualified physicians.

(4) **New Hawaii Medical Service Association (HMSA) policies have increased WGH costs and cut payments.** Under the Affordable Care Act, HMSA increased WGH's employee health insurance costs by over $1 million per year. In addition, HMSA has recently begun to aggressively deny reimbursement for inpatient and outpatient services, further reducing patient reimbursements.

(5) **Indigent care for the homeless and poor have gone up.** By law, WGH is required to admit patients for emergency care regardless of the patient's ability to pay. As the homeless population surrounding Wahiawa grew, the number of indigent care cases have also grown. Without any reimbursement available for these cases, costs for care have been absorbed by WGH.

Despite taking the steps of reducing staff by approximately 75 full-time equivalent positions, eliminating the long-running Family Practice Residency Teaching Program, and ultimately cutting more than $9 million from the annual budget, WGH is currently facing its worst financial crisis in its long and storied history. The margin is so slim that a sudden influx of one or two more high-cost indigent care cases could impact the payment of receivables, salary, and other commitments for the patients and staff.

II. THE IMPACT

If WGH does not obtain assistance from the State, it will be forced to further eliminate programs and services, reduce hours of operation, and close its doors. This would significantly jeopardize the health, welfare, and safety for people living in Central and North Shore Oahu. Here are some facts:

(1) WGH is the only facility that provides emergency medical services in a vast geographical area extending from Mililani to Wahiawa, Waialua, Sunset, and Kahuku – an area encompassing nearly one-third of the entire island of Oahu.

(2) If WGH was to close, the nearest emergency room for a person living in Wahiawa would be either Pali Momi near Pearlridge, or Queen's Medical Center West – both of which are approximately 13 miles away.

(3) For a person living in Mokuleia or Sunset or Kahuku, the distance would be 40 miles, or double the distance it currently takes to go to WGH.

WGH is also the largest private employer in Central Oahu providing over 600 good-paying jobs. More than 90% of WGH's employees live in our communities with most of the full-time employees being members of the International Longshore and Warehouse Union, the United Public Workers, and the Hawaii Nurses Association. The closure of WGH would be devastating to entire families as heads of households would need to seek reemployment while keeping up payments for the rent, mortgage, putting food on the table, and doing all they can to make life "normal" for their children and families.

III. COMMUNITY SUPPORT

Community support for WGH is wide and deep. Most impressive has been the strong support over a short period of time. For example, when the word got out that the House Committee on Health would schedule a public hearing on House Concurrent Resolution No. 118 and House Resolution No. 73, REQUESTING THE GOVERNOR AND THE LEGISLATURE OF THE STATE OF HAWAII TO PROVIDE IMMEDIATE AND EMERGENT FINANCIAL ASSISTNCE TO WAHIAWA GENERAL HOSPITAL.

The communities of Central and North Shore Oahu rallied and submitted over 7,000 written testimonies in support of these resolutions.

In addition to individuals, various labor organizations such as the ILWU Local 142, the Hawaii Nurses Association, UPW AFSCME Local 646, the International Union of Painters and Allied Trades, the Hawaii Laborers-Employers Corporation and Education Trust, the International Brotherhood of Electrical Workers Local Union 1260, OPEIU Local 50, and the Hawaii State AFL-CIO all testified in support of public funding for WGH.

Likewise did the Hawaii State Department of Health, the Hawaii Health Systems Corporation, the Office of the Mayor of the City and County of Honolulu, the Chairman of the Honolulu City Council, the University of Hawaii John A. Burns School of Medicine, the Wahiawa-Whitmore Village Neighborhood Board No. 26, the North Shore Chamber of Commerce, Lanakila Pacific, the Hawaii Academy of Family Physicians, the Hawaii Academy College of Emergency Physicians, the Wahiawa Community and Business Association, the Chamber of Commerce of Hawaii, the Wahiawa Center for Community Health, American Medical Response, Pacific Resource Partnership, Wahiawa Community Based Development Organization, and ALEA Bridge.

Also, noteworthy was supportive testimony from former Senate President Robert Bunda, former Councilmember Rene Mansho, former Representative Marilyn Lee, and Neighborhood Board Members Kathleen M. Pahinui, Lei Learmont, Roberts Leinau, Jake Ng, and Jeannie Ishikawa.

IV. PLIGHT OF HOSPITALS IN RURAL COMMUNITIES

The recent financial problems at Wahiawa General Hospital show how vulnerable rural communities are. The Hawaii Health Systems Corporation (HHSC) manages most of the publicly-run hospitals in the State. Most of HHSC's facilities are on the neighbor islands in rural communities.

Since 2000, HHSC requested emergency appropriations totaling over $70.3 million to cover budget shortfalls caused by declining Medicare and Medicaid reimbursements, increases in indigent care and bad debt, and greater employee costs attributed to the Affordable Care Act and a severe physician shortage. The distribution of these appropriations is as follows:

Table 1. Emergency Appropriations for Hilo Medical Center

YEAR	AMOUNT FUNDED
Act 30, Session Laws of Hawaii 2008	$7,528,000
Act 67, Session Laws of Hawaii 2009	$7,000,000
Act 79, Session Laws of Hawaii 2014	$4,103,000
Act 51, Session Laws of Hawaii 2015	$3,001,000
TOTALS	**$21,632,000**

Table 2. Emergency Appropriations for Kau Hospital

YEAR	AMOUNT FUNDED
Act 30, Session Laws of Hawaii 2008	$6,000
TOTALS	**$6,000**

Table 3. Emergency Appropriations for Kona Community Hospital

YEAR	AMOUNT FUNDED
Act 30, Session Laws of Hawaii 2008	$5,072,000
Act 67, Session Laws of Hawaii 2009	$3,700,000
Act 79, Session Laws of Hawaii 2014	$1,730,000
Act 51, Session Laws of Hawaii 2015	$2,746,000
TOTALS	**$13,248,000**

Table 4. Emergency Appropriations for Kohala Hospital

YEAR	AMOUNT FUNDED
Act 30, Session Laws of Hawaii 2008	$81,000
TOTALS	**$81,000**

Table 5. Emergency Appropriations for Maui Memorial Medical Center

YEAR	AMOUNT FUNDED
Act 79, Session Laws of Hawaii 2014	$5,000,000
Act 51, Session Laws of Hawaii 2015	$5,801,000
TOTALS	**$10,801,000**

Table 6. Emergency Appropriations for Kula Hospital

YEAR	AMOUNT FUNDED
Act 79, Session Laws of Hawaii 2014	$263,000
Act 51, Session Laws of Hawaii 2015	$774,000
TOTALS	**$1,037,000**

Table 7. Emergency Appropriations for Lanai Community Hospital

YEAR	AMOUNTS FUNDED
Act 30, Session Laws of Hawaii 2008	$464,000
Act 79, Session Laws of Hawaii 2014	$220,000
Act 51, Session Laws of Hawaii 2015	$267,000
TOTALS	**$951,000**

Table 8. Emergency Appropriations for Kauai Veterans Memorial Hospital

YEAR	AMOUNTS FUNDED
Act 67, Session Laws of Hawaii 2009	$3,300,000
Act 4, Special Session Laws of Hawaii 2013	$6,800,000
Act 79, Session Laws of Hawaii 2014	$2,338,000
Act 51, Session Laws of Hawaii 2015	$433,440
TOTALS	**$12,871,440**

Table 9. Emergency Appropriations for Samuel Mahelona Memorial Hospital

YEAR	AMOUNTS FUNDED
Act 30, Session Laws of Hawaii 2008	$203,000
Act 4, Special Session Laws of Hawaii 2013	$500,000
Act 79, Session Laws of Hawaii 2014	$460,000
Act 51, Session Laws of Hawaii 2015	$168,560
TOTALS	**$1,331,560**

Table 10. Emergency Appropriations for Leahi Hospital

YEAR	AMOUNTS FUNDED
Act 30, Session Laws of Hawaii 2008	$189,000
Act 79, Session Laws of Hawaii 2014	$600,000
Act 51, Session Laws of Hawaii 2015	$1,300,000
TOTALS	**$2,089,000**

Table 11. Emergency Appropriations for Maluhia

YEAR	AMOUNTS FUNDED
Act 30, Session Laws of Hawaii 2008	$457,000
Act 79, Session Laws of Hawaii 2014	$286,000
Act 51, Session Laws of Hawaii 2015	$509,000
TOTALS	**$1,252,000**

In the cases of Kona Community Hospital and Maui Memorial Medical Center, both hospitals announced that without the immediate infusion of cash, operations would have to cease. Because of public uproar and the realization by lawmakers that large geographic areas would no longer be served, the State took drastic steps to keep these hospitals running.

For Kona Community Hospital, more than $13 million was provided over a seven-year period to stabilize its finances.

For Maui Memorial Medical Center, not only did the State appropriate more than $10 million over a two-year period, it also changed laws in 2015 to allow a private entity, Kaiser Permanente, to manage the hospital.

Many of the problems that Kona Community Hospital and Maui Memorial Medical Center experienced are the same that Wahiawa General Hospital faces today. And as was the case for Kona Community Hospital and Maui Memorial Medical Center, if the State does not provide the emergency "bridge" financing for Wahiawa General, the hospital will likely close within a short period of time.

V. ASSISTANCE FROM THE STATE OF HAWAII

WGH desperately needs assistance from the State to help it adjust to the requirements of the Affordable Care Act, integrate with the centralized services of a larger health care system, and restructure its clinical services as necessary.

"Bridge" financial assistance from the State would provide WGH with positive cash flows and financial stability while it transitions to a new business model. Without such assistance, WGH will run out of cash and not be able to meet its payroll demands. Furthermore, because of its current financial position, WGH cannot access the debt market to meet its needs.

WGH seeks financial assistance from the State in the amount of $3 million per year for a two-year period for a total request of $6 million. This would give WGH two years to formalize a partnership with an affiliated network, restructure its operations and services, and develop additional revenue streams.

Without this assistance, programs and services will continue to be reduced and hospital hours may have to be cut back. Similarly, employees may have to be laid off and key employees may leave for more secure jobs elsewhere – even to off-island locations. At this point, WGH may quickly enter a "death spiral" and eventually have to seek bankruptcy protection to discharge debt obligations to protect its remaining assets.

Without assistance, it is doubtful that WGH will operate for more than 6 to 9 months.

Accordingly, on behalf of my constituents of the 46th District of the State of Hawaii (Wahiawa, Whitmore Village, Launani Valley), and the more than 100,000 residents of the geographical region – Mililani, Wahiawa, Waialua, Sunset, and Kahuku - serviced by Wahiawa General Hospital, I respectfully ask that you include an appropriation in House Bill No. 1700, House Draft 1, for $3,000,000 in General Funds for fiscal year 2016-2017, and $3,000,000 in General Funds for fiscal year 2017-2018 to support the operations of Wahiawa General Hospital.

Again, thank you for the opportunity to testify. As a former Chair of the House Finance Committee, I truly appreciate the importance of my request and the great responsibility that you bear. Should you have any questions or would like further clarification, please do not hesitate to contact me at 586-6700.

Hearing Date: Tuesday April 5, 2016
9:00 A. M. Conference Room 211

To: Senate Ways and Means Committee
Senator Jill N. Tokuda, Chair
Senator Donovan M. Dela Cruz, Vice Chair
Members of the Senate Ways and Means Committee

From: Adolfo M., Resident of Maluhia Long Term Care Facility

Re: HB 1700, HD1 Relating to State Budget. TESTIMONY IN SUPPORT
Long Term Care Services

I am writing to express the priority in helping elderly and disabled like me in budgeting for Maluhia and Leahi as the state's safety net long term care facilities. I respectfully ask for you to support in funding for long term care services (within Hawaii Health Systems Corporation) in HB 1700, HD1.

It was hard to adjust to Maluhia and my physical limitations at first. However, the staff at Maluhia helped me get better. The Maluhia staff are so nice, caring, considerate, and helpful. Maluhia is my home, my house. I made friends at Maluhia with the other residents. I enjoy all the activities here to keep me busy.

It is hard for my family to care for me, which is why I am at Maluhia. My children go to work and have young children. My wife helps to take care of our triplet grandsons. They all have special needs so it is good that my wife is there for them. My family does not have to worry about me as I am well taken care of here.

Please consider the $21 million supplemental request from Hawaii Health Systems Corporation.

Thank you for the opportunity to testify.

April 4, 2016

Hawaii State Legislature
House of Representatives
415 South Beretania Street
Honolulu, HI 96813

To Whom It May Concern:

I am writing to you today to express my deepest support for HB1700, which would help to provide emergency funding for Wahiawa General Hospital and allow it to stay open. As a physician who has spent more than 10 years working on-island on Oahu and Big Island as a hospitalist doctor, service Hawaii's sickest and disadvantaged members, I think I'm acutely gravely aware about this critical issue of health care on Oahu.

Since moving here 10 years ago after finishing residency training in California, I have made it my mission to help the unfortunate and deeply sick individuals that come through Hawaii's emergency rooms every day. Although we live in a paradise with wonder sights, sounds, and outdoor activities, there is no denying that a large portion of Hawaii society suffers from chronic debilitating diseases like diabetes, obesity, drug use, coronary artery disease, among other things. I've seen first hand the difficulties that poorer citizens in Hawaii have had with getting available and quality health care. Having worked for almost 6 years at St. Francis Medical Center – West and then Hawaii Medical Center – West, up until the day it closed, I think I, as well of the rest of the hospitalist doctors I work with in my group who were there also, am uniquely qualified to discuss the horrible ramifications of having Wahiawa General Hospital shutter its doors.

In the weeks to months after Hawaii Medical Center – West closed its doors in December of 2011, as we all too recently remember, the hospitals of the island where overwhelmed to the point of crisis for more than a year. Ambulances were pouring in to every Oahu hospital and often times almost every single hospital was on diversion, which means their emergency rooms were filled to the brim and couldn't safely accept more patients. Patients who ended up being admitted had to wait hours and sometimes a day or more to finally get admitted to a hospital bed on the wards or ICU because the island's health care resources were stretched to the brink of exhaustion, and continued to be this way until Queens Medical Center finished buying, renovating, and finally reopened Queens Medical Center – West. This included Wahiawa General Hospital, which I started working at soon after Hawaii Medical Center – West closed down. In the 21st Century in what is arguably the greatest country of the world, Hawaii's health care system came dangerously close to collapse.

Over the last few years, myself and the other hard-working doctors, nurses, and employees of Wahiawa General Hospital have fought tooth and nail to help probably one of the poorest areas of Oahu in Wahiawa. Serving the larger area of the entire North Shore and much of Central Oahu, we have been doing our best to stem a health-care crisis for an area that otherwise would have no help. Until our emergency room was recently renovated, we were working in less than ideal conditions with very few beds, and even today we work in sub-standard conditions compared to the other hospitals on island. My office to this day is nothing more than a converted 8' by 6' windowless broom closet. But we all work hard, night and day, to make sure that the doors stay open, that the sickest of our ohana from Waianae and Nanakuli to Waiaula and Kahuku get the care they need, regardless of age, race, income, or other factors. Many of us could work at other hospitals and institutions on island, but we have become a family here and spend our hours and days doing hectic, stress-filled, emergent work that most people would never be able to handle. We do this not for money or for glory or for fame, but because taking of the sickest members of Oahu and the aina runs in our blood, this job is a call to duty for many of us, and we couldn't imagine working anywhere else.

I am not exaggerating when I say that if Wahiawa General Hospital were to close, it would be a health care catastrophe of unimaginable proportions. Anybody who thinks that other hospitals such as Queens Medical Center – West or Pali Momi could easily pick up the slack from the overwhelming numbers that sometimes come into our ER and get admitted to the floor is gravely mistaken and definitely doesn't remember the Hawaii health care crisis at the beginning of 2012. Even today, the other hospitals on the island still routinely are on divert and still often have admitted patients waiting in their ERs to get a room, and the idea that they could handle the added influx from Wahiawa General Hospital is simply not accurate. The general public of Oahu, especially for anyone in the entire North Shore and a lot of central and west Oahu, would have the quality of their health care suffer. Excessive wait times, crowded hospitals, fewer staff available for each patient, and overburdened doctors and nurses who would be more likely to make mistakes or not be able to provide enough time per patient would become the sad new norm.

In the end, I come to you not as a doctor, not as a medical professional, but as a concerned and dedicated resident of Hawaii and an American to ask for your support for this funding. In a state where we can spend billions of dollars for rail to alleviate traffic congestion and capital improvement to make people more comfortable in their cars and improve the view, how can we in good conscience allow our loved ones, friends, and ohana of Oahu suffer from sub-standard health care and a lack of choices in emergent and inpatient medical treatment? I urge you to think about the greater good and health of everyone on the island, and I strongly ask that you vote for HB1700

Thank you for your time, and much mahalo for your support.

Sincerely,

Albert S. Lin, M.D.
Board Certified – Internal Medicine

Hawaii Hospitalist Group, LLC

Antya Miller
59-661 Alapio Road
Haleiwa, HI 96712

Testimony to the Senate Committee on Ways and Means
Tuesday, April 5, 2016
State Capitol, Conf. Room 211

RE: PROPOSED AMENDMENT TO HOUSE BILL NO. 1700, HOUSE DRAFT 1, RELATING TO THE STATE BUDGET – APPROPRIATION FOR WAHIAWA GENERAL HOSPITAL

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:
My name is Antya Miller, and I am a resident of Pupukea/Haleiwa. I am submitting written testimony in SUPPORT of House Bill No. 1700, House Draft 1, but ask for your favorable consideration of an amendment to appropriate $3 million for Wahiawa General Hospital.

Wahiawa General Hospital is an essential medical facility in Central and North Shore Oahu. It is the only facility that provides emergency medical services, which I had need of recently, in a vast geographical area extending from Mililani to Wahiawa, Waialua, Sunset, and Kahuku. This area encompasses nearly one-third of the entire Island of Oahu.

The closure of Wahiawa General Hospital would have enormous ramifications to the health, welfare, and safety of these communities. If Wahiawa General Hospital was to close, the nearest emergency room for a person situated in Wahiawa would be either Pali Momi near Pearlridge Center, or Queen's Medical Center West – both of which are approximately 14 miles away.

For a person living in Waialua or Sunset or Kahuku, the distance would be 40 miles instead of the 20 miles it is to go to Wahiawa General Hospital. In a case of a critical accident or sickness, the extra miles it takes to get a person to an emergency room might be the difference between life and death. And with the traffic bottleneck at Laniakea, the time of travel could be greatly extended even for emergency vehicles.

Furthermore, Wahiawa General Hospital is one of the largest employers in Central Oahu with approximately 90% of its workers residing in the surrounding areas. Most of the employees are members of the ILWU, UPW, and HNA unions. These are very good-paying, professional jobs.

The closure of Wahiawa General Hospital would be devastating to entire families as heads of households will need to seek reemployment while keeping up payments for the mortgage, putting food on the table, and doing all they can to make life "normal" for their children and families.

It is vital that Wahiawa General Hospital remain operational. For these reasons, I respectfully urge your SUPPORT for an amendment to House Bill No. 1700, House Draft 1, that would include a $3 million appropriation for Wahiawa General Hospital.

Sincerely,
Antya Miller, North Shore Resident Since 1961
638-8462

Hearing Date: Tuesday April 5, 2016
9:00 A. M. Conference Room 211

To: Senate Ways and Means Committee
Senator Jill N. Tokuda, Chair
Senator Donovan M. Dela Cruz, Vice Chair
Members of the Senate Ways and Means Committee

From: Aubrey T., Resident of Maluhia Long Term Care Facility

Re: HB 1700, HD 1 Relating to State Budget. TESTIMONY IN SUPPORT
Long Term Care Services

I am writing to express the priority in helping the sick elderly and disabled people like myself in budgeting for Maluhia and Leahi as the state's only safety net facilities. I respectfully ask you to support in funding for long term care services (within Hawaii Health Systems Corporation) in HB 1700, HD1.

Maluhia has been open for over 30 years and it's the only place we can go to and know we will be safe. Since the "silver age" has come upon us we have to be concerned about the sick elderly. We have homeless and we have our disabled and elderly. Why cut services. What would the elderly and disabled do then? Put us on the street or in foster homes that have 2 to a room and get fed saimin 3 times a day? We have homeless we see a lot better feeding condition than if we move us to a foster home environment.

Maluhia means to me it's a home away from home. If my wife could take care of me I would be home now. Medicaid does not provide twenty four hour or appropriate assistance for me to live at home with my wife. I would not want to be in those foster homes. No way. You have people at Maluhia who have worked here awhile, some are new and they treat us like we are all family. There's a lot of aloha here.

Please consider the $21 million supplemental request from HHSC. I am upset that SB2064 and HB1881 did not pass this session. I would like to see the two closed units at Maluhia and Leahi reopen and remain open for many years and generations. Please support individuals such as myself.

Thank you for the opportunity to testify.

From: Becky Gibson
To: WAM Testimony
Subject: HB 1700, HD 1 relating to State Budget
Date: Monday, April 04, 2016 2:21:24 PM

Hearing Date: Tuesday, April 05, 2016 at 9:00 a.m.
Conference Room 211

To: Senate Committee on Ways and Means

From: Becky Gibson
Protect Leahi & Maluhia Ohana
bclgibson@yahoo.com

Re: HB 1700, HD1 Relating to State Budget
TESTIMONY IN SUPPORT
Long Term Care Services–A Priority Safety Net On

We have a high percentage of elderly living in Hawaii. Some of these frail and physically and/or mentally challenged elderlies require 24/7 care.

Long---term care hospitals like Leahi and Maluhia continue to serve this elderly population in our community for all these years even when Medicare/Medicaid continues to cutting reimbursement. These facilities requires adequate funding in order to provide services to this group of elderlies who had worked very hard in their lives through manual labor, such as, plantation and agriculture. It's time for us to support them what they had contributed to build what we have today in Hawaii.

Thank you for this opportunity to testify.

Confidentiality Notice: This email message, including any attachments, is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure, or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply e-mail and destroy all copies of the original message.

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: nimboy44@aol.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Friday, April 01, 2016 9:09:48 AM

HB1700
Submitted on: 4/1/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Bill Quinlan	Individual	Support	No

Comments: Please support funding for Wahiawa General Hospital. Lives are at stake. It will also be much less costly to support the hospital in the short trem than to allow it to close and then reopen.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

Hearing Date: Tuesday, April 05, 2016
9:00 a.m. – Conference Room 211

To: Senate Committee on Ways and Means

From: Bruce Fujii
Protect Leahi & Maluhia 'Ohana

Re: HB 1700, HD1 Relating to State Budget
Testimony in Support
Long Term Care Services – A Priority Safety Net

Thank you for reviewing my statement.
My name is Bruce Fujii and I'm currently a resident at Leahi Hospital. I originally came to Leahi after having been treated for infections in my legs. After being treated at Queen's hospital I came to Leahi to rehab and regain the strength in my legs
I've been at Leahi about a year now, and through the staff's watchful eye and an improved diet I've gained back the the weight I was prior to going to Queens Hospital (Cardiac, Renal)
Because my children work, I'm left at home by myself usually leaves at 5:30 a.m. and
On one particular day, my son ~~was~~ tel normally return at 6:30 p.m. I did not know that he was g to a funeral that evening, and he didn't return until 10:3
Well, I had fallen in the bathroom at 6:30 am so there was 10 days of "ohana" hosp treatment "flushing" my kidneys. So the staff ~~here~~ at Leahi was about my well being ~~and~~ physically and dietary wise.

If not for ~~the~~ Leahi Hospital and ~~its~~ care of the staff who knows how I would doing today. Please see that the financial assistance is greatly needed and appreciated Thankyou!

Respectfully,
Bruce Fujii

Hearing Date:	Tuesday, April 05, 2016 9:00 a.m. – Conference Room 211
To:	Senate Committee on Ways and means
From:	Chad Whitford Protect Leahi & Maluhia 'Ohana
Re:	HB 1700, HD1 Relating to State Budget Testimony in Support Long Term Care Services – A Priority Safety Net

---

I am a member of Protect Leahi & Maluhia 'Ohana; a local all-volunteer network of families and supporters that came about in response to the budget crisis impacting the public safety net facilities on Oahu, Leahi Hospital and Maluhia, as well a concerned citizen of the community.

I was affected by the closure of one of the units here and would like to ask for your support of HB 1700. I am hoping the unit I came from can be reopened.

Thank you for allowing me to testify in support of HB 1700.

C. Whitford

Chad Whitford

From: Charlene Wong
To: WAM Testimony
Subject: PLEASE SUPPORT HB1700, HD1 - LONG TERM CARE SERVICES, A PRIMARY SAFETY NET
Date: Friday, April 01, 2016 7:36:06 AM

I urgently ask your support for HB1700, HD1 - which will provide funding for long term care services.

There is a tremendous need for funding for our public hospitals. Without the additional funding, our elderly and others who need long term care services will have no place to stay at these public hospitals. Hospital staffing will be cut and people will lose their jobs.

My father Lawrence Wong has lived at Maluhia Hospital for over 4 years as a private paid resident. Due to a bad fall he required long term care. My dad is now 97 years old and has talked on numerous occasions that he doesn't want to live anywhere else. He loves the social activities, physical and occupational therapy each week. Being there has kept him alive and mentally well because he looks forward each day to play Bingo and go to his therapy.

At this time, my father has exhausted all his savings and we are awaiting approval for Medicaid. He has been worried that he would be kicked out because of all the funding cutbacks. He strongly communicated to everyone that he doesn't want to leave Maluhia Hospital.

On behalf of my father and my family, we humbly ask for your support to provide the necessary funding for long term care at Maluhia and Leahi Hospitals.

Very grateful,

Charlene Wong & Family

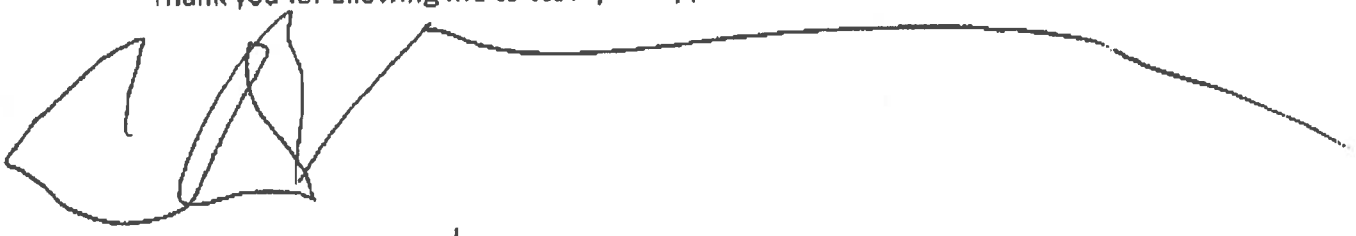
Hearing Date:	Tuesday, April 05, 2016 9:00 a.m. – Conference Room 211
To:	Senate Committee on Ways and means
From:	Chris Yonashiro Protect Leahi & Maluhia 'Ohana
Re:	HB 1700, HD1 Relating to State Budget Testimony in Support Long Term Care Services – A Priority Safety Net

---

I am a member of Protect Leahi & Maluhia 'Ohana; a local all-volunteer network of families and supporters that came about in response to the budget crisis impacting the public safety net facilities on Oahu, Leahi Hospital and Maluhia, as well a concerned citizen of the community.

I have been living at Leahi since May, 2015. I was affected by the closure of one of the units here and would like to ask for your support of SB 2064. I am hoping the unit I came from can be reopened.

Thank you for allowing me to testify in support of HB 1700.



Chris Yonashiro

HAWAII EMERGENCY PHYSICIANS ASSOCIATED

HAWAII STATE LEGISLATURE

Testimony to the Senate Committee on Ways and Means

Tuesday, April 5, 2016

State Capitol, Conf. Room 211

RE: PROPOSED AMENDMENT TO HOUSE BILL NO. 1700, HOUSE DRAFT 1, RELATING TO THE STATE BUDGET—APPROPRIATION FOR WAHIAWA GENERAL HOSPITAL

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee

I am Danny Bamber, Wahiawa General emergency physician, submitting written testimony in SUPPORT of House Bill No. 1700, House Draft 1, and ask for your favorable consideration of an amendment to appropriate $3 million for Wahiawa General Hospital. As Medical Director of the Emergency Department at Wahiawa General Hospital. I understand the role of Wahiawa General Hospital and its emergency services to the community of central Oahu and the north shore of Oahu.

I am from Ewa Beach and live on the north shore with most of my family and friends. My wife, children, mother, aunts, uncles and cousins all live within the catchment area of Wahiawa and I am integrally connected to this hospital and community. When my family needs a physician, we go to Wahiawa General Hospital. I chose to become medical director at Wahiawa General Hospital because I live in and care about this community and this facility. Wahiawa General Hospital serves a unique and underserved population in Oahu.

Our emergency department is staffed only with board certified emergency physicians, who are trained to diagnose, stabilize and manage the sickest of patients. We frequently take care of patients with time-sensitive diagnoses such as traumas, strokes, heart attacks, severe infections (among many others), from central and north Oahu who would otherwise have significant delays of care. We work in a newly renovated, state of the art emergency department that can provide the most up to date, best medicine available. We have one of the most advanced CT scanners in the state, which allows us to make earlier

PO Box 1266, Kailua, HI 96734 ♦ Phone (808)226-1048 ♦ Fax (808) 261-3092

diagnoses than many other hospitals. Following is a list of unique services/characteristics that Wahiawa General provides to central Oahu and the north shore of Oahu.

1. Emergency Department manages 22,000 patients/yr.
2. Oahu is oversaturated with acute medical patients and this causes ambulances to be diverted to other, more distant hospitals, which causes delays to patient care.
3. The nearest facilities are Kahuku and Pali Momi, which is frequently closed to inpatient admissions and ambulances because it is at full capacity.
4. Wahiawa General is the only Stroke Center within 20 miles.
5. The skilled nursing facility manages more than 100 patients from all over the state
6. Wahiawa General provides the only geriatric/psychiatry services in the state (takes care of dementia patients)
7. Provides emergency services to military families who are too ill to transport to Tripler (avg 40min transport)
8. The only inpatient dialysis services in central and leeward Oahu
9. Provides Orthopedic Services to central and leeward Oahu
10. Provides Surgical Services to central and leeward Oahu
11. Provides unique support to military/mass casualty events

After St Francis West closed, Wahiawa General absorbed the influx of patients from the north shore, central Oahu, and the leeward side. WGH was a key element managing the surge after the failure of the St Francis health system - none of us want to experience a similar event again. Oahu ambulance re-route (currently 3,120 hrs. annually) soared and patients suffered and died. We provide critical services to our community that are otherwise unavailable.

I feel that the people of central, north and west Oahu deserve to have the same access to quality health care as the rest of the state and I urge you to approve the amendment that provides the security that Wahiawa needs to remain solvent.

Thank You,

Danny Bamber

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: darla.professionalservices@gmail.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Sunday, April 03, 2016 8:31:13 PM

HB1700
Submitted on: 4/3/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Darla Requelman	Individual	Comments Only	No

Comments: Thank you for allowing my submission of my written testimony in support of the funding urgently needed to assist local families. My family is one of the fortunate ones to have located a facility that had available space for my 89 year old great aunt, whom is now a resident of Leahi State Hospital. Without the necessary funding our Kupuna will not have adequate care they deserve after contributing to our community during their lifetime. Mahalo nui for your time and consideration!

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: MattMakaha99 .
To: WAM Testimony
Subject: Testimony HB1700, HD1 SUPPORT –Long-Term Care Safety Net
Date: Thursday, March 31, 2016 12:37:42 AM

Hearing Date: Tuesday--April 5, 2016, 9:00 AM Conference Room 211

To: Senate Committee on Ways and Means

From: David Chong, makaha99@gmail.com

Re: HB 1700, HD1 Relating to State Budget
TESTIMONY IN SUPPORT
Long Term Care Services--A Priority Safety Net

Please support funding for long-term care services in HB1700, HD1. Hawaii has the nation's fastest aging population. Projections from U.S. Census data show that by 2030, 1 out of 5 adults in Hawaii will be age 65 or older, and adding the fact that Hawaii's long-term care bed rate of 22 beds per 1,000 residents age 65 and older is about half that of the national rate, Hawaii really should be preparing for this aging crisis by creating more nursing home beds for its population, not less. Last year the 4th floor of Leahi hospital and a wing at Maluhia were closed, so we actually shrank our capacity. The problem of our aging population isn't going away. It will only get worse, and by not addressing this, we are only kicking the can down the road for our next generation to fix, which is irresponsible.

Thank you for this opportunity to testify.

m

Dear Legislators,

I urge you to support funding for long-term care services, specifically that of Leahi and Maluhia, originally asked for in HB1700. Leahi and Maluhia provide services to families that have no other alternative but to place loved ones in to long-term care. In addition, of equal importance and from my personal experience, is the invaluable service of Adult Day Care for those that meet the criteria. It serves both the needs of the adult patient but also that of the family that must care for them. The availability of this service strikes an important balance when managing care and personal lives critically important to everyone's personal wellbeing and quality of life. These services are vital and continued funding is so important to those that these facilities and those working there serve. Please fund these important services! Thank you for the opportunity to testify on this very important bill.

Sincerely,

Linda Nakamura

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: DBAKE0924@GMAIL.COM
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Friday, April 01, 2016 5:29:37 PM

HB1700
Submitted on: 4/1/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
DIANA BAKER	Individual	Support	No

Comments: My family and I are in support of keeping Wahiawa General open. That is the only hospital in that area. Not only are there elderly who live in that area, there are beach goers and surfers who use the emergency room. Please consider keeping Wahiawa General open.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: fsayre@hawaii.rr.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Sunday, April 03, 2016 4:43:55 PM

HB1700
Submitted on: 4/3/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Dr. Frank H. Sayre, D.D.S.	Individual	Support	No

Comments: It is imperative that this bill is passed and the $21 million be appropriated for the safety net Neighbor Island Hospitals. Once the Maui transfer takes place and the way is cleared for other hospitals to transfer this problem/expense will be greatly alleviated. Thank You

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From:	mailinglist@capitol.hawaii.gov
To:	WAM Testimony
Cc:	dylanarm@hawaii.edu
Subject:	Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date:	Sunday, April 03, 2016 10:29:20 AM

HB1700
Submitted on: 4/3/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Dylan Armstrong	Individual	Support	No

Comments: Modernize our schools and support our state hospitals!

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

Wahiawa General Hospital is a legacy grass roots based nonprofit institution which historically provided essential emergency, acute, long term and preventative services to the plantation workers of Central Oahu, Wahiawa and the North Shore. With the closures of the smaller plantation hospitals in Waipahu and Waialua, WGH became the sole source of health care services to a vast area encompassing Mililani, Wahiawa, Waialua, Haleiwa,and Sunset Beach, 1/6 the total area of Oahu..

WGH provides comprehensive serves equivalent to any other major island hospital. The hospital's 107 bed long term care facility provides compassionately for the post hospital care needs of the area's many elderly , giving them the immense reassurance and comfort of being able to recove and rehabilitate right in the heart of their own community. For our seniors, reducing stress in this way is inherently life saving. In addition, WGH is the only area hospital to offer in house dialysis services to end stage renal failure patients amidst an undeniable and appaulling epidemic of chronic kidney disease in the area affecting both diabetic and non diabetic patients.

Wahiawa General Hospital's comprehensive serves are being provided in the context of an acknowledged statewide acute hospital bed shortage, making its preservation part of a larger island wide and statewide issue.

As a family practice physician, I transitioned out of a community health center in Kalihi where I had worked for 17 years and have been privileged to become acquainted with the community of Wahiawa over the past 4 years. The folks in Central oahu, Wahiawa, Whitmore Village and the North Shore embody the aloha spirit and are truly admirable and remarkable for their stoicism, their patience and kind heartedness, their humble demeanor, their dedication to family and of course their legacy of incredibly hard work which many continue into their 70s with diligence and grace.

It would be tragic for this historic gem of a community to be abruptly deprived of a resource which is vital to the well being and survival of its members, 100,000 people.

Bankruptcy is not a good option because it will result in a prolonged loss of all the essential services and create a public health crisis.

Since inaction by the community's representative and the hospital CEO has resulted in the current imminent crisis, I implore the Senate Ways and Means Committee members not to punish these wonderful, innocent and vulnerable members of our island community by denying them assistance.

By legally attaching a requirement for financial transparency to a 3 million dollar initial grant in aid, the legislature, the taxpayers, and the Wahiawa Community can be part of an inclusive process to rehabilitate the hospital and guide it's future. According to the Star Advertiser (3/6/2015), Wahiawa General Hospital opened its books to Hawaii Pacific Health when they were "mulling purchase" last year and should be willing to do so for the state as well in exchange for ongoing support to maintain critical services.

By putting a 3 million dollar allocation from the state's 800 million dollar surplus into HB 1700 HD1, the state budget bill, the Senate Ways and Means Committee will be doing right by a group of people who, by their hard labor, strength, stamina, commitment and sheer heart were instrumental in building much of the early foundation for the state's economy. They deserve to be cared for, not abandoned.

Ellen Sofio M.D.

Eryle Okamura
95-749 Lauaki St.
Mililani, Hawaii 96789

April 2, 2016

Testimony to the Senate Committee on Ways and Means, Tuesday April 5, 2016, State Capitol Conference Room 211.

RE: PROPOSED AMMENDMENT TO HOUSE BILL NO. 1700, HOUSE DRAFT 1 RELATING TO THE STATE BUDGET-APPROPRIATION FOR WAHIAWA GENERAL HOSPITAL.

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

My name is Eryle Okamura, and I am a resident of Mililani Town. This written testimony is in SUPPORT of House Bill No. 1700, House Draft 1. In addition, I am requesting that there be a special consideration for an additional $3 million to provide for the urgent needs of Wahiawa General Hospital.

Although I am a Mililani Town resident, I was born and raised in Wahiawa. Along with my three other siblings, we represent the third generation of my family who call Wahiawa "our home town".

Wahiawa General Hospital was vital to my wellbeing early in my life as I was a sickly child. In grade school, I was stricken with illness and injuries many times. Sometimes, these required advanced care and necessary hospital stay. Having the hospital nearby allowed quick transportation to and from our home. For my parents, it meant that their children had immediate healthcare that was readily accessible. While in the hospital, it allowed them the comfort of being able to see me often. It also meant less stress for them without having to take more time off from their respective jobs.

Without question, Wahiawa General Hospital was, and is, an essential resource to the geographic area of this island. Currently, it is the only emergency facility serving Mililani to Kahuku. This represents about one-third of the geographic area of this island. Closing this hospital will certainly jeopardize the health of many residents.

I also understand that approximately 90% of Wahiawa General Hospital's employees come from the same area it serves. In these economic times, the closure of this hospital will bring extreme financial difficulties upon many families who depend on their income.

For the reasons stated above, I respectfully urge your SUPPORT for these resolutions.

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: janetanimoto@gmail.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Monday, April 04, 2016 12:04:56 PM

HB1700
Submitted on: 4/4/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Jane S. Tanimoto	Individual	Comments Only	No

Comments: I strongly believe that Wahiawa General Hospital is a vital part in servicing 1/3 of the State of Hawaii (Mililani to North Shore). Without it, people from these areas would have to travel an extra hour to get to the nearest hospital which could result in deaths during emergency situations. Please consider the importance of your decision in obtaining funding for Wahiawa General. Thank you.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

Hearing Date: Tuesday, April 5, 2016 @ 9:00 am
Conference Room 211

TO: Honorable Jill Tokuda, Chair
Senate Committee on Ways and Means

FROM: Jean Kashiwaeda
Member, Protect Leahi & Maluhia Ohana

RE: HB 1700, HD1 Relating to State Budget
Testimony in Support of Long Term Care Services – A Priority Safety Net

Chair Jill Tokuda and Members of the Committee:

Thank you for your time and the opportunity to submit testimony on HB 1700, HD1. My family and I send our heartfelt plea for your support of funding for long-term care services in HB1700, HD1. Long-term care hospitals like Leahi, Maluhia, and Wahiawa serve an important purpose in our community. Statewide, an increasing number of families, like mine, have turned to these valued community resources when it was no longer safe to keep our elders and disabled at home.

The Legislature's foresight and past support of the public hospitals to keep their doors open is commended and appreciated. When my Dad reached that point in his life where he needed help, Leahi Hospital was there for him. It was truly a safety net for my Dad who in his lifetime worked hard as a laborer, carpenter, and commercial maintenance, served in the U.S. Army, lived prudently saving his hard-earned wages for rainy days, was not a smoker or a drinker, and never bought anything luxurious or frivolous. Then as life turns out, his savings were quickly depleted when Mom was stricken with a debilitating disease and her Medicare benefits exhausted – the cost of medicines, medical supplies and services, and eventually nursing care services drained their savings before they could enjoy their senior lives. Eventually, Dad was stricken with diabetes, stroke, dementia, incontinence, and immobility, and could no longer live his life safely at home. He no longer cared and did not know how to live with his dysfunctional body but thankfully, Leahi Hospital was there for him.

There are many others like my Dad who worked hard, paid their taxes, were good law-abiding citizens, and yet at no fault of their own, were stricken with a debilitating disease that would cause them to starve, wander, live in unsanitary conditions, and perhaps cause injury to themselves or others. Fortunately, facilities like Leahi, Maluhia, and Wahiawa Hospitals, are there to help them. Cutting funds at this time will reduce the number of beds statewide for our growing senior population. But by supporting funding to maintain services, you will continue to help current and future disabled individuals and seniors. No one knows what will happen to us in the future but for those of us that have experienced the care-giving routine, we look to you as leaders with good foresight and compassion, to ensure that the public hospitals as a safety net will continue to be there for all of us in the future.

We respectfully urge you to support funding for long-term care services in HB1700, HD1. And we ask for favorable consideration of keeping intact the $21 million supplemental request from HHSC so the public hospital safety net can be spared from further damage.

Thank you for your time and favorable consideration of this matter.

Hearing Date: Tuesday, April 5, 2016 @ 9:00 am
Conference Room 211

TO: Honorable Jill Tokuda, Chair
Senate Committee on Ways and Means

FROM: Jean Kashiwaeda
Member, Protect Leahi & Maluhia Ohana

RE: HB 1700, HD1 Relating to State Budget
Testimony in Support of Long Term Care Services – A Priority Safety Net

Chair Jill Tokuda and Members of the Committee:

Thank you for your time and the opportunity to submit testimony on HB 1700, HD1. My family and I send our heartfelt plea for your support of funding for long-term care services in HB1700, HD1. Long-term care hospitals like Leahi, Maluhia, and Wahiawa serve an important purpose in our community. Statewide, an increasing number of families, like mine, have turned to these valued community resources when it was no longer safe to keep our elders and disabled at home.

The Legislature's foresight and past support of the public hospitals to keep their doors open is commended and appreciated. When my Dad reached that point in his life where he needed help, Leahi Hospital was there for him. It was truly a safety net for my Dad who in his lifetime worked hard as a laborer, carpenter, and commercial maintenance, served in the U.S. Army, lived prudently saving his hard-earned wages for rainy days, was not a smoker or a drinker, and never bought anything luxurious or frivolous. Then as life turns out, his savings were quickly depleted when Mom was stricken with a debilitating disease and her Medicare benefits exhausted – the cost of medicines, medical supplies and services, and eventually nursing care services drained their savings before they could enjoy their senior lives. Eventually, Dad was stricken with diabetes, stroke, dementia, incontinence, and immobility, and could no longer live his life safely at home. He no longer cared and did not know how to live with his dysfunctional body but thankfully, Leahi Hospital was there for him.

There are many others like my Dad who worked hard, paid their taxes, were good law-abiding citizens, and yet at no fault of their own, were stricken with a debilitating disease that would cause them to starve, wander, live in unsanitary conditions, and perhaps cause injury to themselves or others. Fortunately, facilities like Leahi, Maluhia, and Wahiawa Hospitals, are there to help them. Cutting funds at this time will reduce the number of beds statewide for our growing senior population. But by supporting funding to maintain services, you will continue to help current and future disabled individuals and seniors. No one knows what will happen to us in the future but for those of us that have experienced the care-giving routine, we look to you as leaders with good foresight and compassion, to ensure that the public hospitals as a safety net will continue to be there for all of us in the future.

We respectfully urge you to support funding for long-term care services in HB1700, HD1. And we ask for favorable consideration of keeping intact the $21 million supplemental request from HHSC so the public hospital safety net can be spared from further damage.

Thank you for your time and favorable consideration of this matter.

Testimony to the Senate Committee on Ways and Means
Tuesday, April 5, 2016
State Capitol, Conference Room 211

RE: STRONG SUPPORT
PROPOSED AMENDMENT TO HOUSE BILL NO. 1700, HOUSE DRAFT 1,
RELATING TO THE STATE BUDGET –
APPROPRIATION FOR WAHIAWA GENERAL HOSPITAL

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

My name is Jeanne Ishikawa. I am a third and fourth-generation resident of Wahiawa, and from generation-to-generation, my family and I have utilized the services of Wahiawa General Hospital (WGH). Please help us keep the hospital open and operational; I am asking for your favorable consideration of an amendment to House Bill No. 1700, HD 1, to appropriate $3 million for Wahiawa General Hospital.

My family, along with hundreds of others, helped to build this community hospital – a look at the names on the Donor Plaques in the hallway of the hospital will give you a history of WGH and Wahiawa town. I cannot imagine what would happen, not only to Wahiawa, but also to our neighboring communities if our hospital were to close.

WGH is an essential medical facility in the Central and North Shore areas of Oahu. It is the only facility that provides emergency medical services to a vast geographical area extending from Mililani to Wahiawa, Whitmore Village to Waialua, Haleiwa, and all the way to Kahuku. This area encompasses nearly one-third of the entire Island of Oahu. The closure of Wahiawa General Hospital would have tremendous ramifications to the health, welfare, and safety of these communities.

WGH is one of the largest employers in Central Oahu. Approximately 90% of its workers reside in the surrounding areas, allowing them to live the "Live, Work, Play" concept. Most of the employees are our neighbors, family, and/or friends, and they are dedicated to the hospital and to the community. Many of the employees are members of the ILWU, UPW, and HNA unions, and have very good paying, professional jobs.

Please, it is vital that Wahiawa General Hospital remains operational. I respectfully urge your support of an amendment to House Bill No. 1700, House Draft 1, for a $3 million appropriation for Wahiawa General Hospital.

Thank you for the opportunity to provide this testimony.

Sincerely,



Jeanne Ishikawa

From: Jerilyn
To: WAM Testimony
Subject: HB 1700, HD 1 Relating to State Budget - Testimony in support of Long-Term Care Service
Date: Monday, April 04, 2016 9:09:46 AM

To: Senate Committee on Ways and Means
From: Jerilyn Yamashiro
Jyamashiro18@gmail.com

When reviewing HB 1700, HD1 please consider keeping intact the $21 million supplemental request from HHSC. The homes of the residents depend on the funding both at Maluhia and Leahi. Our hard working frail elderly deserve to be treated with respect and dignity. They and their families deserve to have a choice of where to live. Nursing homes play an important role in the community and Maluhia and Leahi accept a significant number of Medicaid recipients.
I respectfully urge you to keep the HHSC funding intact.

Thank you for this opportunity to testify.

Sent from my iPhone

Hearing Date: Tuesday – April 5, 2016
9:00 a.m. – Conference Room 211

To: Senate Committee on Ways and Means

From: Joan K. Watanabe
cole-cali@hawaii.rr.com

Re: HB 1700, HD1 Relating to State Budget
TESTIMONY IN SUPPORT
Long Term Care Services – A Priority Safety Net

I am a concerned citizen, humbly asking you to support funding for long-term care services in HB1700, HD1. Please honor the $21 million supplemental request from HHSC to keep our public hospital safety net (Leahi Hospital and Maluhia) intact. Please do not allow further closure of beds in these facilities.

My grandfather was a resident at Leahi. Luckily, a bed was available for him when he needed it, and he happily resided there until his passing. Recently, however, due to budget shortfalls, entire nursing units were closed at Leahi and Maluhia. How do you compassionately inform 76 residents that they need to move out because their beds will no longer be available? I do not wish to see a repeat of this situation again.

My parents are old. I am approaching retirement age. My siblings, friends, co-workers and their parents are all aging. Please support our public hospitals and keep them operating! We need our **"safety net" facilities** to be there for us in the future (my future, your future, OUR FUTURE), when our families can no longer care for us and we have depleted our savings and have to rely on Medicaid/Medicare. Sadly, I hear that other long-term care facilities do NOT accept Medicaid patients.

Think about it…..the future is pretty scary if there's nowhere we can go for long-term care once we become Medicaid patients, simply because we used up all our savings for the very same long-term care. This is very possible if we allow further budget shortfalls to affect our safety net facilities. This may easily happen to you or someone you know.

Thank you for this opportunity to testify.

Hearing Date: Tuesday April 5, 2016
9:00 A. M. Conference Room 211

To: Senate Ways and Means Committee
Senator Jill N. Tokuda, Chair
Senator Donovan M. Dela Cruz, Vice Chair
Members of the Senate Ways and Means Committee

From: John N., Resident of Maluhia Long Term Care Facility

Re: HB 1700, HD 1 Relating to State Budget. TESTIMONY IN SUPPORT
Long Term Care Services

I respectfully ask you to support in funding for long term care services in HB 1700, HD 1. It is important to ensure adequate funding for senior citizens such as myself.

Maluhia has been my home for many years. I was part of the group of residents who was directly affected by the "temporary suspension" of the 3 mauka unit. Since I have been at Maluhia a long time, I got lucky and was able to find a bed on another unit. Five of my fellow residents from 3 mauka were not so lucky and had to find other places to live. It would make me feel very upset if further cuts were made. Even the times I have had to go to the hospital, I tell the doctors and my family that I have to come back to Maluhia fast. Maluhia is the only place for me! I don't want to live at other nursing or foster homes.

Prior to moving to Maluhia, things were okay being at home. However, I stayed in my wheelchair all day sleeping. My family says I was quiet. My wife was worried about me falling. My wife says I "blossomed" when I came to live at Maluhia. It's true. I am an early riser. I like to do my exercises, wheel myself all over Maluhia, and go to activities I like such as Bingo! I talk to anyone who will talk to me. On Saturdays, my family gets together and we play games on the sundeck or one of the family rooms here.

Please consider the $21 million supplemental request from HHSC. I was disappointed that companion bills SB2064 and HB1881 did not progress in this legislative session. I would hate to see my former 3 mauka home remain closed. I would hate to see further cuts made in the state's only safety net long term care facilities- Maluhia and Leahi.

Thank you for the opportunity to testify.

Hearing Date: Tuesday April 5, 2016
9:00 A. M. Conference Room 211

To: Senate Ways and Means Committee
Senator Jill N. Tokuda, Chair
Senator Donovan M. Dela Cruz, Vice Chair
Members of the Senate Ways and Means Committee

From: John R., Resident of Maluhia Long Term Care Facility

Re: HB 1700, HD 1 Relating to State Budget. TESTIMONY IN SUPPORT
Long Term Care Services

I am respectfully asking you to support funding for long term care services (through Hawaii Health Systems Corporation [HHSC]) in HB 1700, HD1. Please support and consider not only elderly, but also disabled people like me in budgeting for Maluhia and Leahi as the state's safety net facilities. I would like to share my story and why it is important to keep Maluhia and Leahi fully operational for years to come.

I call Maluhia my home. The result of my history of drugs and tobacco use led to me suffering two strokes. The first stroke left me having difficulty speaking and I had to use a cane. I went home, but my medications ran out. I had continued to smoke cigarettes. I suffered my second stroke about a month after the first. This left me debilitated as I could not move my left side of my body, I could not communicate more than small hand gestures, and I could not eat through mouth.

Over the years, I have learned to communicate through hand and facial gestures, use of my communication book, drawing, and sometimes I can say a word. I regained my ability to make my own decisions. A power wheelchair was donated to Maluhia and they selected me to use it. The power wheelchair has given me the independence I need! I am an active member of the Resident Council, which I always bring up and discuss important issues. Anyone who knows me knows I enjoy my food. I am glad I did not have to be tube fed long term so I can enjoy all food activities at Maluhia. The staff always makes an effort to get foods we like for special occasions such as laulau, asparagus, pancit/noodles, sushi, soups, etc. My other favorite activities are to play Mahjong and Bingo and watch TV and movies.

If I did not come to Maluhia, I probably would not be alive today. The staff has helped me get better and stronger. I believe I have a better quality of life than if I had returned home or gone to any other care facility. My wife and children go to work. My being here allows them to not to worry about me. Maluhia is my home and I do not want to live anywhere else!

Please consider the $21 million supplemental request from HHSC. I was hoping to see SB 2064 and HB 1881 go through this legislative session, but sadly it's stopped. Please help keep Maluhia and Leahi open.

Thank you for the opportunity to testify.

From: Julie H. Takahashi
To: WAM Testimony
Subject: State Budget HB1700, HD1
Date: Monday, April 04, 2016 9:29:54 AM

I am writing in support of State Budget HB1700, HD1 – Public Hospital Funding. The various facilities have long supported the many citizens of our state, particularly our kupunas. I have been working in the healthcare field for nearly 25 years and have seen many changes over time, both as an employee in private and public sectors and as a patient/family member accessing services. The public hospitals and long-term care facilities serve an integral role in the community with services and care that is not always the same as in the private sector. For example, as an employee of Maluhia, I have seen residents who have been admitted here after spending most of their monies in their previous custodial living situations. They were in need of looking for alternate living arrangements due to "no available bed" which apparently may have been related to their impending need to apply for government assistance. Being on Medicaid, or more so, having the status of "Medicaid pending" seems like a undesirable factor when it comes to seeking long-term placement. Many SNF/ICF facilities are specifically looking for SNF patients due to the higher reimbursement rates. Foster homes are frequently not a good match for many residents in need of ICF level of care also.

From a livelihood standpoint, a have had many conversations with my staff and my family, regarding feelings of stress, worry and concern over our employment. We all have mortgages/rent to pay, our children's education, high cost of living expenses, etc. As with everyone else concerned over finances, we realize how much of a trickle-down effect this has on so many ways. We all vow to do our best to help Maluhia survive as we continue to work hard to serve the residents and families of our community. We just ask that you all consider how personal this is to many and how important the service that we provide is.

Respectfully Yours,
Julie Takahashi

Confidentiality Notice: This email message, including any attachments, is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure, or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply e-mail and destroy all copies of the original message.

Hearing Date:	Tuesday, April 05, 2016 9:00 a.m. – Conference Room 211
To:	Senate Committee on Ways and Means
From:	Juliette Watanabe Protect Leahi & Maluhia 'Ohana
Re:	HB 1700, HD1 Relating to State Budget Testimony in Support Long Term Care Services – A Priority Safety Net

I am a member of Protect Leahi & Maluhia 'Ohana; a local all-volunteer network of families and supporters that came about in response to the budget crisis impacting the public safety net facilities on Oahu, Leahi Hospital and Maluhia, as well a concerned citizen of the community.

I have been a resident of Leahi for over a year and the issue of budget is really hurting us in terms of cutting of positions and laying off of staff.

I wish to thank you for your time and effort in looking over the bill and hope that you will give something for the residents of Leahi and Maluhia.

I wish you would consider the holistic view when making decisions regarding Leahi and Maluhia.

Thank you for allowing me to testify.

Juliette Watanabe

Hearing Date: Tuesday April 5, 2015
9:00 AM, Conference Room 211

To: Senate Ways and Means Committee
Senator Jill N. Tokuda, Chair
Senator Donovan M. Dela Cruz, Vice Chair

From: Kimberly Oshiro, kimberlyoshiro@yahoo.com

Re: HB 1700, HD1 Relating to State Budget
TESTIMONY IN SUPPORT
Long Term Care Services

I am a social worker at Maluhia, one of the two safety net long term care facilities in Hawaii. I respectfully ask you to support long term care services (Hawaii Health Systems Corporation) in HB 1700, HD 1.

This is important especially with the elder population growing. It is important to give our elderly and disabled adults a choice of where they want to be cared for and to have the care they deserve.

The majority of the residents at Maluhia and Leahi have Medicaid. It is challenging to be admitted to private long term care facilities for those with Medicaid or need to apply for Medicaid. Private facilities limit or deny admittance of patients on Medicaid for intermediate facility level of care due to low reimbursement rates.

There are many foster homes in the community. However, foster homes are not for everyone. My residents and families that choose to be in Maluhia over foster homes like the fact that there is a variety of activities and exercise programs, being part of a "community"/ "second family," dietician on staff, licensed nurses and nurse aides easily available 24/7, easy access to medical resources, doctors come to them to visit, and tougher health regulations. Generally, I recommend foster homes for those that are more able bodied, stable in health condition, do not like group activities, and/or prefer to keep to themselves.

There are many families that are unable to provide care at home as they go to work. Medicaid does not provide coverage for 24 hour home or community based care; therefore families would have to be responsible for the rest of the care. This is not possible for many families.

Please consider supporting the $21 million supplemental request from Hawaii Health Systems Corporation for all the safety net hospitals that benefit the well being for Hawaii's citizens. Please keep in mind the community need for long term care services within this request.

Thank you for the opportunity to testify.

From:	L Snyder
To:	WAM Testimony
Subject:	Submit Testimony in Support of Preschool Open Doors!
Date:	Wednesday, March 30, 2016 9:56:10 PM

From: pinayprinsess@yahoo.com <L Snyder>

Message:

To: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz , Vice Chair

Senate Committee on Ways and Means

Re: HB 1700 -- Relating to the State Budget

Hawaii State Capitol, Conference Room 211

Tuesday, April 5, 2016 9:00am

Aloha,

Please restore $6 million to the Preschool Open Doors (POD) program. This safety net helps approximately 1,300 families access to DHS-licensed childcare around the state so parents or guardians are able to work or go to school.

Childcare the second highest expense after housing costs for families in Hawaii. For the median POD family earning $33,000/year, this equates to an average of $8,040 to the family budget. If funding is not restored, approximately 1,050 underserved and at-risk children will lose access to preschool because the cost is out-of-reach for low and moderate-income families.

Defunding POD, means that the state will pay a much higher price in the long-run to as more underprepared children enter DOE schools requiring greater intervention and reliance on Special Education and other social services services.

Don't shortchange our most vulnerable keiki! Help to restore $6 million in funding for Preschool Open Doors program by appropriating funding the state supplemental budget this session.

Sincerely,

L Snyder

Career Counselor for a non-profit agency

Wailuku

Hawaii

Written Testimony Presented Before the

Senate Committee on Ways and Means

April 5, 2015 at 9am

By

Lynn A. Milligan MSN, RN

HB 1700, HD1 Relating to State Budget; Long Term Care Services-A Priority Safety Net

On behalf of our 5,000-plus grassroots network of families and supporters who believe in the worth and priority of a public hospital safety net-we respectfully urge you to support funding for long-term care services in HB1700, HD1.

And we ask for favorable consideration of keeping intact the $21 million supplemental request from HHSC so the public hospital safety net can be spared from further damage.

As the population of Oahu grows older and the elderly have less money to pay for their own care at home, an increasing number of families have turned to the valued community resources. Leahi and Maluhia are a very valued and a necessity on the island of Oahu. While many families can no longer provide the care for their loved ones at home, nor have the financial resources to pay for quality care for their loved ones, many families on the island of Oahu have turned to Leahi and Maluhia hospital to provide care.

Hawaii has not been closing the gap caused by low federal funds reimbursement of only half the costs of care. Now 76 beds-a 25% loss of capacity- and attached services are gone on Oahu alone. One nursing unit, each at Leahi and Maluhia hospital has had to close due to lack of funding. Many of the residents of these nursing units were uprooted from what they called their homes. Luckily, many residents found beds within Leahi and Maluhia but that doesn't mean there was not much anxiety and sorrow amongst the elderly and their families.

Furthermore, the budget crisis gave families and communities little time to transition and even forced some neighbor island families to try and find services on Oahu because capacity on their home island were no longer available or feasible.

Long-term care hospitals serve an important purpose in our community. Until such time Hawaii provides a safety net for every stage of life-which is affordable and accessible-public facilities like Leahi and Maluhia are still needed and must be adequately funded.

Thank you for your time.

From: MARGARET KALAHELE
To: WAM Testimony
Subject: Re: HM1700 HD1
Date: Monday, April 04, 2016 1:23:45 PM

I am a resident of Wahiawa and have utilized Wahiawa General Hospital as an inpatient and the Emergency Room when needed. It would be a great inconvenience to not have quick access when there is an medical emergency. Please understand, the congested traffic flow to any other medical facility is difficult.

Do not allow the facility to close for lack of funding.

Hearing Date: Tuesday April 5, 2016
9:00 A. M. Conference Room 211

To: Senate Ways and Means Committee
Senator Jill N. Tokuda, Chair
Senator Donovan M. Dela Cruz, Vice Chair
Members of the Senate Ways and Means Commitee

From: Margaret N., Resident of Maluhia Long Term Care Facility

Re: HB 1700, HD 1Relating to State Budget. TESTIMONY IN SUPPORT
Long Term Care Services

I am writing to express the priority in helping our kapuna in protecting the state's only two long term care safety net facilities- Maluhia and Leahi. I respectfully ask for you to support in funding for long term care services in HB 1700, HD 1.

I have lived at Maluhia for many years. My husband Richard is also a resident. He lives across the hallway from me so it is easy for him to visit me every day.

Maluhia is a nice place to rest. It's peace. We have better food than other places. I like the activities here at Maluhia. My favorite is attending music groups such as Fujita's group (from Nuuanu Baptist Church).

Please consider the $21 million supplemental request from HHSC. I think it was unnecessary and unfair to not have given enough funding for this fiscal year. One of the nursing units had to close and so many nice people lost their jobs. I do not want to see more cuts made and I hope we can reopen the closed unit. I was very disappointed that companion bills SB2064 and HB1881 are no longer progressing this legislative session.

Please save my husband and my home and support all kupuna in Hawaii.

Thank you for the opportunity to testify.

From: Vanessa Y. Chong
To: WAM Testimony
Subject: Testimony PAULINE SUMIDA - Support HB 1700, HD1 Relating to State Budget
Date: Monday, April 04, 2016 8:56:23 AM
Importance: High

Hearing Date: April 05, 2016
9:00 AM Conference Room 211

To: Senate Committee on Ways and Means

From: Pauline Sumida
Protect Leahi and Maluhia 'Ohana
psqueen60@yahoo.com

Re: HB1700, HD1 Relating to State Budget
TESTIMONY IN SUPPORT
Long Term Care Services- A Priority Safety Net

As a member of the Protect Leahi and Maluhia 'Ohana, I ask for your positive action for the entire $21 million supplement to support HHSC to provide a safety net for our kupuna.

Since becoming a permanent resident at Leahi, our mother has blossomed and became "alive" again. At home, mom would just sit and watch television or read the newspaper or magazine while we, her children and caregivers, were busy with all the tasks of caring for her on a 24/7 basis. Now she has so many friends in the staff and other residents. My mother smiles and laughs more than when she was at home.

Not only has our mother benefited. We, her children, can spend more time with our own respective growing families. On a personal note, I now care for a spouse who has Alzheimer's disease so the burden would fall on my remaining two siblings.

Leahi and Maluhia serve as an important safety net for our seniors as well as the community at large.

Thank you.

------ End of Forwarded Message

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: mmcardle19@aol.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Saturday, April 02, 2016 7:27:10 AM

HB1700
Submitted on: 4/2/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Peggy McArdle	Individual	Support	No

Comments: Aloha. Please support HB1700. This Central Oahu Hospital cared for my elderly mother in an emergency in 2010, where she remained overnight. The excellent care and diagnosis she received was professional and superb. Wahiawa General Hospital's central location means life or death in an emergency on that part of the island. Mahalo.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: randy funn
To: WAM Testimony
Subject: Fwd: Testimony HB1700 SUPPORT-LONG-TERM CARE SAFETY NET
Date: Friday, April 01, 2016 8:11:47 AM

Subject: Testimony HB1700

Hearing date April 5, 2016

TO: House Committee on Finance
From: Randy Funn
Project Leahi & Maluhia Ohana
rfunn01@gmail.com

Re: HR 1700 Relating to State Budget
TESTIMONY IN SUPPORT
Long Term Care Services- A PRIORITY SAFETY NET

I am a member of the grassroots Leahi Maluhia Ohana Group that is seeking Budgeted Funds to support the current and future operations of Leahi and Maluhia State Hospitals. They are the only two (2) State Hospitals left in the State that provide "Long Term Care" Services.

Budget constraints have caused the closing of rooms/beds affecting much needed admissions by many Hawaii elderly families, etc. The partial closing has also resulted in down sizing of an experienced staff and the limitations of care services.

My aunt (89 years) has only been in Leahi for just 18 months but as a family we are very fortunate to have her reside at Leahi where she is cared/treated as a "family member" like all others, by a well trained, caring staff! Her being there and well cared for has also had a positive impact on her 91 year old husbands (prior care giver) over all health

Our Grassroots Ohana realize that the 2016 Legislation Session brings numerous challenges, as in the past, and pray that you as Lawmakers understand the priority for funding of these State Public Hospitals is a much needed service no different than police and fire protection.
Let us remember our Kupuna's contribution to our "Great Aloha State" and now they need help!

Thank you for taking the time to read through my testimony and look forward to a very productive 2016 Session

Randy Funn
rfunn01@gmail.com

Hearing Date: Tuesday April 5, 2016
9:00 A. M. Conference Room 211

To: Senate Ways and Means Committee
Senator Jill N. Tokuda, Chair
Senator Donovan M. Dela Cruz, Vice Chair
Members of the Senate Ways and Means Committee

From: Richard N., Resident of Maluhia Long Term Care Facility

Re: HB 1700, HD 1 Relating to State Budget. TESTIMONY IN SUPPORT
Long Term Care Services

I am writing to ask for your favorable support in helping senior citizens like my wife and I in budgeting for Maluhia and Leahi as the state's safety net facilities. I respectfully ask you to support funding for long term care services in HB 1700, HD 1.

Prior to my coming to live at Maluhia, I visited my wife. I visited her daily bringing in food to share with her in the evening. I got to know the staff and felt very comfortable here. Therefore, when I was eventually in need to be cared for, I knew that Maluhia would be where I wanted to live. My room is across the hall from my wife so I am able to visit her easily.

Although I can get around in my wheelchair. I do need assistance from the nursing staff also. Maluhia provides many activities and events, which greatly interest me. If I were living at a home in the community, I would not be able to benefit from the various entertainment, activities, and celebrations which the Recreational Therapy department schedules for the benefit of all residents. My favorite is being part of the gardening group. I like feeding the birds, too.

I attend the Resident Council meeting held each month. The Resident Council is a group of residents who get together to receive information from staff about what's going on at Maluhia and we communicate our concerns to them. Everyone here is friendly and helpful and I am comfortable in putting my care in their hands. I am wholly satisfied to be one of the residents at Maluhia. Staff and other residents and their families feel like they are my "second family."

Although I reside in a nursing home, I feel being "close to nature" and part of the neighborhood with many private homes just across the street. We need to have Maluhia continue to serve Oahu's residents who are need of nursing care.

Please consider the $21 million supplemental request from HHSC. We need the funding to keep Maluhia open.

Thank you for the opportunity to testify.

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: rmoriyama@gmail.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Friday, April 01, 2016 9:42:11 AM

HB1700
Submitted on: 4/1/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Rodney S. Moriyama	Individual	Support	No

Comments: Dear Madam/Sir: Wahiawa Hospital is the only acute care medical facility for central and north shore of Oahu. The additional time spend going to Pali Momi or Queen's West would be critical in an emergency situation. In a community that is aging significantly, such emergencies are commonplace. We are in strong support of providing an additional $6 Million over two years to sustain the services of Wahiawa General Hospital, during which a new business model can be formulated. At a minimum, an urgent /emergency care capability must be provided.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: holmbergr002@hawaii.rr.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Friday, April 01, 2016 6:20:18 PM

HB1700
Submitted on: 4/1/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Ruth Holmberg	Individual	Support	No

Comments: Please support funding for Wahiawa General Hospital, a critical medical facility for emergency response from North Shore through Central Oahu.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

Hearing Date: Tuesday April 5, 2016
9:00 A. M. Conference Room 211

To: Senate Ways and Means Committee
Senator Jill N. Tokuda, Chair
Senator Donovan M. Dela Cruz, Vice Chair
Members of the Senate Ways and Means Committee

From: Ruth S., Resident of Maluhia Long Term Care Facility

Re: HB 1700, HD 1 Relating to State Budget. TESTIMONY IN SUPPORT
Long Term Care Services

I am writing to respectfully ask you to support kapuna like myself in funding for long term care services (within Hawaii Health Systems Corporation) in HB 1700, HD 1.

I moved to Maluhia relatively recently and I am glad to be here. I grew up knowing the name Maluhia. When I lived at home, I caught the Handivan and they would stop and pick someone up. This is a familiar place to me from when I was young.

The nurses keep me alive. The nurses keep my sugar levels in check. They give me medicine according to my sugars. This is something I had difficulty with at home. I enjoy participating in all the activities at Maluhia. This is why I do not want to live in a foster home. I like Bingo, singing, and going to the music activities.

Please consider the $21 million supplemental request from Hawaii Health Systems Corporation. I hear very unfortunately companion bills SB 2064 and HB 1881 are no longer moving forward in the legislature this session. Please support Maluhia and Leahi.

Thank you for the opportunity to testify.

RYDEN VALMOJA
105 Imaka Pl.
Wahiawa, HI 96786

TO THE SENATE COMMITTEE ON WAYS AND MEANS
TWENTY-EIGHTH LEGISLATURE
REGULAR SESSION OF 2016
Tuesday, April 5, 2016 – 9:00 a.m. - State Capitol, Conf. Room 211

TESTIMONY IN SUPPORT OF: HOUSE BILL NO. 1700, HD1 – "RELATING TO THE STATE BUDGET."

Dear Chair Jill N. Tokuda, Vice Chair Donovan Dela Cruz,
and Members of the Committee on Ways and Means:

My name is Ryden Valmoja, and I am a resident of Wahiawa. I am submitting written testimony in SUPPORT of House Bill No. 1700, HD1, but ask for your favorable consideration of an amendment to appropriate $3 million for Wahiawa General Hospital

Wahiawa General Hospital is an essential medical facility in Central and North Shore Oahu. It is the only facility that provides emergency medical services in a vast geographical area extending from Mililani to Wahiawa, Waialua, Sunset, and Kahuku. This area encompasses nearly one-third of the entire Island of Oahu.

The closure of Wahiawa General Hospital would have enormous ramifications to the health, welfare, and safety of these communities. If Wahiawa General Hospital was to close, the nearest emergency room for a person situated in Wahiawa would be either Pali Momi near Pearlridge Center, or Queen's West – both of which are approximately 14 miles away.

For a person living in Waialua or Sunset or Kahuku, the distance would be approximately 40 miles instead of the 20 miles it is to go to Wahiawa General Hospital. In a case of a critical accident or sickness, the extra miles it takes to get a person to an emergency room might be the difference between life and death.

Furthermore, Wahiawa General Hospital is one of the largest employers in Central Oahu with approximately 90% of its workers residing in the surrounding areas. Most of the employees are members of the ILWU, UPW, and HNA unions. These are very good-paying, professional jobs.

The closure of Wahiawa General Hospital would be devastating to entire families as heads of households will need to seek reemployment while keeping up payments for the mortgage, putting food on the table, and doing all they can to make life "normal" for their children and families.

It is vital that Wahiawa General Hospital remain operational. For these reasons, I respectfully urge your SUPPORT for an amendment to House Bill 1700, HD1 that would include a $3 million appropriation for Wahiawa General Hospital. Thank you for the opportunity to provide testimony.

PO Box 207
Waialua, HI 96791
808-772-4896
March 31, 2016

RE: EMERGENCY FUNDING FOR WAHIAWA GENERAL HOSPITAL

Dear Legislative Committee Members:

I ask that the State Senate provide $3 million in emergency funding to Wahiawa General Hospital in HB1700 HD1. If the hospital does not get any funding from the Senate, it may have to cut back services, reduce hours, or consider restructuring.

I live in Waialua and went to the Wahiawa Hospital Emergency Room within the last few years when I had a bad fall and slit open my hand. A close friend that lives in Wahiawa went to this hospital recently when he suffered a devastating stroke that left him with mild paralysis. Had either one of us not had services close by, the results would have been far more dire.

My point is clear. Each and every one of us and/or our ohana and friends on the North Shore and Central Oahu have been treated at Wahiawa Hospital throughout generations. As our populations grow and age, even more facilities such as this one are needed, rather than fewer. I am fully supportive of using my tax dollars to keep this facility open.

Thank you for this opportunity to provide input.

Thank you, Sherry Heiser

Susan Okamura
95-749 Lauaki St
Mililani, HI 96789

April 3, 2016

Testimony to the Senate Committee on Ways and Means Tuesday, April 5, 2016 State Capitol, Conf. Room 211

RE: PROPOSED AMENDMENT TO HOUSE BILL NO. 1700, HOUSE DRAFT 1, RELATING TO THE STATE BUDGET – APPROPRIATION FOR WAHIAWA GENERAL HOSPITAL

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

My name is Susan Okamura, and I am a resident of Mililani. I am submitting written testimony in **SUPPORT** of HB1700 HD1. I am also asking for your favorable consideration of an amendment to appropriate $3 million dollars for Wahiawa General Hospital.

Wahiawa General Hospital is an integral part of the Central Oahu Community. Not only is it Wahiawa's largest private employer and the only provider of a state of the art emergency room closest to the North Shore, but it is **the only** acute care hospital that offers a **Senior Behavioral Health Unit** and a **Continuum of care** for the growing geriatric population.

I worked at Wahiawa General for several years as a Speech Pathologist who specialized in swallowing disorders caused by stroke, head injury, cancer, dementia and Alzheimer's disease. While I worked at the hospital, a significant part of my caseload consisted of patient's admitted to the Senior Behavioral Health Unit due to difficulty eating or swallowing which is common among the aging population. Many of these patients came from communities outside of Wahiawa and were either diagnosed with Dementia, Alzheimer's disease or were in the process of being evaluated. Although they varied in their diagnosis, they shared one commonality; their behavior issues could no longer be safely managed by their caregiver. While the patient was in the hospital's secured unit, they received a comprehensive evaluation from a multidisciplinary team of health care providers who also devised a treatment program and worked with the caregivers on discharge planning, training and education. To my knowledge, this is the **only accredited program of this type in the state.**

Lastly, if you are a child of the 50's or 60's, you are my contemporary and are now part of the "sandwich generation." Our generation is faced with the double burden of not only caring for our own children but for our aging parents as well. **By 2035, the older adult population in Hawaii is projected to be 474,586 individuals who are 60 years or older they will represent 29.7% of the total population (from a**

report by the Hawaii State Plan on Aging, October 1, 2011 - September 30, 2015).

Wahiawa General is uniquely designed to service this growing population. The hospital can receive a geriatric patient through their Emergency Room, transport them to the Intensive Care Unit to become medically stable, complete their medical recovery on their Medical/ Surgical Unit and then transfer them to their 107 bed Skilled Nursing Facility for rehabilitation. It is the only hospital in Central Oahu that provides this continuum of care in one facility.

I am hopeful that as leaders and policy makers of this great state, you will have the foresight to save Wahiawa General.

Hearing Date: Tuesday – April 05, 2016
9:00 a.m. – Conference Room 211

To: Senate Committee on Ways and Means

From: Vanessa Y. Chong
Protect Leahi & Maluhia `Ohana
yukachong@hawaiiantel.net

Re: HB 1700, HD1 Relating to State Budget
TESTIMONY IN SUPPORT
Long Term Care Services – A Priority Safety Net

On behalf of our 5,000-plus grassroots network of families and supporters who believe in the worth and priority of a public hospital safety net – we respectfully urge you to support funding for long-term care services in HB1700, HD1.

And we ask for favorable consideration of keeping intact the $21 million supplemental request from HHSC so the public hospital safety net can be spared from further damage.

Why? Statewide, an increasing number of families, like mine, have turned to these valued community resources – like Leahi and Maluhia Hospitals on O`ahu. When we could no longer keep Mom at home, Leahi was there for us.

Hawai`i has not been closing the gap caused by low federal funds reimbursement of only half the costs of care. Now 76 beds – a 25% loss of capacity – and attached services are gone on O`ahu alone. My Mom's floor closed, she lost her care-giving team but fortunately found another bed at Leahi.

Furthermore, the budget crisis gave families and communities little time to transition and even forced some neighbor island families to try and find services on O`ahu because capacity on their home island were no longer available or feasible.

Long-term care hospitals serve an important purpose in our community. Until such time Hawai`i provides a safety net for every stage of life – which is affordable and accessible – public facilities like Leahi and Maluhia are still needed and must be adequately funded.

Thank you for this opportunity to testify.

From: wayne matsukawa
To: WAM Testimony
Subject: HB1700, HD1
Date: Sunday, April 03, 2016 7:14:55 PM

I ask for your support of this bill which provides additional funding for Leahi and other public hospitals.

My mother is a resident at Leahi. Without Leahi, I don't think she would be as well as she is today. She just made 98 and has dementia. Leahi's care of her is without doubt the reason she is living out her remaining years as best as can be expected, given the cost and difficulty of caring she requires.

Again, I ask for your support of this bill and the additional funding for public hospitals.

wayne m. matsukawa

Hearing Date:	Tuesday, April 05, 2016 9:00 a.m. – Conference Room 211
To:	Senate Committee on Ways and Means
From:	William Friedrich Protect Leahi & Maluhia 'Ohana
Re:	HB 1700, HD1 Relating to State Budget Testimony in Support Long Term Care Services – A Priority Safety Net

I am a member of Protect Leahi & Maluhia 'Ohana; a local all-volunteer network of families and supporters that came about in response to the budget crisis impacting the public safety net facilities on Oahu, Leahi Hospital and Maluhia, as well a concerned citizen of the community.

I have lived at Leahi for 40 years. I can't think of a better place that everyone should support because they might one day be here or their mother or father may need to be here. I won't move to another place. If that happens I will stop eating and starve myself to death.

Please give us your full support. I hate to think that the ridiculous rail project – useless rail project will never be worth the money that it will cost and will not improve traffic gridlock. It's too bad legislators didn't have the foresight to know that it will be like a white elephant. Leahi serves a real purpose. Our increasingly aging population will one day need to be cared for. You have to find one way or another to keep us going.

Thank you for allowing me to testify in Support of HB 1700.

William Friedrich

HB1700 HD1

Testimony to the Senate Committee on Ways and Means Tuesday, April 5, 2016 State Capitol, Conf. Room 211

RE: PROPOSED AMENDMENT TO HOUSE BILL NO. 1700, HOUSE DRAFT 1, RELATING TO THE STATE BUDGET – APPROPRIATION FOR WAHIAWA GENERAL HOSPITAL

Online Testimony for the Senate of Hawaii RE: Wahiawa General Hospital

Todd Maki of 68-055 Akule St. Waialua, HI 96791

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

- Brought my baby girl of 8 months to the emergency room due to a serious altercation with the oven 2 weeks ago.
- We need the Hospital for emergencies unless you are willing to provide a helicopter service from the Waialua Fire Station across from Kaiaka Bay park.
- It would be pretty sad to see my baby taken away in a helicopter when I can just drive a few minutes to the local hospital.
- Commute times are key in situations like this especially for those in Mokuleia or Sunset area.
- The traffic bypass is another issue but commute times for all North Shore Residents are thereby key in all life and death situations.
- To go to town, Kaneohe, or Ewa is just out of the question.
- For the safety of our keiki, keep the Wahiawa General Hospital open please.

Mahalo,
Todd Maki

DAVID Y. IGE
GOVERNOR

SHAN S. TSUTSUI
LIEUTENANT GOVERNOR

LINDA CHU TAKAYAMA
DIRECTOR

LEONARD HOSHIJO
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
830 PUNCHBOWL STREET, ROOM 321
HONOLULU, HAWAII 96813
www.labor.hawaii.gov
Phone: (808) 586-8844 / Fax: (808) 586-9099
Email: dlir.director@hawaii.gov

March 8, 2016

To: The Honorable Jill N. Tokuda, Chair,
The Honorable Donovan M. Dela Cruz, Vice Chair, and
Members of the Senate Committee on Ways & Means

Date: Tuesday, April 5, 2016
Time: 9:00 a.m.
Place: Conference Room 211, State Capitol

From: Linda Chu Takayama, Director
Department of Labor and Industrial Relations (DLIR)

Re: H.B. No. 1700 HD1 Relating to the State Budget

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

My name is Linda Chu Takayama and I am the Director of Labor and Industrial Relations. DLIR is in strong support of the House Draft amendments pertaining to the department and requests amendments in the Senate Draft as described below.

- Office of Community Services
  - Governor's Message No. 11 requests $572,857 in general funds in Fiscal Year (FY) 17 to allow the Office of Community Services to fulfill the State's obligations under the federal Community Services Block Grant (CSBG) Program. Request would be a one-time general fund appropriation for FY 17 to cover a shortfall in federal CSBG funds.

- Hawaii Civil Rights Commission (HCRC)
  - HCRC is seeking to obtain one (1) investigator position to reduce the backlog of cases. In August 2015, HCRC investigation case inventory was 382 cases, a 55% increase over the pre-recession inventory of 246 in July 2007. HCRC cannot administratively dismiss older dual-filed cases without jeopardizing funding from federal contracts. Under federal work-sharing and cooperative agreements with the U.S. Equal Employment

Opportunity Commission (EEOC) and the Department of Housing and Urban Development (HUD), HCRC is paid for completed investigations of dual-filed cases. Reduced capacity results in reduced production, and loss of available federal funds. EEOC will not reimburse HCRC at all if dual-filed cases are unilaterally dismissed without investigation.

- General Administration

  - DLIR is seeking $25,000 to address language access and website accessibility issues to comply with state and federal mandates to avoid a potential loss in federal funding. In April of 2014, the DLIR and the U.S.DOL Civil Rights Center entered into a Conciliation Agreement to improve the department's provision of services to Limited English Proficiency (LEP) persons. In that Agreement, DLIR committed to implementing and monitoring various aspects of the provision of access to information for LEP persons, including the training of the entire department. DLIR has averaged two (2) LEP person encounters a day during 2014 and 2015, speaking 11 different languages.

    DLIR is also under scrutiny and threatened with a potential loss of federal funding by the Civil Rights Center because it also oversees DLIR's compliance with federal regulations pertaining to the provision of web materials for disabled individuals under Title II of the Americans with Disabilities Act ("ADA") and Section 508 of the Rehabilitation Act ("Section 508"). DLIR would also be better able to comply with Comptroller's Memorandum 2010-28 and CIO's memorandum of June 29, 2015.

Thank you for the opportunity to testify.

DENNIS W. S. CHANG

Attorney at Law, A Limited Liability Law Corporation

WORKER'S RIGHTS - LABOR LAW
WORKER'S COMPENSATION
SOCIAL SECURITY DISABILITY
LABOR UNION REPRESENTATION
EMPLOYEES RETIREMENT SYSTEM
BODILY INJURIES

THE SENATE
THE TWENTY-EIGHTH LEGISLATURE
REGULAR SESSION OF 2016

COMMITTEE ON WAYS AND MEANS
Senator Jill N. Tokuda, Chair
Senator Donovan M. Dela Cruz, Vice Chair

From: Dennis W. S. Chang
Attorney-at-Law

DATE: Tuesday, April 5, 2016
TIME: 9:00 a.m.
PLACE: Conference Room 211
State Capitol
415 South Beretania Street

RE: DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS' BUDGET

We should all aspire to attain the moral goal of the most workable and responsive Department of Labor and Industrial Relations (DLIR) for the best interests of our workers, the backbone of our economy. There are many moving parts, various divisions within the DLIR, which are essential components for the protection and the best interest of workers. However, as everyone knows, the DLIR has been decimated by outrageous cutbacks and attrition, and finally, we now have the chance of going through the slow tragic process of rebuilding. Director Linda Chu-Takayama, our newly appointed official, needs every advantage possible to play catch-up in the gross backlog of cases as she has testified and attaining efficiency. Hopefully, with the allotted budget, she will be able to accomplish the essential mission that she is tasked with by the Governor.

As a labor attorney for nearly four decades, I have intimate knowledge of the various divisions. I am **compelled to support the passage** of HB 1700, HD 1. Upgrades are needed to conform with technological developments because for the most part, the DLIR is still in the dark ages. Aside from this budget, retention and additional bodies are required (see HB 2061, HD1, SD 1) to ensure that we move forward and closer to the DLIR's mission which she must achieve for workers. That includes safety inspections to prevent accidents, payment of proper wages, delivery of health care, providing training programs and every other facet, directly and indirectly, that affect the lives of workers who may be wrongfully terminated for the "lack of work," injured or ill (and consequently their families) by implementing the laws such as Unemployment Insurance, Disability Compensation Division, Temporary Total Disability Insurance. Workers need a safety net.

We may disagree on what may be the best agenda to carry out the mission. However, the verdict is still out and it is premature to address without first giving the Director the tools to work with her team. Until the Director is provided the long overdue budget and time to streamline the DLIR, she is at a distinct disadvantage. Her hands are tied when she is not granted the requested increased budget as one of the top priorities of the Governor. One preventable death is too many.

I **wholeheartedly endorse the passage** of full budget for the DLIR. Thank you for allowing to comment.

DILLINGHAM TRANSPORTATION BUILDING

735 BISHOP STREET • SUITE 320 • HONOLULU, HAWAI'I 96813 • TELEPHONE: (808) 521-4005

DAVID Y. IGE
GOVERNOR OF HAWAII

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

KEKOA KALUHIWA
FIRST DEPUTY

JEFFREY T. PEARSON, P.E.
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

Testimony of
SUZANNE D. CASE
Chairperson

Before the Senate Committee on
WAYS AND MEANS

Tuesday, April 5, 2016
9:00 AM
State Capitol, Conference Room 211

In consideration of
HOUSE BILL 1700, HOUSE DRAFT 1
RELATING TO THE STATE BUDGET

House Bill 1700 (HB 1700), House Draft (HD1) proposes to adjust and request appropriations for Fiscal Biennium 2015-2017 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs. **The Department of Land and Natural Resources (Department) supports this measure and respectfully asks for your favorable consideration of the Department's recommendation in regards to the following HD1 adjustments.**

Operating Budget:

- HD1 did not approve the Administration's request to fund the International Union for the Conservation of Nature (IUCN) World Conservation Congress (Congress) meeting in LNR 407. The Department does not have sufficient special funds for this purpose. Governor's Message (GM) #15 requests $4,000,000 in general funds as alternate means of financing for the meeting in lieu of special funds. This meeting offers a unique opportunity to highlight Hawaii's environmental and natural resources as a showcase for the United States to share with the world, as this is the first time that the IUCN Congress is convening in the United States. Funding is critical for the success of the meeting. The Department respectfully asks that this request be incorporated in a Senate Draft 1 (SD1) to HB 1700.
- HD1 did not approve the Administration's request to add $1,500,000 in general funds for stream study in LNR 404. Deferral of funds to complete this study will severely impact and prolong the development of Instream Flow Standards statewide. GM #15 requests special funds from the Natural Area Reserve Fund as alternate means of financing in lieu of general funds. The Department respectfully asks that this request be incorporated in a SD1 to HB 1700.
- HD1 did not approve the Administration's request to fund the $2,000,000 in general funds for various Aloha + Challenge Initiative projects in LNRs 402 and 804. GM #15 requests

special funds from the Natural Area Reserve Fund as alternate means of financing instead of general funds. The Department respectfully asks that this request be incorporated in a SD1 to HB 1700.

- HD 1 did not approve the Administration's request to add 6 positions and $149,420 in general funds in LNR 802. These positions are essential to completing the more than 2,700 reviews by the State Historic Preservation Division (SHPD) as required to complete under Chapter 6E HRS and 106 of the National Historic Preservation Act each year. The Department respectfully asks that this request be incorporated in a SD1 to HB 1700.
- HD 1 did not approve the $300,000 in general funds requested for the continuation of Integrated Information Management System ($200,000) and the digitization of records, reports and files ($200,000) in LNR 802. Eliminating these supplemental funds will slow the development of the Integrated Data Management System (IDMS), delay full implementation and delay SHPD's release from the Corrective Action Plan (CAP) and high risk status. The Department respectfully asks that this request be incorporated in a SD1 to HB 1700.
- HD1 did not approve the Administration's request to change the funding from Other Federal Funds to General Funds ($129,996) and convert from temporary to permanent position status the co-manager positions for the Hawaiian Islands Humpback Whale National Marine Sanctuary and Papahanaumokuakea Marine National Monument in LNR 401. The Department respectfully asks that this request be incorporated in a SD1 to HB 1700.
- HD1 reduced the Administration's request for personal services, current expenses, equipment and motor vehicles by $138,750 in general funds in LNR 405. Decreased funding for vehicles and communication devices could impact enforcement response capability, impacting the safety of both the public and DOCARE officers. The Department respectfully asks that this request be incorporated in a SD1 to HB 1700.
- HD1 did not approve the conversion of 6 Community Fisheries Enforcement Units temporary positions to permanent status in LNR 405. The Department respectfully asks that this request be incorporated in a SD1 to HB 1700.
- HD1 did not approve the Administration's request to fund the $80,000 in general funds for skid steer attachments in LNR 172. The skid steer will be an important piece of equipment for the Division of Forestry and Wildlife to be used for earthmoving tasks and in combatting wildfires. The Department respectfully asks that this request be incorporated in a SD1 to HB 1700.
- HD1 did not appropriate $470,000 in general funds for motor vehicles in LNR 804. Without this funding, time and funds spent on repairing and maintaining aging equipment will increase including increased opportunity cost of doing repair and maintenance instead of project management. The Department respectfully asks that this request be incorporated in a SD1 to HB 1700.
- HD1 did not approve the trade-off of general funds from Other Current Expenses to Personal Services to fund GIS/Geodatabase Specialist V position in LNR 172. This position is crucial to the program's forestry management operations. The Department respectfully asks that this request be incorporated in a SD1 to HB 1700.
- HD1 did not approve the Administration's request to convert the Program & Cultural Resource Manager position from unbudgeted position to permanent position in LNR 906. Non-concurrence will result in the inability of the Department to review projects (including those of the Department of Transportation) for cultural or historic impacts prior to sending to State Historic Preservation Division, therefore not meeting the mandate of Section 6E-2,

Hawaii Revised Statutes. This position has also been critical in coordinating the Department's efforts in addressing the complex issue of homeless on state lands. The Department respectfully asks that this conversion be approved in a SD1 to HB 1700.

- HD1 did not approve the Administration's request to convert the Aha Moku Manager position from unbudgeted to permanent position and funds for operating expenses. Non-concurrence will ensure the end of the Aha Moku Program which integrates native knowledge with current scientific methods to protect, preserve, and sustain the ecosystem and environment of site-specific areas. The Department respectfully asks that this request be incorporated in a SD1 to HB 1700.
- HD1 reduced the general funds by $189,750 in LNR 906 to cover the costs of the Microsoft Office 365 Licenses. The Department does not support this request. The Department does not have the funds to accommodate the reduction and this will negatively impact its funding for current expenditures and administrative costs. The Department respectfully asks that the funding be restored in a SD1 to HB 1700.
- HD1 did not approve the Administration's request to increase the special fund ceiling by $1,700,000 in LNR 101. The non-concurrence of the request will decrease the Department's ability to fund important pending land protection projects through the Land Legacy Conservation Program for natural, historic and cultural property acquisitions. The Department respectfully asks that this request be incorporated in a SD1 to HB 1700.
- HD1 did not approve the Administration's request to increase the special fund ceiling by $500,000 in LNR 172. The non-concurrence will not allow the Department to capitalize on rising timber sale revenues and reduces the programs' ability to access funds from the federal government. The Department respectfully asks that this request be incorporated in a SD1 to HB 1700.
- HD1 added two permanent positions and $78,000 in general funds in LNR 404. The Department supports this adjustment as the two positions will have positive impact on the inspection of well construction and pump installation.
- HD1 added $100,000 in general funds for Lipoa Point Maintenance in LNR 806. The Department supports this addition provided it does not impact the Administration's objectives as indicated in the Executive Budget.
- HD1 added $235,868 in general funds for vacation payout in LNR 906. The Department supports this addition that will provide the necessary funding for the purpose of accrued vacation payments.

Capital Improvement Project (CIP) Budget:

HD1 approved the majority of the Department's CIP requests and added various projects totaling more than $35 million.

HD1 did not approve the following CIP requests:

- $2,643,000 Watershed Initiative, Statewide (LNR 407): The reduction will cut 2-3 projects, leaving approximately 2,500 acres of core watershed forests unprotected and will lessen the program's ability to secure Federal grants that require State match.
- $4,000,000 Lump-sum CIP Improvements at State Parks, Statewide (LNR 806): The funding deletion will defer projects that are ready for construction such as repairs and maintenance for deteriorating and aging facilities, including regulatory compliance of infrastructure and accessibility improvements.

The Department respectfully asks for the restoration of the items listed above in a SD1 to HB 1700.

The Department supports the added CIP projects on HD1 provided the inclusion does not affect the priorities and objectives of the Department as indicated in the Executive Supplemental Budget.

Governor's Message No. 10, No. 11 and No. 15:

The Department respectfully requests your favorable consideration for the following budget items submitted as Governor's Message items:

- Correct an inadvertent error in LNR 172/DA in a trade-off/transfer request to fund a position using funding from other current expenses (-$13,363 Other Current Expenses / +$13,363 Personal Services A).
- Correct an inadvertent error in the budget summaries in LNR 802/HP (-$300,000 Equipment / +$300,000 in Other Current Expenses A).
- Convert 7.00 temporary positions and $352,628 from interdepartmental funds (U) to federal funds (N) in LNR 402/DA. The 2011 emergency proclamation to relocate the Hawaiian nene geese expires at the end of Fiscal Year 16 and the current funding by the Department of Transportation for the effort will end accordingly. The 7.00 temporary positions will be needed to continue work on recovery efforts for the nene geese.
- Transfer out 4.00 temporary positions and $192,764 in interdepartmental funds (U) in LNR 402/DA to LNR 804/DA to assist with the public hunting program.
- Transfer in 3.00 temporary positions and $150,781 in federal funds (N) and 1.00 temporary position and $41,983 in revolving funds (W) in LNR 804/DA from LNR 402/DA to assist with the public hunting program.
- Change the means of financing of the $2,000,000 Aloha + Challenge Initiative projects from general funds to special funds (Natural Area Reserve Fund).
- Change the means of financing of the $1,500,000 supplemental funding for stream study from general funds to special funds (Natural Area Reserve Fund).
- Change the means of financing of the $735,000 supplemental request for equipment for Forest and Outdoor Recreation from general funds to special funds (Natural Area Reserve Fund).
- Change the means of financing of the $4,000,000 supplemental request for the International Union for the Conservation of Nature (IUCN) World Conservation Congress meeting from special funds to general funds.

Thank you very much for your consideration and the opportunity to testify on this measure.

Department of Water
County of Kaua'i

Water has no substitute……Conserve it

Relating to the State Budget
Senate Committee On Ways And Means
Tuesday, April 5, 2016, 9:00 AM, Room 211

As a member of the Kaua'i Watershed Alliance, We support **HB 1700 HD1**, particularly the proposed general funds in the Department of Land and Natural Resources' budget for watershed protection and management; and its purpose to generate additional funding to support, for a second year, projects designed to protect Hawaii's forested watersheds. Specifically (if numbers have not changed) the $2m additional for Aloha+ requests ($800k for wildfire, $450k Na Ala Hele, $150k Kure wildlife sanctuary, $150k Kawainui wildlife sanctuary, and $450k for endangered species); $4,143,000 in addition to the $1 million that was appropriated in last's year budget (total of $5,143,000) for the Watershed Initiative CIP funding, Statewide and the $1.7m ceiling increase for Legacy Land Conservation Program.

The Kaua'i Watershed Alliance (KWA) has been actively managing portions of the mauka watershed on Kaua'i since 2003. Its' members which include DLNR (DOFAW and Land Management Div.) make up a diverse group of public and private entities who own land within the mountainous watershed and understand the importance of protecting and preserving the forests that capture the water - our most precious resource. The Alliance also understands the importance of supporting local jobs and contractors.

Thank you for the opportunity to provide supportive testimony.

Mahalo

Kirk Saiki, P.E.
Manager and Chief Engineer

4398 Pua Loke Street, P.O. Box 1706, Līhu'e, HI 96766 * Phone: 808-245-5400 * Fax: 808-245-5813

Kaua`i Watershed Alliance

Ben A. Dyre Limited Family Partnership, Department of Hawaiian Homelands, Department of Water County of Kaua'i, DLNR – Division of Forestry and Wildlife & Land Management Division, Grove Farm Company, Inc., Jurassic Kahili Ranch, Kamehameha Schools, Kaua'i Ranch LLC, Lihu'e Land Company, McBryde Sugar Company, Ltd., National Tropical Botanical Garden, Princeville Development, LLC

"The Mission of the Kaua`i Watershed Alliance is to PROTECT, PRESERVE and MANAGE our valuable watershed resources for the benefit of our residents, communities and all future generations through the concerted efforts of its members."

HB 1700 HD1
Relating to the State Budget
Senate Committee On Ways And Means
Tuesday, April 5, 2016, 9:00 AM, Room 211

.

The Kaua'i Watershed Alliance supports **HB 1700 HD1**, particularly the proposed general funds in the Department of Land and Natural Resources' budget for watershed protection and management; and its purpose to generate additional funding to support, for a second year, projects designed to protect Hawaii's forested watersheds. Specifically (if numbers have not changed) the $2m additional for Aloha+ requests ($800k for wildfire, $450k Na Ala Hele, $150k Kure wildlife sanctuary, $150k Kawainui wildlife sanctuary, and $450k for endangered species); $4,143,000 in addition to the $1 million that was appropriated in last's year budget (total of $5,143,000) for the Watershed Initiative CIP funding, Statewide and the $1.7m ceiling increase for Legacy Land Conservation Program.

The Kaua'i Watershed Alliance (KWA) has been actively managing portions of the mauka watershed on Kaua'i since 2003. It members which include DLNR (DOFAW and Land Management Div.) make up a diverse group of public and private entities who own land within the mountainous watershed and understand the importance of protecting and preserving the forests that capture the water - our most precious resource. Funding provided to DLNR is very important to the Kauai Watershed Alliance, the Community of Kauai and the Native Hawaiian forested watersheds!

Thank you for the opportunity to provide supportive testimony.

Mahalo

NATIONAL TROPICAL BOTANICAL GARDEN
Chartered by Congress to Create a National Resource in Conservation, Research, and Education

1April 2016

COMMITTEE ON WAYS AND MEANS
Senator Jill N. Tokuda, Chair
Senator Donovan M. Dela Cruz, Vice Chair
National Tropical Botanical Garden's Testimony In Support of HB 1700 HD1
Relating to the State Budget
Tuesday, April 05, 2016 at 9:00 a.m. in Conference Room 211

Aloha Chairs Tokuda and Dela Cruz, and Committee Members:

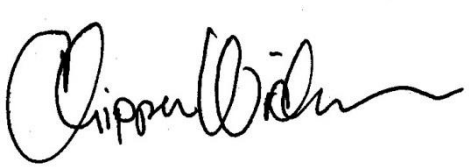
As a long-time member of the Kaua'i Watershed Alliance, NTBG supports HB 1700 HD1, particularly the proposed general funds in the Department of Land and Natural Resources' budget for watershed protection and management; and its purpose to generate additional funding to support, for a second year, projects designed to protect Hawaii's forested watersheds.

Specifically the $2m additional for Aloha+ Challenge requests ($800k for wildfire, $450k Na Ala Hele, $150k Kure wildlife sanctuary, $150k Kawainui wildlife sanctuary, and $450k for endangered species); $4,143,000 in addition to the $1 million that was appropriated in last's year budget (total of $5,143,000) for the Watershed Initiative CIP funding, Statewide and the $1.7m ceiling increase for Legacy Land Conservation Program. These are all critical elements of the State budget that need to be funded and ensure our state is a showcase for the world when the IUCN World Conservation Congress comes in September 2016.

The Kauaʻi Watershed Alliance (KWA) has been actively managing portions of the mauka watershed on Kauaʻi since 2003. It members which include DLNR (DOFAW and Land Management Division) make up a diverse group of public and private entities who own land within the mountainous watershed and understand the importance of protecting and preserving the forests that capture the water - our most precious resource. The Alliance also understands the importance of supporting local jobs and contractors.

Thank you for the opportunity to provide supportive testimony.

Mahalo a me ke aloha,



Chipper Wichman, President and CEO, National Tropical Botanical Garden

The Nature Conservancy
Protecting nature. Preserving life.

The Nature Conservancy, Hawai'i Program
923 Nu'uanu Avenue
Honolulu, HI 96817

Tel (808) 537-4508
Fax (808) 545-2019
nature.org/hawaii

Testimony of The Nature Conservancy of Hawai'i
Supporting H.B. 1700 HD1 Relating to the State Budget
Senate Committee on Ways & Means
Tuesday, April 5, 2016, 9:00AM, Room 211

The Nature Conservancy of Hawai'i is a private non-profit conservation organization dedicated to the preservation of the lands and waters upon which life depends. The Conservancy has helped to protect nearly 200,000 acres of natural lands in Hawai'i. We manage 40,000 acres in 14 preserves and work in 19 coastal communities to help protect the near-shore reefs and waters of the main Hawaiian Islands. We forge partnerships with government, private parties and communities to protect Hawai'i's important watershed forests and coral reefs.

The Nature Conservancy supports H.B. 1700 HD1. In particular, we call out a few priority items:

- **WATERSHED MANAGEMENT (DLNR):** CIP funds to provide long-term protection for ***watershed forests*** across the islands. We respectfully ask that this appropriation be restored to the Administration's original request of $5.143M.

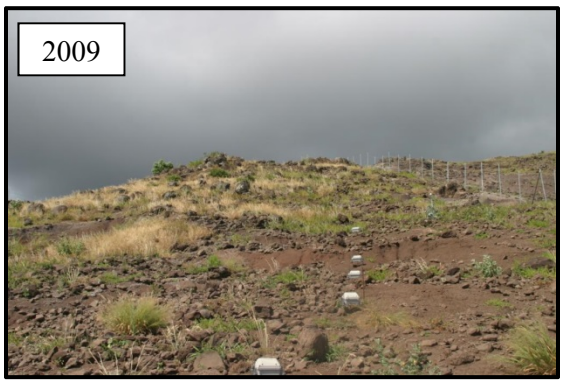
- **CONSERVATION ENFORCEMENT (DLNR):** Funding for the Division of Conservation and Resources Enforcement (LNR405) to operate permanent ***community fisheries enforcement units*** on four islands. We support the Administration's original request to convert 12 positions from temporary to permanent.

- **SUSTAINABILITY COORDINATOR (DBEDT):** Funding for a State ***Sustainability Coordinator*** position (BED144) to work across State agencies.

These budget items contribute to the resilience, sustainability and continued health of our islands' environment, economy, and quality of life. We especially note the DLNR's watershed management and conservation enforcement programs, which help to ensure that all of us can survive and thrive in the middle of the Pacific Ocean. Healthy Hawaiian forests that are not overrun by invasive species act like a sponge, slowly delivering fresh water into streams and aquifers, absorbing greenhouse gases, and reducing runoff and siltation into near shore waters during storm events. Healthy reefs that are not over-harvested or otherwise abused contribute to the islands' food security, a healthy economy and protection from storm events.

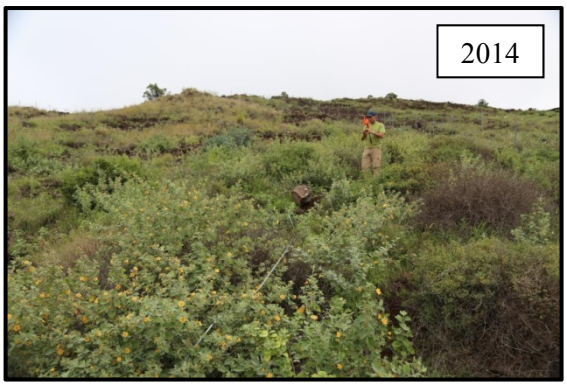
Thank you for appreciating the critical importance of protecting the health and, most importantly, the function of our limited and exhaustible natural resources that allow our very survival in these islands.

BOARD OF TRUSTEES
Mark E. Agne Paul D. Alston Christopher J. Benjamin Dr. C. Tana Burkert Anne S. Carter Richard A. Cooke III Brian J. Doyle Thomas M. Gottlieb James J.C. Haynes III Sean A. Hehir Mark L. Johnson Dr. Kenneth Y. Kaneshiro Eiichiro Kuwana Duncan MacNaughton Kathy M. Matsui Wayne K. Minami James C. Polk Jean E. Rolles Scott C. Rolles Crystal K. Rose Dustin E. Sellers Nathan E. Smith Peter K. Tomozawa James Wei



Moloka‘i South Slope

Before and After Fencing, Animal & Weed Control





Alaka‘i Watershed, Kaua‘i

Before and After Fencing, Animal & Weed Control



Ben Dyre Family Limited Partnership

Relating to the State Budget

Senate Committee On Ways And Means

Tuesday, April 5, 2016, 9:00 AM, Room 211

To Whom It May Concern:

As a member of the Kaua'i Watershed Alliance, the Ben Dyre Family Limited Partnership strongly supports **HB 1700 HD1**, particularly the proposed general funds in the Department of Land and Natural Resources' budget for watershed protection and management; and its purpose to generate additional funding to support, for a second year, projects designed to protect Hawaii's forested watersheds. Specifically (if numbers have not changed) the $2m additional for Aloha+ requests ($800k for wildfire, $450k Na Ala Hele, $150k Kure wildlife sanctuary, $150k Kawainui wildlife sanctuary, and $450k for endangered species); $4,143,000 in addition to the $1 million that was appropriated in last's year budget (total of $5,143,000) for the Watershed Initiative CIP funding, Statewide and the $1.7m ceiling increase for Legacy Land Conservation Program.

The Kaua'i Watershed Alliance (KWA) has been actively managing portions of the mauka watershed on Kaua'i since 2003. It members which include DLNR (DOFAW and Land Management Div.) make up a diverse group of public and private entities who own land within the mountainous watershed and understand the importance of protecting and preserving the forests that capture the water - our most precious resource.

The Ben Dyre Family Limited Partnership has been a part of the Kauai Watershed Association (KWA) since its formation in 2003. As a landowner on Kauai, it is an honor to be a part of such an upstanding group, which has helped to protect and conserve our most vital assets- water, and our unique native plants and animal species. Please help continue this work through dedicated funding!

Thanks so much for the opportunity to voice our support for this bill.

Sincerely,

Holly Dyre
General Partner
Ben Dyre Family Limited Partnership

OFFICE OF THE LIEUTENANT GOVERNOR
STATE OF HAWAII
STATE CAPITOL
HONOLULU, HAWAII 96813

SHAN S. TSUTSUI
LIEUTENANT GOVERNOR

TESTIMONY OF
THE OFFICE OF THE LIEUTENANT GOVERNOR
TO THE
SENATE COMMITTEE ON WAYS AND MEANS

SENATE BILL NO. HB 1700, H.D. 1
Relating to the State Budget

Chair Tokuda, Vice-Chair Dela Cruz and members of the Committee on Ways and Means, the Office of the Lieutenant Governor **supports** House Bill No. 1700, H.D. 1, Relating to the State Budget. This measure appropriates funds for the supplemental operating and capital improvement budget of the Executive Branch for fiscal years 2015-2016 and 2016-2017.

The Office of the Lieutenant Governor has worked to fulfill its duties under the previous and now current Administration, including continuing to perform the statutory duties of the office, while also assuming the responsibility for several new initiatives and programs. Under the current Administration, the Lieutenant Governor has continued work on the Resources for Enrichment, Athletics, Culture and Health (R.E.A.C.H.) initiative, to help provide access to after-school programs to public middle/intermediate school students statewide, the Sports Development Initiative to promote and grow Hawaii as a premier sports destination for professional, amateur and youth athletics in the Asia-Pacific region, and the Aerospace States Commission as a Vice Chair representing Hawaii. Additionally, the Lieutenant Governor has begun work on the Farm to School Initiative to expand the inclusion of local products in school meals and undertaken other duties and assignment, as requested and required by the Administration.

We ask for the Committee's favorable consideration of our additional budget requests to complete the transfer of the Office of Information Practices (OIP) to the Department of Accounting and General Services, as well as $3500 to providing funding for Office 365 licenses to ensure that the Office of the Lieutenant Governor can continue to ably serve the public and support current programs and responsibilities.

Additionally, we support funding for HMS501, the Resources for Enrichment, Academics, Culture and Health (R.E.A.C.H.) program at the requested amount of $250,000. Funding for the R.E.A.C.H. program would provide support for after-school programs for intermediate and middle school students. In conjunction with the passage of the statutory framework to establish R.E.A.C.H., the program would be able to collect fees to help it become sustainable in the future. The Office of Youth Services provides comprehensive front end services and programs for youth to prevent delinquency and reduce the incidence of recidivism. The OYS is dedicated to creating

opportunities for youth to develop competencies that foster resiliency and enable them to achieve a successful transition to young adulthood. Such purpose is in line with the goals and objectives of R.E.A.C.H. and continued funding is necessary to support our public school students and secure a better future for them all.

OFFICE OF INFORMATION PRACTICES

STATE OF HAWAII
NO. 1 CAPITOL DISTRICT BUILDING
250 SOUTH HOTEL STREET, SUITE 107
HONOLULU, HAWAII 96813
TELEPHONE: 808-586-1400 FAX: 808-586-1412
EMAIL: oip@hawaii.gov

To: Senate Committee on Ways and Means

From: Cheryl Kakazu Park, Director

Date: April 5, 2016, 9:00 a.m.
State Capitol, Conference Room 211

Re: Testimony on H.B. No. 1700, H.D. 1
Relating to the State Budget
LTG 105 & AGS 105 – Enforcement of Information Practices

Thank you for the opportunity to submit testimony in support of the Office of Information Practices' (OIP) requests shown in the supplemental budget bill as LTG 105 and AGS 105 on page 44.

OIP's first supplemental budget request is to transfer previously authorized 6.0 permanent positions and $575,984 in General Funds to effectuate OIP's move for administrative purposes from the Lt. Governor's Office (LTG 105) to the Department of Accounting and General Resources (DAGS) (AGS 105), effective July 1, 2016, pursuant to Act 92, SLH 2015.

OIP's second supplemental budget request seeks $30,000 in additional General Funds for salary increases to retain its staff and bring their salaries closer to parity with comparable government agencies.

OIP's third supplemental budget request is for $2,500 in General Funds to pay for Office 365 software licenses at the government's

bulk discount rate, so that OIP can continue to write documents; create presentations; manage e-mails, contacts, and calendars; and do other work.

With respect to OIP's second request for $30,000, OIP reviewed the attached resolutions adopted by Honolulu and Maui counties regarding salary ranges for their deputy Corporation Counsel attorneys, along with the **pay disparity** study that the Attorney General's (AG) office previously provided to this Committee. As the AG's study showed, the median salary for deputy AGs is about 24% less than for their City counterparts at the Honolulu Department of Corporation Counsel. OIP's median attorney salaries are even less than deputy AGs' salaries. Moreover, OIP's legal and administrative staff are exempt from the state's Civil Service system and get no step increases for their years of experience. **While the modest $30,000 supplemental budget request is still far from bringing OIP's salaries to pay parity with the counties, it would be a good faith step that would boost morale and help to retain the hard-working team at OIP.**

As a point of clarification, OIP has been authorized the equivalent of 8.5 FTE positions (6.0 permanent; 2.5 temporary). In actuality, OIP has 10 employees, consisting of six full-time employees and four part-time employees, who work a total of 8.0 FTE. Last year, OIP had redescribed two positions (position numbers 102633 and 102257) with the intent of having a long-time, experienced part-time attorney split the newly redescribed 1.0 FTE staff attorney position (position number 102633) with another part-time attorney. After the redescription **was approved, however, OIP learned that job sharing is no longer allowed and that legislative authorization in the budget is required for the creation of two .50 FTE positions to replace the existing one 1.0 FTE position. Without legislative approval, OIP has been unable to fill the**

other half of the part-time attorney's job and has been doing its work with the equivalent of only eight full-time employees.

Nevertheless, OIP and the people of Hawaii have greatly benefitted from having **very experienced attorneys and administrative personnel on OIP's staff**, who willingly mentor and share their **institutional memory** with new OIP employees so that OIP can efficiently operate and provide uniform and consistent legal interpretations of Hawaii's open government laws to all state and county government agencies and the general public. Six of seven OIP attorneys — the Director and five staff attorneys — have been licensed to practice law for 20 to 36 years. Half of OIP's employees — 3 attorneys and 2 administrative staff — have been with OIP for 11 to 20 years. **All of OIP's employees have special knowledge and varied skills that are valued by other government agencies,** as nearly every state and county agency and board is subject to one or both of the open government laws that OIP administers.

It is through the experience and hard work of OIP's team that OIP was able to keep up with its workload, which has substantially increased since 2011. Over 80% of all requests for assistance are typically responded to the same day through OIP's Attorney of the Day (AOD) service, despite a 59% increase in AOD requests from FY 2011 to FY 2015. And despite a 60% increase in formal requests for assistance from FY 2011 to FY 2015, OIP has still managed to reduce the age of its oldest pending cases that are not in litigation from 12 years to 2 years, has resolved 20% more formal cases, and has substantially increased its training and public communications during that same time period.

In recent years, OIP has lost employees to other state and county agencies, in whole or in part due to salary issues. **Whenever employees leave, there is a loss of productivity** because new employees must be recruited and

trained, at the expense of the more experienced mentors' own productivity and time. Because of OIP's small number of employees, the loss of one employee has a bigger impact on OIP in comparison to the AG's office. OIP cannot afford to lose any more employees to better paying jobs with other government agencies. **OIP's ability to retain employees is threatened by competition from most other state and county government agencies, which have pay scales exceeding OIP's salaries.**

Retention of personnel is crucial for OIP to continue to consistently interpret and fairly administer the laws that keep our state and county governments open and accountable to the public. **Therefore, OIP respectfully requests the Legislature's help in retaining OIP's personnel by approving at least $30,000 in additional general funds to bring OIP's salaries closer to that of other government employees**. **Additionally, it is imperative that OIP's current budget be transferred to DAGS in order to effectuate OIP's administrative transfer on July 1, 2016, and that the $2,500 for Office 365 license fees be approved so that OIP will have the tools to continue to do its work.**

Mahalo for your help.

DAVID Y. IGE
GOVERNOR
STATE OF HAWAII

SHAN S. TSUTSUI
LT. GOVERNOR
STATE OF HAWAII

JOBIE M. K. MASAGATANI
CHAIRMAN
HAWAIIAN HOMES COMMISSION

WILLIAM J. AILA, JR.
DEPUTY TO THE CHAIRMAN

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

P. O. BOX 1879
HONOLULU, HAWAII 96805

TESTIMONY OF JOBIE M.K. MASAGATANI, CHAIRMAN
HAWAIIAN HOMES COMMISSION
TO THE SENATE COMMITTEE ON WAYS AND MEANS
IN SUPPORT OF

HB 1700, HD 1, RELATING TO THE STATE BUDGET

April 5, 2016

Chair Tokuda, Vice Chair Dela Cruz and Members of the Committee:

The Department of Hawaiian Home Lands (DHHL) respectfully requests that your committee consider the sufficient amounts requested by DHHL for all four purposes as identified in Article XII, Section 1 of the Constitution at the January 14, 2016 Budget Briefing before the House Finance Committee and the Senate Ways and Means Committee for our program HHL 602 – Planning and Development for Hawaiian Homesteads.

In particular, we ask this Committee to fund the amounts requested by the DHHL as sufficient to cover its Personal Services and Other Current Expenditures for FY 2016–2017 which total $28,478,966 million in general funds.

The DHHL also requests restoration of the following projects totaling $16.6 million, all of which address health and safety concerns and were included in the Governor's Executive Budget Request for DHHL:

<u>Executive CIP Requests</u>

- $9 million for Papakolea Sewer System Upgrades, Papakolea, Oahu;
- $2.5 million for Hawaiian Home Lands Dams and Reservoirs, Anahola, Kauai;
- $2 million for Unexploded Ordnance Mitigation and Remediation on Existing Lots, Hawaii;
- $100,000 for Lalamilo Housing Phase 2A Community Park, Lalamilo, Hawaii;

- $500,000 for Sewer Assessments, Island wide, Oahu;
- $500,000 for Rock fall Mitigation, Waimanalo, Oahu; and

  Act 119, SLH 2015 (FY 2017 Funding Eliminated)

- $2 million for Papakolea Sewer System Upgrades, Papakolea, Oahu

The DHHL requests that the Senate Committee on Ways and Means consider our request and provide sufficient sums. Thank you for your consideration of our testimony.

DAVID Y. IGE
GOVERNOR

STATE OF HAWAII
DEPARTMENT OF PUBLIC SAFETY
919 Ala Moana Boulevard, 4th Floor
Honolulu, Hawaii 96814

NOLAN P. ESPINDA
DIRECTOR

Cathy Ross
Deputy Director
Administration

Jodie F. Maesaka-Hirata
Deputy Director
Corrections

Shawn H. Tsuha
Deputy Director
Law Enforcement

No. _____

TESTIMONY ON
HOUSE BILL 1700, HOUSE DRAFT 1
RELATING TO THE STATE BUDGET
by
Nolan P. Espinda, Director

Senate Committee on Ways and Means
Senator Jill N. Tokuda, Chair
Senator Ronald D. Kouchi, Vice Chair

Tuesday, April 5, 2016; 9:00 a.m.
State Capitol, Room 211

Chair Tokuda, Vice Chair Kouchi, and Members of the Committee:

The Department of Public Safety (PSD) would like to express our appreciation for the elements in House Draft (HD) 1 of the Supplemental FY 2017 Budget that support essential PSD functions, such as, a permanent Public Information Officer position, the transfer and conversion of temporary positions to permanent, funding for the increased utility costs for the Maui Community Correctional Center (MCCC), and positions and funds for the electronic monitoring program at the Oahu Community Correctional Center. Also, support for enhanced Capitol Security, funds for increased physician salaries, and the increase in the federal fund ceiling.

However, PSD must express its concern that HD 1 does not include several other of the Department's urgent requests:

1. Funds for the lease rent for PSD Administrative Offices and State Narcotics Enforcement Division Office [FY17: $1,134,473]

2. Funds for the relocation of the PSD Administrative Offices [FY17: $3,177,200]

3. Funds for Security Services at AAFES Building [FY17:$22,620]

4. Funds for increased motor vehicle gasoline for PSD 503- Sheriffs [FY17: $88,847]

5. Funds for physician malpractice insurance, PSD 421- Health Care [FY17: $284,228]

Additionally, we note that HB 1700, HD 1 includes the following reductions:

- PSD 900- General Administration's Other Current Expenses by $219,000. This amount would have an adverse impact on PSD's ability to pay for the Microsoft Office 365 licenses.

- Deletion of $48,948 in Personnel Services for PSD 409- Women's Community Correctional Center. We will not be able to fill the Adult Correctional Officer position that was converted from temporary to permanent as a result of this reduction.

- Deletions of the following positions and funds:
  - 1.0 Clerk Dispatcher $30,780 PSD 503-Sheriffs
  - 1.0 Registered Nurse $21,066 PSD 421-Health Care
  - 1.0 Medical Record Librarian $22,206 PSD 421-Health Care
  - 2.0 Social Worker IV $86,880 PSD 421-Health Care

All the positions are important to the proper functioning of PSD operations, and these deletions hamper our ability to fill vacancies needed to provide necessary services.

PSD is also grateful for the support for our Capital Improvement Program (CIP) requests for Supplemental FY 2017. However, we note that the request for $15M funding for the MCCC – Housing and Associated Support Offices and Spaces to address the current housing needs of that facility was not funded. The deletion of this request impacts PSD's ability to address the critical ongoing overcrowded situation at that facility.

Thank you for the opportunity to present this testimony.

The Judiciary, State of Hawai'i

Testimony to the Senate Committee on Ways and Means
Senator Jill N. Tokuda, Chair
Senator Donovan M. Dela Cruz, Vice Chair

Tuesday, April 5, 2016 9:00 AM
State Capitol, Conference Room 211

WRITTEN TESTIMONY ONLY

by
James P. Crowe
Special Assistant for Judiciary Security

Bill No. and Title: House Bill No. 1700, House Draft 1 Relating to the State Budget.

Purpose: To adjust and request appropriations for Fiscal Biennium 2015-2017 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs. (HD1)

Judiciary's Position:

Although the Judiciary does not take a position on the overall Executive Budget, we respectfully express strong support for a supplemental appropriation to the Department of Public Safety (PSD) to increase deputy sheriff positions, as shown in House Bill 1700, House Draft 1, page 40, line 42.

Like other State entities, the Judiciary works closely with PSD to provide open, yet safe, public access to our facilities. The ability to maintain building security and workplace safety continues to be of great concern.

The approval of additional deputy sheriff positions is critical to address current vulnerabilities and enhance safety and security. For example, best practice safety and security measures such as uniformed deputies at magnetometers and/or main public ingress/egress locations in public buildings are essential as the first line of response to deter and/or stop persons who attempt to enter with weapons, explosives, etc. To mitigate these types of threats or any event to disrupt government operations, an immediate response by law enforcement personnel is necessary. These positions will provide essential coverage for this purpose.

Thank you for the opportunity to comment on this measure.

DAVID Y. IGE
GOVERNOR

SHAN TSUTSUI
LT. GOVERNOR

MARIA E. ZIELINSKI
DIRECTOR OF TAXATION

JOSEPH K. KIM
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF TAXATION
P.O. BOX 259
HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1540
FAX NO: (808) 587-1560

To: The Honorable Jill Tokuda, Chair
and Members of the Senate Committee on Ways and Means

Date: April 5, 2016
Time: 9:00 A.M.
Place: Conference Room 211, State Capitol

From: Maria E. Zielinski, Director
Department of Taxation

Re: H.B. 1700 H.D.1 Relating to the State Budget

While the Department of Taxation (Department) supports H.B. 1700 H.D.1, which funds the operations of the Department of Taxation (Department), we respectfully ask the Committee to restore the original budget requested by the Department as set forth in H.B.1700. The original budget request resulted in repurposing $899,777 of existing Department funds for the purpose of creating new positions that specifically result in approximately $29.3 million in estimated incremental revenue annually to the State. Additionally, the Department gave back approximately $1,428,000 of its budget. Consequently, the net result of the Department's budget request was a reduction of $528,223 to its total budget.

H.B. 1700 H.D.1 also reduced positions and funding for the Tax System Modernization section. These positions are currently filled. Reductions in funding for the Tax System Modernization (TSM) project would have a serious negative impact on the success of the TSM project. The Department respectfully requests that these positions be fully restored so as to not impact the progress of this critical project.

Investigative Branch

Aside from funding ongoing tax operations, the most significant adjustment requested in the Department's budget request and set forth in H.B. 1700, is the establishment of an Investigation Branch, by consolidating two existing Special Enforcement and Criminal Investigation sections and adding a new Tax Fraud Section. A total of fifteen new positions are requested for the new Investigation Branch.

The purpose of the establishment of the Investigation Branch is to provide a coordinated effort to promote voluntary compliance of Hawaii tax laws and regulations. This Investigation Branch will be a critical part of the Department and will continue with its efforts of deterrence

through the successful prosecution of tax offenders. Investigation personnel required to handle tax fraud cases need special law enforcement expertise and legal authority to properly conduct these type of investigations. Therefore, the Department will not be able to establish an Investigation Branch without the requested criminal investigator positions.

The effectiveness of the Investigation Branch can be measured by the additional revenue generated through assessments and criminal fines varying from $300,000 to $1,849,000 per case. Based on Fiscal Year 2015, the following are the estimated outcomes of each additional position:

- Each Criminal Investigator assigned to the Criminal Investigation Section will be tasked to maintain a case inventory of at least four investigations per year with expected revenue generated (assessments, including interest, penalties and criminal fines) of $300,000 per case for a projected outcome of approximately $1,200,000 per year. The prosecutions and convictions resulting from these investigations will also promote voluntary compliance of the Hawaii tax laws and regulations.
- Each Tax Fraud Investigator assigned to the Tax Fraud Section will detect and prevent approximately $750,000 of fraudulent refunds from being issued. They will each further detect approximately $1,750,000 of fraudulent return schemes by paid tax preparers. It should be noted that the examination and assessments of additional liabilities will be made by the Office Audit Branch.

Without the additional Investigator positions, the existing staff will only be able to address a limited number of fraud cases. We recommend a fully staffed Investigation Branch, as originally requested in H.B.1700, be established. The proposed budget is based on current fraud workload demands and an expected increase in cases. Currently, the Department is addressing the current fraud workload through an "ad hoc" tax fraud unit with three personnel temporarily loaned from the Collections Branch Office. Shifting these individuals to the tax fraud unit has created a backlog of work in their regular collections workload.

Also, the Department has requested two additional two Field Collector positions for the Collections Branch, as DoTAX refocuses its effort to work directly with taxpayers and businesses to collect the outstanding liabilities owed to the State of Hawaii. These two positions will be required to do field collection work; therefore, the Department requests that in addition to creation of the positions, funding is provided for intrastate travel.

Overall, we believe that altogether the additional 17 positions will result in additional revenue of approximately $29.3 million annually.

Tax System Modernization

Reducing any number of positions will seriously jeopardize the development, timeline and overall success for the TSM project. Project delays will also affect taxpayer services since these positions are used to back-fill positions staff working on TSM development and testing.

Several of the current positions that have been identified are currently filled and the rest are in the recruitment process. Eliminating any filled positions may become a collective bargaining issue.

Thank you for the opportunity to provide comments.

UNIVERSITY OF HAWAIʻI SYSTEM
Legislative Testimony

Testimony Presented Before the
Senate Committee on Ways and Means
April 5, 2016 at 9:00 a.m., Room 211
by
David Lassner
President – University of Hawaiʻi

HB1700 HD1 – RELATING TO THE STATE BUDGET

Chair Tokuda, Vice Chair Dela Cruz, and members of the Committee on Ways and Means:

Thank you for this opportunity to testify on HB 1700 HD1, Relating to the State Budget. The University of Hawaiʻi (UH) has significant concerns regarding the operating and capital improvement program budgets as presented in the HD1.

Provided below is a table showing the Board of Regents (BOR) approved general fund request, the amount requested by the Governor as reflected in HB1700, and the House Draft (HD1) of the budget for Fiscal Year (FY) 2017.

		BOR Approved		GOV Request		HD1	
Campus	Description	FTE	$$$	FTE	$$$	FTE	$$$
Mānoa	CTAHR Cooperative Extension	4.00	350,000	-	330,000	-	-
Mānoa	ORC General Fund Salary Restoration		306,168		-		-
Mānoa	EHSO General Fund Salary Restoration		1,093,832		-		-
Mānoa	Cancer Center		5,000,000		4,000,000		-
Mānoa	Intercollegiate Athletics		3,000,000		-		-
Mānoa	Change Funds from GF to Fed Funds						(50,000,000)
Hilo	Student Athlete Success & Travel	3.00	560,000		-		
Hilo	Conversion of Security from Contracts	37.00	420,000	27.00	-	-	-
UHWO	West Oʻahu Campus Evolution	12.00	728,020	12.00	728,020	-	-
CCs	Equipment Funds		1,250,000		1,250,000		1,250,000
Sys Support	Hawaiʻi Research & Innovation Initiative	20.00	3,500,000	20.00	3,500,000	-	-
Sys Support	Graduation Pathways to Success (GPS)						1
Sys Support	Repair & Maintenance						50,000,000
Total		**76.00**	**16,208,020**	**59.00**	**9,808,020**	**-**	**1,250,001**

We are appreciative that HD1 provides support for one BOR and Governor's request:

- Community Colleges Equipment Fund – Establishes an equipment fund to allow the Community Colleges to flexibly manage and prioritize expenditures for much needed equipment.

However, we are very concerned that HD1 does not provide any funding for key BOR requests vital to the future of Hawai‘i, some of which are also supported by the Governor:

- Cancer Center – The Cancer Center is the only National Cancer Institute (NCI) designated program in the Pacific and provides substantial health and economic benefit to the people of Hawai‘i. Additional financial support from the State is required to help address the funding gap created by the decline in cigarette tax revenue.

- Athletics – UH Mānoa and UH Hilo – funds are requested for Athletics programs at these two campuses to help offset costs that are higher at UH than other comparable institutions. UH athletic programs are Hawai‘i's athletic programs and are a source of pride and opportunity for the entire State.

- Hawai‘i Research and Innovation Initiative – This request will support the development of a third economic sector for Hawai‘i in addition to tourism and military spending. This three-part initiative will: 1) develop capacity and workforce in strategic areas of opportunity such as cybersecurity and sustainable water resources; 2) establish a Center for Commercialization to help develop private sector jobs associated with UH research and innovation; and 3) establish a Strategic Grants Development Office to increase the flow of federal dollars into Hawai‘i.

- UH West O‘ahu (UHWO) Campus Evolution – Funding and positions will provide for instruction and support services as UHWO continues to grow. This support is critical to ensure that evolution of UHWO can continue to meet the demand of students and the plans for its growing campus.

- College of Tropical Agriculture and Human Resources (CTAHR) – Agricultural Extension Service – HD1 does not provide continued funding that was appropriated as a legislative initiative in Act 105, Session Laws of Hawai‘i 2015. The Legislature had previously appropriated funding and positions, but only for a single year. This is not practical or realistic to meet the needs and demands of funding community extension positions by funding them for only one year.

- UH Hilo Security – Additional positions and funds are required to enable security services currently externally contracted to instead be provided by campus personnel. The civil service statutes and recent lawsuits by public worker unions

will force the state and the University to move services like these previously performed by external contracts into internal operations.

- Mānoa – Office of Research Compliance (ORC) and Environmental Health & Safety Office (EHSO) General Fund Restoration – These two programs have sustained general fund reductions over the last several years. These essential services are currently supported with revenues from other sources, which is not sustainable.

In addition to those requests listed above, the BOR budget includes various transfers also approved in the Governor's version, but not included in the HD1:

- Transfer of 0.50 FTE from UH Mānoa to John A. Burns School of Medicine (JABSOM) – a housekeeping measure for which no funds are involved. This position serves as the Cultural Competency Curriculum Coordinator for the Native Hawaiian Center for Excellence and is paid by JABSOM. Is it therefore appropriate that this position be placed permanently within JABSOM's budget.

- Transfer of various positions and funds from UOH900 (Systemwide Programs) to Mānoa, Hilo, West O‘ahu and the Community Colleges – these transfers will properly reflect the realignment of resources that currently occurs. As long as these instructional positions are budgeted at UOH900, they will fail to receive tenure, which will have an adverse effect on recruitment and retention. While the University can transfer these positions during budget execution, to avoid any adverse impacts it is necessary that these positions be permanently budgeted at the campus level.

Perhaps the most serious concern in HB1700 HD1 is its approach to decrease funding, which would result in the end of academic research at the University. We would like to note particular objection to the House Draft of the budget where the bill proposes to change $50,000,000 in personal services from general funds to federal funds. HB1700 HD1 proposes to reduce $44,800,000 and $5,200,000 in general funds to UH Mānoa (UOH100) and JABSOM (UOH110), respectively, and instead replaces the appropriation with "N fund" ceiling. This will have a severe negative effect on the operations of UH Mānoa and JABSOM. There is no possibility that this reduction in general funds can be made up with "N funds" or federal funds on July 1. Federal grants and research grants will typically require matching funds, are reimbursable after expenditures are made, and/or fund only portions of the total cost of research. This reduction will result in immediate reductions in force and would signal the complete lack of support of the Legislature for research in Hawai‘i and the economic, social, and community benefits it brings. Current state funding to the university that is used in the area of research is leveraged to generate over $400 million annually in extramural funds. While the House Draft adds $50 million in general funds to help to address maintenance and the deferred maintenance backlog, it should not come at the expense of devastating Hawai‘i's major research enterprise and economic driver.

Finally, we note that Governor's Message No. 11 includes $2,560,282 in general funds in FY17 to support the collective bargaining agreement with Unit 8. In the interest of transparency and in order to reduce the number of "moving pieces," we respectfully request that this funding be included in the funding measure for Unit 8 (HB2013). It should be noted that SB2835 SD1 HD1 includes this funding.

Capital Improvements Program (CIP)

Provided below is a table showing the BOR approved request for FY17 and the amount requested by the Governor as reflected in HB1700. All MOF are General Obligation (BO) bonds:

Project Title	BOR Request	Gov's Decision	HD1
Lump Sum CIP for Higher Education	131,342,000	-	
CIP Staff Costs	300,000	-	
Mānoa - Snyder Hall Renovation	2,500,000	2,500,000	2,500,000
Mānoa - Dean Hall Renovation	2,000,000	-	
Mānoa - Softball Stadium Renovations			2,950,000
Mānoa - Lump Sum, Athletics Facilities			15,000,000
Mānoa - Warrior Recreation Center Repairs			1,000,000
West Oʻahu - New Creative Media Facility	38,800,000	-	-
West Oʻahu - Admin & Allied Health Building			(18,000,000)
Community Colleges - Minor CIP	10,000,000	10,000,000	10,000,000
Kapiʻolani CC - Kokio Building Repair			655,000
Kapiʻolani CC - Naio Construction			750,000
Honolulu CC - Parking Lot			4,320,000
Hawaiʻi CC - NHERC			9,500,000
Hawaiʻi CC - Palamanui			300,000
Maui College - Food Innovation Center			7,000,000
Kauaʻi CC - Imu			2,000,000
CCs - Lump Sum for CRDM			25,000,000
Capital Renewal and Deferred Maintenance		60,000,000	60,000,000
Total	**184,942,000**	**72,500,000**	**122,975,000**

- Lump Sum CIP – This funding will provide UH the flexibility to prioritize improvements to existing facilities and construction of new facilities to address health, safety, and code requirements in addition to decreasing the deferred maintenance backlog through a comprehensive strategy.

- CIP Staff Costs – Funding for CIP-related positions to implement projects.

- Snyder Hall Renovation – Design funds for a total renovation of this 50 year old building with teaching labs, classrooms, and office space in the heart of the Mānoa campus.

- Dean Hall Renovation – Design funds for a complete renovation and modernization of this historic structure.

- UHWO – Creative Media Facility – This will provide construction money for classrooms, production facilities, and offices for a new Creative Media Facility.

- Community Colleges – Minor CIP – Funding for improvements to various campuses to meet current operational and instructional requirements.

- Capital Renewal and Deferred Maintenance (CRDM) – Funding to help address the deferred maintenance backlog.

There are a number of new projects in the HD1, for which UH is appreciative of legislative support. Despite the fact that these projects were not specifically included in the BOR approved budget, additional funds will support ongoing infrastructure and modernization needs.

We are concerned that the HD1 reduces funding for the Administration and Allied Health Building at the West O'ahu campus from $24 million to $6 million. At present, $7 million has already been released by the Governor for the Allied Health and Administration building project which is already underway. We therefore respectfully request that this appropriation be no less than $7 million. Furthermore, the original intent of this appropriation in the biennium budget was to settle an outstanding EB-5 loan. The University requests that the appropriation be preserved for the EB-5 loan repayment.

The greatest concern to the University regarding the CIP Budget is that it does not provide a comprehensive path forward for the elimination of the excessive deferred maintenance backlog. Currently, this deferred maintenance backlog for UH exceeds $500 million, with annual needs of approximately $70 million. The House Draft of the budget provides a total of $100 million for CRDM through three line items: $15 million for UH Mānoa Athletics Facilities, $25 million for Community Colleges, and $60 million for Systemwide Support. UH is very appreciative of this level of support for our deferred maintenance needs. However, moving forward we respectfully request an increased allocation of general obligation bonds and/or revenue bond authority so that we can implement a multi-year program to modernize UH facilities across the state to support 21st century teaching, learning and research.

Thank you for your time and consideration.

To The Committee on Ways and Means
Tuesday, April 5, 2016
9:00 a.m., Room 211

RE: HB1700, HD1, Relating to The State Budget

Attention: Chair Jill Tokuda, Vice Chair Donovan Dela Cruz and Members of the Committee

The University of Hawaii Professional Assembly (UHPA) urges the Committee to **amend HB1700, HD1, in the following sections:**

Page	Line	Program No.		
34	40	UOH100 University of Hawai'i at Manoa	+ $44.25 m	(A Funds)
35	01	UOH100 University of Hawai'i at Manoa	- $44.8 m	(N Funds)
35	10	UOH110 UOH, John A Burns Sch of Medicine	+ $ 5.2 m	(A Funds)
35	12	UOH110 UOH, John A Burns Sch of Medicine	- $ 5.2 m	(N Funds)
36	07	UOH900 UOH, Statewide Support	- $50 m	(A Funds)

These sections of HB1700, HD1, were amended by removing "A" funds and replacing them with "N" funds in UOH100 and UOH110. The "A" funds were then inserted into UOH900. We are urging the Senate Ways and Means Committee to reverse the HD1 version to the original amounts stated in HB1700.

Removing $50 million from "A" funds (general funds) and replacing that funding with "N" funds (federal funds) is the equivalent of providing a negative $50 million respectively to UH Manoa and the John A Burns School of Medicine. These "A" funds are fundamental to support research and to give funding agencies the assurances that the University can meet its commitments that are required. Federal grants require a quid pro quo--the failure to provide that resource, which often are faculty positions, means there will be severe limitations on the institution's ability to conduct research and the instructional opportunities that flow from that research.

Federal funds are tied to grants. "N" funds only appear as a function of grants being awarded. The cycle for grants from writing, submitting, acceptance and finally funding can take 12 - 18 months. Grants may provide funding for the principal researcher but rarely more than 2-3 months for employment related activities. This means it is the legislature that needs

University of Hawaii
Professional Assembly
1017 Palm Drive ✦ Honolulu, Hawaii 96814-1928
Telephone: (808) 593-2157 ✦ Facsimile: (808) 593-2160
Website: www.uhpa.org

to commit the state revenues that nurture the research faculty within the University. To do otherwise will effectively shut down a large sector of programs within UH Manoa.

Should HB1700, HD1 pass as currently submitted with a loss of $50 million in "A" funds there are recognizable consequences: These include

- Elimination of Faculty Members, Academic Professional/Technical personnel; Teaching and Research Assistants,
- Student enrollment declines as opportunities for undergraduates and graduate students to engage in research diminish;
- Instruction that incorporates lab and technical experiences becomes unsustainable due to loss of funds that provide equipment;
- A rapid exodus of faculty members as other institutions recruit and accept the grants held by the faculty member;
- Revenue loss of over a billion dollars annually
    - Research, primarily Organized Research Unit revenue - $300 million with a Multiplier effect between 4 and 10

Perhaps most troubling with this budget proposal is the attempt to undermine the University as an independent corporation and to diminish its mission in advancing creative endeavors through research. Using the budget as a device to have a conversation hides the real impact which is to compel certain behaviour or be punished. The magnitude of this challenge raises constitutional considerations that cannot be ignored. If the legislature is seeking to change the mission and nature of the University it should be forthright in making that argument.

History can be instructive. The vision of Governor Burns and the legislature of his day recognized that Hawai'i had special needs that required a local research focus. Subsequent Governors and legislatures have also recognized that the competition for researchers was a world-wide one and it would be difficult to attract excellent researchers to financially unstable positions in the middle of the Pacific Ocean. Their vision resulted in the University of Hawai'i at Manoa becoming a Carnegie 1 research institution recognized nationally and internationally.

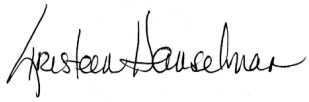
HB1700, HD1, represents a profound change in this vision with an acceptance that the University of Hawai'i at Manoa must downgrade from a Carnegie 1 research institution to a teaching college. The resources that discover ways to meet various challenges such as climate change, coastal erosion, chronic and epidemic diseases, and invasive species are eliminated meaning some other institution or agency will provide for Hawai'i that once was provided here.

University of Hawaii
Professional Assembly
1017 Palm Drive ✦ Honolulu, Hawaii 96814-1928
Telephone: (808) 593-2157 ✦ Facsimile: (808) 593-2160
Website: www.uhpa.org

Committee on Ways and Means
Tuesday, April 5, 2016
9:00 a.m., Room 211
Re: HB1700, HD1, Relating to the State Budget

UHPA urges the committee to **amend HB1700, HD1 as requested**.

Respectfully Submitted



Kristeen Hanselman
Executive Director

University of Hawaii
Professional Assembly
1017 Palm Drive ✦ Honolulu, Hawaii 96814-1928
Telephone: (808) 593-2157 ✦ Facsimile: (808) 593-2160
Website: www.uhpa.org

UNIVERSITY of HAWAI'I
WINDWARD
COMMUNITY COLLEGE

To: Senate Committee on Ways and Means
Honorable Representative Jill Tokuda, Chair
Honorable Representative Donovan Dela Cruz, Vice Chair

Date: Tuesday, April 5, 2016
Time: 9:00 AM
Place: Conference Room 211

Re: IN SUPPORT OF HB 1700 HD1 – RELATING TO THE STATE BUDGET

Aloha Honorable Chair Tokuda, Honorable Vice Chair Dela Cruz, and Members of the Committee on Ways and Means:

As the Associated Students of the University of Hawai‘i at Windward Community College (ASUH-WCC), representing the 2,600 students enrolled on our campus, we submit testimony in strong support of HB 1700 HD1, specifically as it relates to the Community Colleges.

The allotment of $1,250,000 for the Community College Equipment Fund would provide much needed monies to replace equipment expensed at over $5,000 that is old, outdated, and/or broken. The allotment for the Community College Equipment Fund would allow for campuses to tailor their individual budgets for spending on items that are an integral part of the student's day-to-day usage. For example, with the UH System's push towards Open Education Resources (free online learning resources) and more Distance Education/online classes, it is essential that schools provide the equipment necessary for both students and teachers to accommodate evolving technologies and teaching methods. This enables us at Windward Community College to not have to choose between cycling out approximately 100 computers that are over 5 years old and replacing the 8-passenger van that is not fiscally economical for repairs.

There is also a demand on campuses to increase enrollment and obtaining such growth is not possible without equipment able to handle evolving technologies to be made available for the assumed increase in students through multiple System-wide initiatives including the Hawai`i Graduation Initiative to increase the participation and completion rates of students, and the Hawai`i Innovation Initiative to enhance workforce development.

Thank you for the opportunity to comment and for your consideration of our testimony. Once again, the Associated Students of the University of Hawai‘i at Windward Community College strongly supports HB 1700 HD1, specifically as it relates to the Community Colleges.

Sincerely,
Kelli Acopan
President, ASUH-WCC

American Cancer Society
Cancer Action Network
2370 Nu`uanu Avenue
Honolulu, Hawai`i 96817
808.432.9149
www.acscan.org

Senate Committee on Ways and Means
Senator Jill Tokuda, Chair
Senator Donovan Dela Cruz, Vice Chair

HB 1700, HD1 – RELATING TO THE STATE BUDGET

Cory Chun, Government Relations Director – Hawaii Pacific
American Cancer Society Cancer Action Network

Thank you for the opportunity to provide written comments in support on HB 1700, HD1, which adjusts and requests appropriations for Fiscal Biennium 2015--17 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

These comments are specific to the executive budget request to support the University of Hawaii Cancer Center. We support using general funds to support the Cancer Center as a more stable funding source.

The University of Hawaii Cancer Center is one of only 69 institutions in the United States that hold the prestigious National Cancer Institute (NCI) designation, and is the only NCI-designated center in the Pacific. The NCI designation provides cancer researchers in Hawai'i with greater access to federal funding and research opportunities. More importantly, it gives the people of Hawai'i and the Pacific region access to many innovative and potentially life-saving clinical trials without the necessity of traveling to the mainland.

Cancer remains the second leading cause of death in Hawaii. While we have made great strides in reducing cancer incidence in Hawaii, there is still more we can do as a community. The University of Hawaii Cancer Center is a strategic partner in the fight against cancer and we look forward to a strong and continued relationship to further address cancer issues in the future.

Thank you for the opportunity to submit comments on this measure.

55 Merchant Street
Honolulu, Hawai'i 96813-4333

www.hawaiipacifichealth.org

April 5, 2016 at 9:00 am
Conference Room 211

Senate Committee on Ways and Means

To: Senator Jill Tokuda, Chair
Senator Donovan Dela Cruz, Vice Chair

From: Michael Robinson
Vice President -- Government Relations and Community Affairs

Re: HB 1700, HD1; Testimony Requesting Restoration of Appropriation for the University of Hawaii Cancer Center

My name is Michael Robinson, and I am the Vice President of Government Relations and Community Affairs for Hawai'i Pacific Health (HPH). Hawai'i Pacific Health is a not-for-profit health care system, and the state's largest health care provider and non-governmental employer. Hawai'i Pacific Health is committed to providing the highest quality medical care and service to the people of Hawai'i and the Pacific Region through its four hospitals, more than 50 outpatient clinics and service sites, and over 1,600 affiliated physicians. Hawai'i Pacific Health's hospitals are Kapi'olani Medical Center for Women & Children, Pali Momi Medical Center, Straub Clinic & Hospital and Wilcox Memorial Hospital.

HPH is writing to request that the appropriation for the University of Hawaii Cancer Center which was contained in the Governor's original budget be restored. The UH Cancer Center has been an important partner within the healthcare community of the state, and has made a tremendous difference in the lives of many cancer patients and their families. Because of the ethnic diversity in Hawaii we face different challenges as the types and incidents of cancer and cancer mortality rates may not be like those seen in other states. The UH Cancer Center is uniquely suited to study this diversity in healthcare needs.

The UH Cancer Center is one of only 69 institutions in the United States that hold the prestigious National Cancer Institute (NCI) designation, and is the only NCI-designated center in the Pacific. The NCI designation provides cancer researchers in Hawai'i with greater access to federal funding and research opportunities. More importantly, it gives the people of Hawai'i and the Pacific region access to many innovative and potentially life-saving clinical trials without the necessity of traveling to the mainland.

The funds requested for the UH Cancer Center will be used to reduce the annual shortfall in current operations at the Cancer Center caused by a reduction in the cigarette tax revenue. State funding support is required to address the operational needs of the Cancer Center which were planned when the facility was envisioned. In order to be successful so that it can continue to serve the needs of Hawaii's population, we must maintain the NCI designation of Hawaii's cancer center.

The incidence of cancer is increasing significantly and may double during the next twenty years, according to recent estimates by the International Agency for Cancer. HPH and the Cancer Center have established a partnership which has made it possible to offer life-saving clinical trials to cancer patients here. It is imperative that the UH Cancer Center maintain its NCI designation to foster research relevant to those in Hawai'i and to provide our state's residents with access to the most innovative clinical trials here in Hawai'i, in order to reduce the incidence of cancer in Hawai'i.

We respectfully urge this Committee to support the UH Cancer Center and restore the appropriation for the Cancer Center as was provided in the original version of HB 1700.

55 Merchant Street
Honolulu, Hawai'i 96813-4333

HAWAI'I PACIFIC HEALTH
Kapi'olani · Pali Momi · Straub · Wilcox

www.hawaiipacifichealth.org

April 5, 2016 at 9:00 am
Conference Room 211

Senate Committee on Ways and Means

To: Senator Jill Tokuda, Chair
Senator Donovan Dela Cruz, Vice Chair

From: Michael Robinson
Vice President -- Government Relations and Community Affairs

Re: HB 1700, HD1; Testimony Requesting Restoring the John A. Burns School of Medicine's Funding

My name is Michael Robinson, and I am the Vice President of Government Relations and Community Affairs for Hawai'i Pacific Health (HPH). Hawai'i Pacific Health is a not-for-profit health care system, and the state's largest health care provider and non-governmental employer. Hawai'i Pacific Health is committed to providing the highest quality medical care and service to the people of Hawai'i and the Pacific Region through its four hospitals, more than 50 outpatient clinics and service sites, and over 1,600 affiliated physicians. Hawai'i Pacific Health's hospitals are Kapi'olani Medical Center for Women & Children, Pali Momi Medical Center, Straub Clinic & Hospital and Wilcox Memorial Hospital.

HPH is writing to request that the appropriation for the John A. Burns School of Medicine (JABSOM) which was contained in the Governor's original budget be restored.

Hawaii already faces a shortage of physicians, especially primary care physicians. Workforce studies indicate that we are nearly 700 physicians short when compared to national norms. This number has been steadily rising over the years and is predicted to increase, especially as more of our practicing physicians reach retirement age. However, it has been shown that 80% of doctors who receive their medical degree and their GME training in Hawaii stay in Hawaii to practice. Because of JABSOM, Hawaii has the highest doctor retention rate in the country.

Through its GME program, together with Hawaii's teaching hospitals, including Kapiolani Medical Center for Women and Children and Pali Momi Medical Center, JABSOM puts 240 doctors to work every year as physician trainees. As they train, these residents care for patients under the supervision of JABSOM's clinical staff. Hawaii needs more doctors to care for our residents. JABSOM is a vital component in educating and training doctors who will stay in Hawaii to practice.

We respectfully urge this Committee to support JABSOM and restore the appropriation for its funding as was provided in the original version of HB 1700.

Thank you for the opportunity to provide testimony.

The Senate Committee on Ways and Means
April 5, 2016
9:00 a.m.
Room 211

HB 1700, HD1
TESTIMONY REQUESING THE RESTORATION OF FUNDING FOR THE UNIVERSITY OF HAWAII CANCER CENTER

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

My name is Virginia Weinman. I am a member of the Friends of the Cancer Board and have been involved with the UH Cancer Center for about ten years.

My husband, Barry Weinman & I have supported the University of Hawaii for fifteen years, totaling over $7M in donations. We have provided full scholarships to 10 students at UH JABSOM and have underwritten the Chair of Dr. Hedges, Dean of JABSOM. In addition, the Weinman Symposiums have enabled six Nobel Laureates in cancer research to visit and work with the Cancer Center's researchers.

We strongly support research and higher education in medicine in Hawaii. The continuation of the Cancer Center is vital to the growth of Hawaii and we hope to continue our philanthropy if the Cancer Center is adequately funded.

Cancer research is vital to the needs of the people in our community. The research taking place right here at the UH Cancer Center involves our diverse ethnic population as well as our natural resources. Having a recognized and National Cancer Institute designated cancer research center here in Hawaii is important not only for us, the citizens of our state, but also for the important role that Hawaii can play to contribute to the overall effort of finding better treatments through a deeper and more sophisticated understanding of the complex array of diseases called cancer. If you or your loved one is touched by cancer, I know you would want and expect the best treatment available anywhere to ensure a good outcome. The UH Cancer Center is just that for the people of our state. Clinical trials taking place over many decades along with the research in the laboratory were the key to curing once incurable diseases. Through clinical trials administered by the UH Cancer Center, our citizens are afforded the ability to receive state of the art treatment at local hospitals here in Hawaii surrounded by family and friends with the support they need.

The UH Cancer Center is one of only 69 institutions in the United States that hold the prestigious National Cancer Institute (NCI) designation, and is the only NCI-designated center in the Pacific. The NCI designation provides cancer researchers in Hawai'i with greater access to federal funding and research opportunities. More importantly, it gives the people of Hawai'i and the Pacific region access to many innovative and potentially life-saving clinical trials without the necessity of traveling to the mainland.

Each year more than 6,000 Hawaii residents are diagnosed with cancer, and more than 2,000 will die from the disease. Cancer is the second leading cause of death in Hawaii, and accounts for one of every five deaths statewide. As a NCI-designated cancer research center, the UH Cancer Center brings ground-breaking studies and new cancer-fighting drugs and treatment to our community, making it possible for Hawaii's people to receive the most advanced treatments for cancer.

The ethnic diversity in Hawaii is unlike other populations in other parts of the country. We in Hawaii face different challenges as the types and incidents of cancer as well as mortality rates may not be like those seen in other states. The UH Cancer Center is acutely aware of Hawaii's unique diversity and healthcare needs. Its focus is finding treatment, drugs and protocols that are specific to our community.

For instance, the UH Cancer Center's researchers have found that colon cancer in Native Hawaiian men is higher than in other ethnic groups. Thus, researchers are focused on investigating ways to reduce the high rate of cancer deaths in this population.

The funds requested for the UH Cancer Center will be used to reduce the annual shortfall in current operations at the Cancer Center caused by a reduction in the cigarette tax revenue. State funding support is required to address the operational needs of the Cancer Center which were planned when the facility was envisioned. In order to be successful so that it can continue to serve the needs of Hawaii's population, we must maintain the NCI designation of Hawaii's cancer center.

The incidence of cancer is increasing significantly and may double during the next twenty years, according to recent estimates by the International Agency for Cancer. It is imperative that the UH Cancer Center maintain its NCI designation to foster research relevant to those in Hawai'i and to provide our state's residents with access to the most innovative clinical trials here in Hawai'i, in order to reduce the incidence of cancer in Hawai'i.

Governor Ige recognizes the importance of the Cancer Center and thus included an appropriation for the Cancer Center in the budget. I respectfully urge this Committee to reinstate the appropriation for the UH Cancer Center as contained in the original version of HB 1700.

From: Crissy Terawaki Kawamoto
To: WAM Testimony
Subject: Support for UH Cancer Center
Date: Monday, April 04, 2016 8:40:24 AM

The Senate Committee on Ways and Means

April 5, 2016

9:00 a.m.

Room 211

HB 1700, HD1

TESTIMONY REQUESING THE RESTORATION OF FUNDING FOR THE UNIVERSITY OF HAWAII CANCER CENTER

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

My name is Crissy Terawaki Kawamoto, and I am a study coordinator at and staunch supporter of the University of Hawai'i Cancer Center. I have been an employee of the Cancer Center for 17 years, and this is so because cancer research is important to me. All of us have been touched by cancer, either personally or via friends or family members. I wake up every day knowing that I am doing something about it.

I am writing to express my support for the appropriation to the UH Cancer Center which was contained in Governor Ige's original budget, and request that the funding be restored.

The UH Cancer Center has been an important partner within the healthcare community of the state, and has made a tremendous difference in the lives of many cancer patients and their families. Because of the ethnic diversity in Hawaii we face different challenges as the types and incidents of cancer and cancer mortality rates may not be like those seen in other states. The UH Cancer Center is uniquely suited to study this diversity in healthcare needs. Yes, there are 69 National Cancer Institute (NCI) designated cancer centers in the U.S. -- but literally only WE can conduct the breadth of research we do and serve the ethnic minority populations we

serve.

This NCI designation is critical to the survival of the Cancer Center. Not only does it provide cancer researchers in Hawai‘i with better access to federal funding and research opportunities, but it also gives the people of Hawai‘i and the Pacific access to life-saving, cutting-edge clinical trials RIGHT HERE in Hawai‘i, through their own specialists. They don't have to spend money to travel to the mainland, to leave their families.

You know -- not as government officials, but as PEOPLE -- how cancer affects patients and families. It is a terrible disease, but over even just the past few decades, researchers have made incredible strides in understanding cancer and in learning how to fight it. Research is so important, but of course it cannot be done without financial support. The UH Cancer Center needs your help to keep things up and running -- yes, to keep the lights on so we, the research staff, can continue to do our best not only to contribute to big-picture science, but also to provide critical services like clinical trials access to the people of Hawai‘i.

I respectfully urge this Committee to restore the funding for the UH Cancer Center which was contained in the Governor’s original budget.

Thank you for your consideration.

Sincerely,
Crissy Terawaki Kawamoto

The Senate Committee on Ways and Means
April 5, 2016
9:00 a.m.
Room 211

HB 1700, HD1

TESTIMONY REQUESING THE RESTORATION OF FUNDING FOR THE UNIVERSITY OF HAWAII CANCER CENTER

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

My name is F. Don Parsa, MD, FACS, President of the Friends of the Medical School and Professor of Surgery, Department of Surgery, Chief of the Division of Plastic Surgery, University of Hawaii, John A. Burns School of Medicine. I am writing to express my full support for the appropriation to the UH Cancer Center which was contained in Governor Ige's original budget, and **strongly request that the funding be restored.**

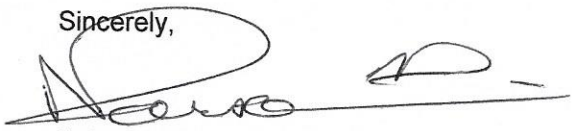
I graduated from Baylor College of Medicine where a good part of our training took place at the MD Anderson Hospital that is a major center for cancer treatment in the Country. As a physician and reconstructive surgeon for over 30 years in Hawaii I have been involved for decades in the treatment of defects and deformities created by cancer and am quite familiar of the devastating effect cancer causes on patients and their families and the great positive role the Cancer Center plays in the community .

Most convincing arguments have been shown and proven in favor of the economic importance of the Cancer Center in the State economy including the great number of jobs it will create. In addition to obvious economic advantages, Cancer Center has been an important partner within the healthcare community in Hawaii and no one doubts the huge difference it has made in the lives of the people of Hawaii both in saving lives as well as improving the quality of life.

The UH Cancer Center has worked closely with healthcare community of the state, and has made a tremendous difference in the lives of many cancer patients and their families. Because of the ethnic diversity in Hawaii we face different challenges as the types and incidents of cancer and cancer mortality rates may not be like those seen in other states. The UH Cancer Center is uniquely suited to study this diversity in healthcare needs and to make a real difference in the lives of people of Hawaii. No other cancer center elsewhere is focused on research to help our people in Hawaii.

Loss of Cancer Center will have a significant harmful effect on the well-being of the people of Hawaii and therefore I ask this Committee to restore the funding for the UH Cancer Center as contained in Governor Ige's original budget.

Sincerely,



F. Don Parsa, MD, FACS,
President of the Friends of The Medical School,
Professor of Surgery,
University of Hawaii,
John A. Burns School of Medicine,

The Senate Committee on Ways and Means
April 5, 2016
9:00 a.m.
Room 211

HB 1700, HD1

TESTIMONY REQUESING THE RESTORATION OF FUNDING FOR THE UNIVERSITY OF HAWAII CANCER CENTER

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

My name is Dr. James Turkson, and I am a Professor/Researcher and a Program Director at the University of Hawaii Cancer Center. My laboratory conducts research on the natural products obtained from the endemic species here in the Hawaiian Islands to discover and develop new anticancer therapeutics. Due to its geographical isolation, Hawaii's ecosystem is unique and very different from the continental U.S. and presents many species of marine and terrestrial plants and microorganisms that only exist in the Hawaiian Islands. This unique resource offers great opportunities for discovering new compounds of value for treating human cancers and for promoting health in general. UH Cancer Center researchers, including my laboratory, are intensifying research activities to discover natural product-based new, safe and efficacious anticancer drugs. Most notably, our research activities have led to the discovery of five natural product compounds from the Iron weed plant, one from poha berry obtained from the Big Island, as well as two new synthesized compounds, all of which inhibit the growth of human breast cancer and brain tumors in experimental models. These discoveries represent new technologies and are part of the several pending patent applications originating from the UH Cancer Center, which have been filed by the University of Hawaii. The technologies are significant in their commercial potential, as they represent potential new options for development as treatments against not only breast cancer, but also for aggressive, lethal brain tumors, which are currently without effective treatments.

I am writing to express my support for the appropriation to the UH Cancer Center which was contained in Governor Ige's original budget, and request that the funding be restored.

The UH Cancer Center has been an important partner within the healthcare community of the state, and has made a tremendous difference in the lives of many cancer patients and their families. Because of the ethnic diversity in Hawaii we face different challenges as the types and incidents of cancer and cancer mortality rates may not be like those seen in other states. The UH Cancer Center is uniquely suited to study this diversity in healthcare needs.

The UH Cancer Center is one of only 69 institutions in the United States that hold the prestigious National Cancer Institute (NCI) designation, and is the only NCI-designated center in the Pacific. The NCI designation provides cancer researchers in Hawai'i with

greater access to federal funding and research opportunities. More importantly, it gives the people of Hawai'i and the Pacific region access to many innovative and potentially life-saving clinical trials without the necessity of traveling to the mainland.

Each year more than 6,000 Hawaii residents are diagnosed with cancer, and more than 2,000 will die from the disease. Cancer is the second leading cause of death in Hawaii, and accounts for one of every five deaths statewide. As a NCI-designated cancer research center, the UH Cancer Center brings ground-breaking studies and new cancer-fighting drugs and treatment to our community, making it possible for Hawaii's people to receive the most advanced treatments for cancer without the need to travel to the mainland away from home and at great expense.

The UH Cancer Center brings innovative clinical trials to Hawaii. In 2014, the UH Cancer Center, working with Hawaii's hospitals, gave Hawaii's adult and pediatric cancer patients approximately 100 different national clinical trials locally. Currently there are about 100 ongoing clinical trials enrolling both adults and children. These clinical trials always guarantee the national standard of best care and the opportunity to benefit from a better treatment. The Cancer Center is actively following over 1,000 patients who have enrolled in clinical trials in the past. The Cancer Center is also working on identifying potential cancer drugs from Hawaii's natural resources, including compounds from plants, such as poha berry, noni and sea sponge, all of which have shown promise against cancer. Several patents are pending based on the UH Cancer Center's findings and research.

Because the types and incidence of cancer among our local population varies significantly from populations on the mainland, the focus of our research has been to target our diverse ethnic groups. For instance, one of our researchers has found that the use of electronic smoking devices among adolescents in Hawaii is triple that of adolescents on the mainland. This tells us that we need to reach out to our younger population to address this problem. Additionally, the UH Cancer Center's researchers have found that colon cancer in Native Hawaiian men is higher than in other ethnic groups. Thus, researchers are focused on investigating ways to reduce the high rate of cancer deaths in this population.

The funds requested for the UH Cancer Center will be used to reduce the annual shortfall in current operations at the Cancer Center caused by a reduction in the cigarette tax revenue. The cigarette tax revenue has been declining since 2009. Although cost-saving measures have been implemented, state funding support is required to address the operational needs of the Cancer Center which were planned when the facility was envisioned. In order to be successful so that it can continue to serve the needs of Hawaii's population, we must maintain the NCI designation of Hawaii's cancer center.

The incidence of cancer is increasing significantly and may double during the next twenty years, according to recent estimates by the International Agency for Cancer. It is imperative that the UH Cancer Center maintain its NCI designation to foster research

relevant to those in Hawai'i and to provide our state's residents with access to the most innovative clinical trials here in Hawai'i, in order to reduce the incidence of cancer in Hawai'i.

I respectfully urge this Committee to restore the funding for the UH Cancer Center which was contained in the Governor's original budget.

The Senate Committee on Ways and Means
April 5, 2016
9:00 a.m.
Room 211

HB 1700, HD1

TESTIMONY REQUESING THE RESTORATION OF FUNDING FOR THE UNIVERSITY OF HAWAII CANCER CENTER

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

My name is Dr. Joe W. Ramos and I am a UH Professor (Researcher) and Director of the Cancer Biology Program at the UH Cancer Center. I am providing testimony on behalf of myself as a faculty member of the Center.

I am writing to express my support for the appropriation to the UH Cancer Center which was contained in Governor Ige's original budget, and request that the funding be restored.

The UH Cancer Center has been an important partner within the healthcare community of the state, and has made a tremendous difference in the lives of many cancer patients and their families. Indeed, it was called *a **"crown jewel for UH"*** by our National Cancer Institute External Advisory Committee. Because of the ethnic diversity in Hawaii we face different challenges as the types and incidents of cancer and cancer mortality rates may not be like those seen in other states. The UH Cancer Center is uniquely suited to study this diversity in healthcare needs.

My own work at the Cancer Center is focused on understanding how cancers become metastatic and move to other organs in the body. This is what kills 90% of all patients and remains poorly understood. For example, metastasis of breast cancer to the brain is a frequent cause of death. We are using the knowledge we gain from understanding the underlying molecular mechanisms that drive metastasis to develop new drug candidates from local natural products (many found only in Hawaii) and engineered small molecules. We have published several recent drugs candidates that are currently in testing in pre-clinical models including two promising ones for Kidney Cancer one of which was just awarded a patent (US #9,315,531 issue date: 4/19/16).

Our work on cancer involves our local graduate, undergraduate and high school students. We host UH undergraduates and local high school students in our labs to let them get a taste of doing research in a nationally funded team. I have hosted over 25 undergrads and 8 high school students in my eleven years at the Cancer Center - most as part of the Cancer Center CURE program (a supplement to our NCI designation grant). I hope that I might in this way promote our local students to consider a STEM career. This is part of the education mission of the Cancer Center: **providing students with opportunities they will NOT have if we lose the research capabilities at UH.**

The UH Cancer Center is one of only 69 institutions in the United States that hold the prestigious National Cancer Institute (NCI) designation, and is the only NCI-designated center in the Pacific. The NCI designation provides cancer researchers in Hawai'i with greater access to federal funding and research opportunities. More importantly, it gives the people of Hawai'i and the Pacific region access to many innovative and potentially life-saving clinical trials without the necessity of traveling to the mainland.

Each year more than 6,000 of our friends and ohana here in Hawaii are diagnosed with cancer, and more than 2,000 will die from the disease. Cancer is the second leading cause of death in Hawaii, and accounts for one of every five deaths statewide. As a NCI-designated cancer research center, the UH Cancer Center brings ground-breaking studies and new cancer-fighting drugs and treatment to our community, making it possible for Hawaii's people to receive the most advanced treatments for cancer without the need to travel to the mainland away from home and at great expense.

NIH will get an extra $2 Billion dollars this fiscal year. The first increase in funding in over ten years. President Obama and Vice President Biden have made cancer research a special focus with their **Cancer Moonshot Initiative**. Importantly, since our last NCI renewal our funding has increased at a time when funding at the national level had fallen. Most of our Cancer Center faculty have at least one large NIH grant. To get one of these grants we must compete with researchers from everywhere in the US including top places like Stanford or Harvard and other Cancer Centers and we must be in the top 12% of the grants reviewed to get funded. The top 12%! Our faculty are therefore by definition among the top cancer researchers in the country. So we anticipate that we will bring in even more funds in the coming years. Now is not the time to pull our punches.

The UH Cancer Center brings innovative clinical trials to Hawaii. In 2014, the UH Cancer Center, working with Hawaii's hospitals, gave Hawaii's adult and pediatric cancer patients approximately 100 different national clinical trials locally. Currently there are about 100 ongoing clinical trials enrolling both adults and children. These clinical trials always guarantee the national standard of best care and the opportunity to benefit from a better treatment. The Cancer Center is actively following over 1,000 patients who have enrolled in clinical trials in the past. The Cancer Center is also working on identifying potential cancer drugs from Hawaii's natural resources, including compounds from plants, such as poha berry, noni and sea sponge, all of which have shown promise against cancer. Several patents have been awarded or are pending based on the UH Cancer Center's findings and research.

Because the types and incidence of cancer among our local population varies significantly from populations on the mainland, the focus of our research has been to target our diverse ethnic groups. For instance, one of our researchers has found that the use of electronic smoking devices among adolescents in Hawaii is triple that of adolescents on the mainland. This tells us that we need to reach out to our younger population to address this problem. Additionally, the UH Cancer Center's researchers

have found that colon cancer in Native Hawaiian men is higher than in other ethnic groups. Thus, researchers are focused on investigating ways to reduce the high rate of cancer deaths in this population.

The funds requested for the UH Cancer Center will be used to reduce the annual shortfall in current operations at the Cancer Center caused by a reduction in the cigarette tax revenue. The cigarette tax revenue has been declining since 2009. Although cost-saving measures have been implemented, state funding support is required to address the operational needs of the Cancer Center which were planned when the facility was envisioned. In order to be successful so that it can continue to serve the needs of Hawaii's population, we must maintain the NCI designation of Hawaii's cancer center.

The incidence of cancer is increasing significantly and may double during the next twenty years, according to recent estimates by the International Agency for Cancer. It is imperative that the UH Cancer Center maintain its NCI designation to foster research relevant to those in Hawai'i and to provide our state's residents with access to the most innovative clinical trials here in Hawai'i, in order to reduce the incidence of cancer in Hawai'i.

In closing, I imagine we have all been directly or indirectly affected by cancer. I lost a brother in law who was only 32 to a rare form of melanoma. He left behind two young children. I lost a close colleague here at the Center to breast cancer who left behind three very young children. These are catastrophes. **This is personal.**

I know why I come to work. Why I put up with the profound challenges. Like my colleagues here: **I intend to make a difference.** So I am very proud of our University of Hawaii Cancer Center and its **irreplaceable** role in the islands.

Yes, there are more famous Cancer Centers on the Mainland, but they don't live here, and they don't address the specific needs we have in the islands-where we have one of the most diverse populations ethnically in the world.

That is our job. That is what NCI Designated Cancer Centers do.

We do **RESEARCH** in **our** communities centered on **our** lifestyle, **our** ethnicities, capitalizing on **our** special resources and local talent to **reduce the burden of cancer here** and everywhere.

We bring in and organize **CLINICAL TRIALS** here in the islands so you can get the **best treatment** without leaving the support of friends and family and the revitalizing comforts of home.

We **EDUCATE** our local physicians, nurses, students, friends and family about the very latest research in **basic cancer research**, **cancer prevention** and **treatment breakthroughs**.

That is what we do for Hawaii… That is our mission... That is our **value**.

I respectfully urge this Committee to restore the funding for the UH Cancer Center which was contained in the Governor's original budget.

Mahalo.

Joe W. Ramos, PhD,

The Senate Committee on Ways and Means
April 5, 2016
9:00 a.m.
Room 211

HB 1700, HD1

TESTIMONY REQUESING THE RESTORATION OF FUNDING FOR THE UNIVERSITY OF HAWAII CANCER CENTER

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

My name is Dr. Michelle L. Matter, and I am an Associate Professor at the University of Hawaii Cancer Center. In my work, I have identified a new gene called PTRH2 that is important in human development and in cancer. It is especially important in the children's cancer neuroblastoma where high expression of this protein provides a survival signal in these cancer cells. This is an important advantage that these cancer cells use as they metastasize to new sites. My group is working to understand how this survival advantage occurs and if PTRH2 it is a therapeutic target for treating neuroblastoma.

I am writing to express my support for the appropriation to the UH Cancer Center which was contained in Governor Ige's original budget, and request that the funding be restored.

The UH Cancer Center has been an important partner within the healthcare community of the state, and has made a tremendous difference in the lives of many cancer patients and their families. Because of the ethnic diversity in Hawaii we face different challenges as the types and incidents of cancer and cancer mortality rates may not be like those seen in other states. The UH Cancer Center is uniquely suited to study this diversity in healthcare needs.

The UH Cancer Center is one of only 69 institutions in the United States that hold the prestigious National Cancer Institute (NCI) designation, and is the only NCI-designated center in the Pacific. The NCI designation provides cancer researchers in Hawai'i with greater access to federal funding and research opportunities. More importantly, it gives the people of Hawai'i and the Pacific region access to many innovative and potentially life-saving clinical trials without the necessity of traveling to the mainland.

Each year more than 6,000 Hawaii residents are diagnosed with cancer, and more than 2,000 will die from the disease. Cancer is the second leading cause of death in Hawaii, and accounts for one of every five deaths statewide. As a NCI-designated cancer research center, the UH Cancer Center brings ground-breaking studies and new cancer-fighting drugs and treatment to our community, making it possible for Hawaii's people to receive the most advanced treatments for cancer without the need to travel to the mainland away from home and at great expense.

The UH Cancer Center brings innovative clinical trials to Hawaii. In 2014, the UH Cancer Center, working with Hawaii's hospitals, gave Hawaii's adult and pediatric cancer patients approximately 100 different national clinical trials locally. Currently there are about 100 ongoing clinical trials enrolling both adults and children. These clinical trials always guarantee the national standard of best care and the opportunity to benefit from a better treatment. The Cancer Center is actively following over 1,000 patients who have enrolled in clinical trials in the past. The Cancer Center is also working on identifying potential cancer drugs from Hawaii's natural resources, including compounds from plants, such as poha berry, noni and sea sponge, all of which have shown promise against cancer. Several patents are pending based on the UH Cancer Center's findings and research.

Because the types and incidence of cancer among our local population varies significantly from populations on the mainland, the focus of our research has been to target our diverse ethnic groups. For instance, one of our researchers has found that the use of electronic smoking devices among adolescents in Hawaii is triple that of adolescents on the mainland. This tells us that we need to reach out to our younger population to address this problem. Additionally, the UH Cancer Center's researchers have found that colon cancer in Native Hawaiian men is higher than in other ethnic groups. Thus, researchers are focused on investigating ways to reduce the high rate of cancer deaths in this population.

The funds requested for the UH Cancer Center will be used to reduce the annual shortfall in current operations at the Cancer Center caused by a reduction in the cigarette tax revenue. The cigarette tax revenue has been declining since 2009. Although cost-saving measures have been implemented, state funding support is required to address the operational needs of the Cancer Center which were planned when the facility was envisioned. In order to be successful so that it can continue to serve the needs of Hawaii's population, we must maintain the NCI designation of Hawaii's cancer center.

The incidence of cancer is increasing significantly and may double during the next twenty years, according to recent estimates by the International Agency for Cancer. It is imperative that the UH Cancer Center maintain its NCI designation to foster research relevant to those in Hawai'i and to provide our state's residents with access to the most innovative clinical trials here in Hawai'i, in order to reduce the incidence of cancer in Hawai'i.

I respectfully urge this Committee to restore the funding for the UH Cancer Center which was contained in the Governor's original budget.

Testimony in Opposition
to HB1700 HD1
Relating to the State Budget
House Committee on Ways and Means
5 April 2016, 9:00 am, Room 211

Testimony by
Alexander Shor
University of Hawaii at Manoa

Aloha, and thank you for reading my testimony. I am testifying as a private citizen, though I am an employee of University of Hawaii (Associate Dean for Research in SOEST). The basis of my testimony is my long involvement with the academic research mission of our School at UH, as well as my previous employment (for thirteen years) as a Program Director in the Ocean Sciences Division at the National Science Foundation. I have been involved with the conduct and administration of federally-funded academic research for my entire career (now in my fifth decade). The budget proposal here is, on its face, one of the most disturbing attacks on science I have observed in that time, even more so than attacks in recent years by anti-evolutionists and anti-climate research politicians in the federal Congress. I urge you to address your concerns about UH management in a more collaborative and effective manner, and to that end, I invite you and your colleagues to meet with our School leadership and faculty to talk, individually or in groups, about positive steps we can all take to address real budget issues and research progress when this session has ended.

It is deeply disturbing that anyone would believe that eliminating 500 academic research jobs at UH Manoa in one year would be a positive benefit to the State in any manner. Yet that is what is proposed here in the name of fiscal 'reform' – the immediate elimination of (at least) 500 full time positions on the Manoa and Kaka'ako campuses through the elimination of $50 million from the UH Manoa and JABSOM budgets (nearly 25% of the total UHM/JABSOM budget). Its fictional budgetary replacement with 'federal' funds is impossible in one year, and unlikely in ten, given the existing tight financial situation in Washington (and the lack of any senior legislators to help push $$ towards the state) and the rules in place at most federal agencies limiting the amount of salary that will be made available to support research by University faculty (who are expected to receive most of their salaries from their institution so grant funds can support students, technicians and trainees). The addition of $50 million to the UH System budget is viewed by some faculty as a 'replacement' of these funds to be used at discretion of the UH President. However, those funds are designated for repairs and maintenance (a separate and equally critical need at UH), and the idea that the University should choose between

carrying out its mission in decaying infrastructure or repairing it is a very strange offer from the legislature, showing serious disrespect for our faculty.

In addition to the loss of faculty and staff positions that the $50 million will cause, we can anticipate the subsequent loss of much more. As the faculty and staff paid from those G funds depart, they will no longer generate much of the current $300M+ of research support annually that comes from federal agencies. Those funds allow undergraduate and graduate students to work in the areas of their academic interest. As many of their mentors are forced out of the research units, the grant funding those units generate disappears. Significant amounts of research funding at UHM is generated by faculty members in academic departments, but even more of it comes through our ORUs, some which were established with missions to provide very direct research support to the State. Some of this support also comes directly to our School or College offices, to support research infrastructure (i.e. over $10 million annually to support our research ships, which I manage). Overall, the bill here would directly impact units carrying out more than half of the extramurally-funded research on our campus. While one cannot exactly estimate the impacts, one can without any exaggeration predict that they will be enormous, and it will almost certainly drop UH Manoa out of the ranks of Carnegie R1 universities (the highest rank), in which we currently reside. Our university excels in many areas – in my own fields of ocean and geophysical sciences, in astronomy, in research in renewable energy, for example – and it is largely because the ORUs that support that research attract the very top students from around the world. I believe that this will be lost if this bill is enacted in its current form.

It is very hard to believe that members of the state legislature fail to understand the benefits that these research faculty and their technical and administrative staff bring to the State economy and education system. We are your neighbors, PTA members, soccer team managers, friends and parents of your childrens' friends. We build, we participate, we teach, we work in your neighborhoods and communities. Many of us are very frustrated by ongoing and unfounded attacks on our character, competence, integrity and value to the community, both from individual legislators in public meetings, and through the press, often anonymous or unattributed. Even worse, some of our teaching faculty colleagues have accepted the false tenet that this debate is about Research VERSUS Education, and have lobbied for the elimination of part or all of the state funding for research faculty so that it can be reassigned to their units.

We need to heal. We provide a positive, important benefit to the economy of the State and to the education of the State's youth. **I strongly urge you, as leaders of the legislature and mentors to the State government, to shelve this misguided cut**, and to reach out to those of us in the research arms of UH to discuss how we can use State funds most effectively to grow our academic and research enterprise and help the State flourish. We will be happy to work with you.

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: elkadi@hawaii.edu
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Thursday, March 31, 2016 2:57:20 PM

HB1700
Submitted on: 3/31/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Aly El-Kadi	Individual	Oppose	No

Comments: I believe this would be a major disaster for the University of Hawaii. There is no way UH researchers will secure salary replacements between now and July 1, so UH would need to cut $50 M. In addition to non-tenured (and possibly tenured) faculty and staff, the carnage would spread beyond the Organized Research Units to anything that can be thrown overboard quickly across Manoa and the system. Cuts would then have to come from somewhere through a focused plan or across the board with devastating consequences. The University needs a plan going forward on how to live within available means. However, the plan must involve discussions with the public and the Legislator to critically assess various options keeping in mind that research should be a significant part of UH's vision.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: GuerrerA@hawaiiantel.net
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Saturday, April 02, 2016 7:39:43 AM

HB1700
Submitted on: 4/2/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Anthony Guerrero	Individual	Oppose	No

Comments: I am a UH faculty member and alumnus, physician, and individual/family healthcare consumer, and and I OPPOSE this bill, which would precipitously disrupt and derail the critical operations of the university (with a proposed $50 million cut) including the medical school (with a proposed $5 million cut). Every day, the medical school saves lives through its research and through its serving of the neediest of patients at partner hospitals and health centers. Furthermore, the medical school, together with the cancer center, adds over a half billion dollars to the state economy every year http://www.hawaii.edu/news/2016/03/20/the-economic-value-of-the-john-a-burns-school-of-medicine-and-university-of-hawaii-cancer-center/. Please vote NO. Thank you!

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

Testimony opposing HB1700:

By Brian Chee

As a 25 year veteran as an staff member supporting research at the University of Hawaii it has come to my attention that the law makers that are supporting this bill seem to be unaware of just how far reaching these proposed changes are. In the world of research science that have a significant impact upon the world economy; it is the students that are capable of thinking "outside the box". I've done research with folks from Stanford, MIT, Cal Tech, and Harvard only to find that the quality of the researchers driving these projects are really not so different from those at the University of Hawaii at Manoa. What's different is the support structure enabling research. UH students have to struggle to get laboratory resources to do science, whereas these so called "Ivy League" schools provide an amazing level of support for the education process. Research science isn't textbooks and lecturers; research science isn't done only by faculty, it's a cooperative effort to provide a rich learning environment by doing science. The best education at any research university is in the laboratory, not the lecture hall. It's a balance between learning the core principles behind the science in the lecture hall, and then putting it to work in the lab.

Getting to the point, removing funding for faculty salaries hurts everyone at the University of Hawaii. Manoa provides advanced science support to the community colleges, Manoa's staff help to train students to use advanced instrumentation. Manoa faculty and staff help to provide advanced topic seminars to the private industry. Manoa's researchers and staff help foster STEM education in the DOE by providing ways for the DOE teachers to bootstrap programs. Faculty and staff volunteer in the community and dramatically extend the reach of the university.

The huge difficulty lies in how granting agencies work. Research grants are few and far between with multiple year lead times to refine a proposal before it can get funded. In many cases the funding agencies won't even allow for full salary support. Research grants in progress can NOT be changed to suddenly allow for salary support. Those that do are normally paying research staff salaries. What this bill will do is put hundreds of research staff out of work. Staff that have the skills to support the research effort on advanced science equipment. Staff that have the skill to build science instrumentation from scratch when funding isn't available to buy it from commercial sources. This cooperative effort has created some stunning technologies like:

- AlohaNET laid the foundations for Ethernet
- Dr. Wesley Peterson is considered the father of modern data error correction and modern encryption
- Dr. Martha Crosby taught Boeing engineers methodologies to make the glass cockpits for the 777 more efficient and to reduce pilot fatigue.

- Brian Chee helped to found the modern competitive network testing field and has helped to change the networking industry in his tenure running some of the largest networking tests on earth.
- The list of smallish improvements in technology around the world happen everyday in labs around the Manoa campus.

Please consider talking to faculty and staff instead of administrators, talk to the people that have been helping to improve your life everyday and are already stretched to the breaking point by budget cuts.

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: glazeruh@gmail.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Thursday, March 31, 2016 11:06:33 PM

HB1700
Submitted on: 3/31/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Brian Glazer	Individual	Oppose	No

Comments: The $50M attack on UH Manoa Organized Research Units proposed in HB 1700 HD1 would be devastating to academic research positions at UH Manoa, and I urge you to oppose it. Recent perspectives offered by Representative Issac Choy have led me to believe that legislators may not understand what faculty members at UHM actually do, but if I am mistaken please excuse the introduction. I am a tenured 9-month Instructional Faculty in the Oceanography Department housed within SOEST. I am 40 years old and would like to spend the next ~25+ years at the University of Hawaii, though recent actions of the Legislature aimed at defunding and weakening UHM make me think that's unlikely. This is the first time I've felt compelled to write testimony to anything. I interact with undergraduate and graduate students in formal and informal instructional and mentoring activities seven days per week, twelve months of the year. I typically teach portions of 3-4 courses per year, and the rest of my time is devoted to research and service activities. Over the past 12 years, on average, I brought in about $200,000 per year of extramural funding and published about 2 papers per year. I commonly hire and train postdoctoral researchers and professional research technicians in addition to students. Two of my former postdocs are in tenure-track faculty positions on the Mainland, one is in a Federal policy agency in D.C., one is in a research lab in Canada. Undergraduate and graduate students working on my grants typically earn $9,000 and $30,000 per year, respectively, as they gain research experience en route to earning their degrees. I couldn't do any of this as effectively if UHM did not have strong ORUs. My students, personnel, and I rely heavily upon Research Faculty and strong ORUs at UHM. Weakening ORUs also weakens instructional units. It's my understanding that many integrated educational research activities are not obvious to the Legislature and not appreciated as a coupled research-teaching fulfillment of the UH Mission. Rather, the perception of Research at UHM is disingenuously distilled down to only "Total Extramural Research Dollars", or even more disingenuously, reported only as "RTRF", ignoring the widespread positive impacts that cutting-edge, federally-funded, active research activities have on the student experience. It is not in the students' best interest for the Legislature to attack academic research jobs at UHM, and it is not in the students' best interest for UHM to become Manoa Community College. The $50M attack on UHM ORUs proposed in HB 1700 HD1 would be devastating to UHM, UH, and the State of Hawaii, and I urge you to oppose it.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: powellb@gmail.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Friday, April 01, 2016 9:46:58 PM

HB1700
Submitted on: 4/1/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Brian Powell	Individual	Oppose	No

Comments: Due to its remoteness and high costs, the state of Hawaii has lagged behind the US in technology jobs and opportunities. The single counter to this trend has been the University of Hawaii. This bill --- by directing money be removed from the very people and units that are training and employing the jobs that the state desires --- will guarantee that Hawaii will always be a tourist economy.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

There is no division between research and education at the leading Universities, something I thought UH aspired to be. The repurposing of G funds, if it were really to happen, would effectively kill all research at the University of Hawaii and destroy all the investment in research that the Legislature has made over the decades, I cannot imagine this is really what you want to do. In any case this could not happen immediately since most of these researchers are tenured and thus it would take a long time eliminate their salary lines, at least 1-2 years. The only alternative to meet such a potential draconian cut in the near term would be to lay off all those who do not have a tenured position, which would largely be all the support staff, who are probably your constituents.

However, I doubt that any of this would happen since the Administration of the University is well aware of how limited its budgetary discretion is (I once sat on the University's budget committee, so I do know about this). So, I assume when this happens that this will probably be used as an excuse to not provide adequate funds for maintenance, of which there is a significant deficit.

Regardless of how the UH System would handle this budgetary problem there is significant damage that will happen to UH if this rebudgeting is adopted by the Legislature.

First is to our reputation as a leading University. As word of this spreads around the International University community (which it will very quickly) Hawaii will start to have a difficult time attracting top-flight talent to our University. There is strong competition for the best people, and they are unlikely to come to a place where the legislature appears to not support research, is this what the Legislature really wants?

Perhaps even more damaging though is that attempts to micromanage the University through its budget appropriation is exactly the kind of topic that WASC, our accreditation agency, starts to look into when deciding about renewing accreditation. We went down that dismal road some years ago after similar kinds of problems, it was a very painful and distracting experience, do we really want to do this again?

Unfortunately it appears that the Legislature have been fed some distorted information by a group of disaffected faculty who have a political goal, that they cannot achieve from within the University through rational debate. You should not allow yourselves to be used in such a way. I urge you to defeat this proposal and instead increase funding to the University to restore it to the pre-eminent position it held when I first arrived.

The people of Hawaii deserve better from their elected leadership, we want a first-class University to keep the next generation here in the Islands.

Sincerely,

Chris Measures
Professor of Oceanography
(50% researcher, 50% Instructional Faculty)

Testimony for Public Hearing
Committee on Ways and Means

Tuesday, April 5, 2016 at 9:00am
Conference Room 211

RE: HB 1700 HD1– RELATING TO THE State Budget

Attention: Chair: Jill Tokuda, Vice Chair: Donavan Dela Cruz, and Members of the Committee:

Good morning Representatives Tokuda, Dela Cruz and members of the committee. I provide this testimony as a private citizen in opposition to proposed aspects of the state budget, particularly those relating to the following sections:

Page	Line	Program No.	
34	40	UOH100 University of Hawai‘i at Manoa	+$44.25 m (A Funds)
35	01	UOH100 University of Hawai‘i at Manoa	-$44.8 m (N Funds)
36	07	UOH900 UOH, Statewide Support	-$50 m (A Funds)

In my professional capacity I serve as the director for the University of Hawai‘i Sea Grant College Program (Hawai‘i Sea Grant) and the Interim Director for the University of Hawai‘i Water Resources Research Center (WRRC). Should the budget be enacted in its current form it would do significant harm to all organized research units at the University and would essentially abolish Hawai‘i Sea Grant and WRRC., which have each served the University and the State for more than 50 years in successful engagement in research, extension, education and outreach.

The Water Resources Research Act of 1964, which was signed into Public Law 88-379 by President Lyndon B. Johnson, was established to promote understanding of critical state and regional water management and policy issues through research, community outreach and engagement, and public education, ultimately creating the National Institutes of Water Resource Research. WRRC was established in 1964 and is part of a 54 program network including programs in the 50 US states, the District of Columbia, Puerto Rico, the US Virgin Islands, and Guam.

The Water Resources Research Act established the Water Resource Research Institutes as a partnership program with core federal funding requiring a match of non-federal funds from the states where they are located. Each institute must demonstrate non-federal matching funds and a commitment from the state in the amount of 2 dollars for every 1 federal dollars received. In as much as most of the extramural funding garnered by the significant efforts of the faculty of WRRC and the faculty of any organized research unit at the University of Hawai‘i for that matter, is derived from federal funding opportunities, HB1700, should it be enacted into law unamended from its current form, would remove the ability to provide the required match and demonstrated commitment of the State of Hawaii as a partner in this more than 50 year relationship with the Federal Government. Should the WRRC fail to provide the required 2:1 match, the result would be withdrawal of the federal support and closure of this program.

The National Sea Grant College Program Act of 1966, which was signed into Public Law 89-688 by President Lyndon B. Johnson, was modeled after the Land Grant Act of 1862 and established what is now a network of 33 university based programs focused on understanding and communicating conservation and sustainable use of coastal and ocean resources to the betterment of coastal communities across all US coastal states, Great Lakes states, Puerto Rico and Guam. Hawai‘i Sea Grant was established in 1968.

The National Sea Grant College Program Act established the Sea Grant Colleges as a partnership program with core federal funding requiring a match of non-federal funds from the states where they are located. Each Sea Grant College Program must demonstrate non-federal matching funds and a commitment from the state in the amount of 1 dollar for every 2 federal dollars received. In as much as most of the extramural funding garnered by the significant efforts of the faculty of Hawai‘i Sea Grant and the faculty of any organized research unit at the University of Hawai‘i for that matter, is largely from federal sources, HB1700, should it be enacted into law unamended, would remove the ability to provide the required match and demonstrated commitment of the State of Hawaii as a partner in this nearly 50 year relationship with the Federal Government.

Hawai’i Sea Grant is a highly leveraged program with 5 FTE supported by institutional funds, an additional 10 FTE supported by federal funds and 30 FTE that are project-based and supported by extramural funds. I respectfully offer that this is an equation that greatly benefits the University and State of Hawai‘i. Reducing the commitment of institutional funds will only serve to reduce the ability to provide the basis for the significant leveraging demonstrated. Abolishing institutional support will remove the ability to provide the required matching funds and would ultimately result in the removal of Hawai‘i Sea Grant’s institutional status and dissolution of the program.

Both of these programs, not unlike other organized research units at the University of Hawai‘i strive for a future for Hawai‘i where the environment sustainably supports culturally, economically and socially inclusive and resilient communities. To do this we must better understand, communicate, and develop policy based on knowledge gained from excellence in research on disaster resilience and preparedness, coastal process such as beach erosion and sea level rise, and the sustainable use of fresh water resources, renewable energy, and food sources. I hope that you will agree that maintaining the utmost effectiveness of the organized research units at the University of Hawai‘i, the State of Hawai‘i’s only Carnegie 1 Research Institution (R1: Doctoral Universities – Highest Research Activity), are key to this success.

These sections of HB1700, HD1 described above, were amended by removing “A” funds and replacing them with “N” funds in UOH100 and UOH110. The “A” funds were then inserted into UOH900. I urge the Senate Ways and Means Committee to reverse the HD1 version to the original amounts stated in HB1700.

Respectfully submitted,

Darren T Lerner

To The Committee on Ways and Means
Tuesday, April 5, 2016
9:00 a.m., Room 211

RE: HB1700, HD1, Relating to The State Budget

Attention: Chair Jill Tokuda, Vice Chair Donovan Dela Cruz and Members of the Committee

The University of Hawaii Professional Assembly (UHPA) urges the Committee to **amend HB1700, HD1, in the following sections:**

Page	Line	Program No.		
34	40	UOH100 University of Hawai'i at Manoa	+$44.25 m	(A Funds)
35	01	UOH100 University of Hawai'i at Manoa	-$44.8 m	(N Funds)
35	10	UOH110 UOH, John A Burns Sch of Medicine	+$ 5.2 m	(A Funds)
35	12	UOH110 UOH, John A Burns Sch of Medicine	-$ 5.2 m	(N Funds)
36	07	UOH900 UOH, Statewide Support	-$50 m	(A Funds)

These sections of HB1700, HD1, were amended by removing "A" funds and replacing them with "N" funds in UOH100 and UOH110. The "A" funds were then inserted into UOH900. We are urging the Senate Ways and Means Committee to reverse the HD1 version to the original amounts stated in HB1700.

Removing $50 million from "A" funds (general funds) and replacing that funding with "N" funds (federal funds) is the equivalent of providing a negative $50 million respectively to UH Manoa and the John A Burns School of Medicine. These "A" funds are fundamental to support research and to give funding agencies the assurances that the University can meet its commitments that are required. Federal grants require a quid pro quo–the failure to provide that resource, which often are faculty positions, means there will be severe limitations on the institution's ability to conduct research and the instructional opportunities that flow from that research.

Federal funds are tied to grants. "N" funds only appear as a function of grants being awarded. The cycle for grants from writing, submitting, acceptance and finally funding can take 12 – 18 months. Grants may provide funding for the principal researcher but rarely more than 2-3 months for employment related activities. This means it is the legislature that needs to commit the state revenues that nurture the research faculty within the University. To do otherwise will effectively shut down a large sector of programs within UH Manoa.

Should HB1700, HD1 pass as currently submitted with a loss of $50 million in "A" funds there are recognizable consequences: These include:

- Elimination of Faculty Members, Academic Professional/Technical personnel; Teaching and Research Assistants,
- Student enrollment declines as opportunities for undergraduates and graduate students to engage in research diminish;
- Instruction that incorporates lab and technical experiences becomes unsustainable due to loss of funds that provide equipment;
- A rapid exodus of faculty members as other institutions recruit and accept the grants held by the faculty member;
- Revenue loss of over a billion dollars annually

- Research, primarily Organized Research Unit revenue – $300 million with a Multiplier effect between 4 and 10

Perhaps most troubling with this budget proposal is the attempt to undermine the University as an independent corporation and to diminish its mission in advancing creative endeavors through research. Using the budget as a device to have a conversation hides the real impact which is to compel certain behavior or be punished. The magnitude of this challenge raises constitutional considerations that cannot be ignored. If the legislature is seeking to change the mission and nature of the University it should be forthright in making that argument.

History can be instructive. The vision of Governor Burns and the legislature of his day recognized that Hawai‘i had special needs that required a local research focus. Subsequent Governors and legislatures have also recognized that the competition for researchers was a world-wide one and it would be difficult to attract excellent researchers to financially unstable positions in the middle of the Pacific Ocean. Their vision resulted in the University of Hawai‘i at Manoa becoming a Carnegie 1 research institution recognized nationally and internationally.

HB1700, HD1, represents a profound change in this vision with an acceptance that the University of Hawai‘i at Manoa must downgrade from a Carnegie 1 research institution to a teaching college. The resources that discover ways to meet various challenges such as climate change, coastal erosion, chronic and epidemic diseases, and invasive species are eliminated meaning some other institution or agency will provide for Hawai‘i that once was provided here.

UHPA urges the committee to **amend HB1700, HD1 as requested**.

Respectfully Submitted,
Dioreme Navasca
Program Associate

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: duskgoo@gmail.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Thursday, March 31, 2016 5:24:04 PM

HB1700
Submitted on: 3/31/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Dusko Pavlovic	Individual	Oppose	No

Comments: The institution of university has existed in various places for almost a 1000 years. The option of teaching a settled body of knowledge without exposing the students to research into new knowledge was always on the table, and it was always attractive to the rulers. It was tested and re-tested, and it always led to the same social harm. In XX century, the idea of teaching without research was finally recognized as contrary to the very essence of science, which requires exploratory research not only as the driving force of economic progress even at the smallest scale, but also as the necessary component of science education at all levels. The idea that high level education can be separated from research in Hawaii, and that a research university is an unnecessary burden for the State, is either misguided to the point of economic naivety, or it is a selfish political game for money. Either way, by voting to cut $50M from State's only research university, the Legislators can achieve in a single sweep to enter history as the session that brought Hawaii not only many decades back in providing the educational opportunities to its citizens, but also to the forefront of the process of wholesale destruction of public education, with the political repercussions expanding beyond our present budget games, into the future of Hawaii.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: earlhish@aol.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Thursday, March 31, 2016 3:03:49 PM

HB1700
Submitted on: 3/31/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Earl Hishinuma	Individual	Oppose	No

Comments: I am against the drastic budget cuts to the University of Hawaii and John A. Burns School of Medicine.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: eruby@hawaii.edu
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Saturday, April 02, 2016 12:38:01 AM

HB1700
Submitted on: 4/2/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Edward Ruby	Individual	Oppose	No

Comments: I am surprised and disappointed by the arbitrary and summary approach to addressing budgetary concerns at UH. I have just moved to Hawaii, and taken a position at UH, having left the University of Wisconsin, Madison in 2015. What I am seeing the Hawaii legislature proposing is what I watched happen in Wisconsin under Governor Scott Walker. and the Republican legislature. The University of Wisconsin is being financially strangled, and its academic research and teaching prowess lost. I am shocked to see such a parallel position being taken by the Hawaii legislature. Perhaps I will learn that there is not much difference between the two State's legislatures, regardless of what party they say they are. I suggest that Hawaii look at the loss of business investment in Wisconsin since the university was targeted by Walker.. that could be our future.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

Testimony Submitted to the Hawaii State Senate
Garrett Ito

HB 1700– RELATING TO THE UNIVERSITY OF HAWAII

I wish to voice my strong opposition to this bill. Like those in other states, the UHM as a tier I public research university must serve a diversity of essential needs:

(*i*) the needs of the masses to obtain a high-quality higher education
(*ii*) the needs of the fewer for education in advanced technical and professional fields
(*iii*) the need to invest in Hawaii's and the country's future by advancing science and technology.

I worry HB1700 will undermine (*ii*) and (*iii*), however literally it may read and be articulated.

(*ii*) Without cutting-edge research—much of which occurs in UHM's ORUs—Hawaii's young people (like my own children) who seek careers in advanced technical and professional fields will be forced to leave Hawaii for a tier I college education elsewhere.

(*iii*) Without cutting-edge research —much of which led by UHM's ORUs— Hawaii will…

- lose hundreds millions of $ per year feeding the state economy from extramural grants with an immediate return well exceeding state investment, in some cases, multiple times
- be less prepared to supply the clean, freshwater needed for Hawaii's growing population
- be less prepared to mitigate climate change, loss of beaches due to erosion, and volcanic and tsunami hazards
- lose award-winning medical research, supporting healthy living and aging for Hawaii's citizens, cancer treatment, as well as professional educating for Hawaii's physicians
- risk the loss of the technology needed for renewable energy resources and infrastructure, and energy independence

As a remote island state, Hawaii must be more independent than other states in addressing these diverse needs, and the University of Hawaii System plays a vital role. I urge you to oppose this bill and ensure the UH System is able to continue to do so.

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: james.b.friday@gmail.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Friday, April 01, 2016 7:20:09 AM

HB1700
Submitted on: 4/1/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
James B Friday	Individual	Oppose	No

Comments: I am writing to oppose HB1700 and the loss of $50 million to the University of Hawaii. I am University of Hawaii faculty but this testimony is mine and not official testimony for the University. The proposed legislation assumes that UH researchers' salaries can all be supported on grants. Federal grants, which make up a large proportion of our external funding, often require a "match" of state funds, in most cases the faculty member's salary. If faculty lose their research salaries, they will not be able to apply for these federal grants. In addition to losing state funding, the University and the State of Hawaii will lose large amounts of Federal funding as well.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

April 4, 2016

Dear Hawaii State Legislatures,

Did you know that HB1700 HD1, the HED (House Higher Education (HED) Committee) chose to label the School of Medicine as an Organized Research Unit? This would arbitrarily cut $5 million of general funds from the John A. Burns School of Medicine (JABSOM) budget. The proposed House budget cut is not compatible with continuation of the School of Medicine.

I am an associate professor in pathology with a half-time appointment at the John A. Burns School of Medicine and a physician (pathologist and neuropathologist) that attended medical school at JABSOM. Thanks to the education and residency training I received at JABSOM, I have a clinical practice at Kaiser Moanalua Medical Center as a pathologist and diagnose many diseases in our Kaiser members. Some of you may have benefited from my skills as a physician. I also teach pathology residents and medical students that are rotating through Kaiser's pathology department. In addition, I am the neuropathologist consultant for Tripler Army Medical Center's pathology department. This means that I serve our military members and their families plus our territories that benefit from TAMC's care in the Asia Pacific region. Whenever someone has a brain tumor, I am there to make a diagnosis. I also contribute to our community by teaching medical school at JABSOM in the fall. I teach second year medical students and direct their curriculum. Finally, I contribute to the world by doing research in dementia.

I came from a poor family. My mother is an immigrant from Japan and my father went up to 7th grade, then had to quit school so he could work in the family farm. People like me usually do not have a chance to receive higher education. But thanks to the University of Hawaii and JABSOM, I've been able to transform my future and dedicate my life to helping the people of Hawaii who I love and care for very much.

Please be cognizant of this House Bill which will devastate our medical school. If this bill passes, there will be a huge exodus of physician educators out of this state because we will not be able to survive. And the physician shortage in this state will definitely worsen. Please ask yourself, who will care for you and your family in the future if any of you develop a health problem?

Sincerely,

Jane (Uyehara-Lock)

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: hedgesew@gmail.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Thursday, March 31, 2016 8:31:00 PM

HB1700
Submitted on: 3/31/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Jerris Hedges	Individual	Oppose	No

Comments: HB1700 contains language that would devastate UH Manoa, the state's only Level 1 Research University. Although the reduction of the campus budget by $50M annually was intended to eliminate the organized research units and medical school, the harm to instructional units and overall campus function goes far beyond that intended by the authors of the bill. Further, the House has not addressed the $4M additional annual investment requested by the Governor for the UH Cancer Center. The Center brings an additional $54M per year into the Hawaii economy and helps bring valuable NCI cancer treatment trials to Hawaii. At a time when those living in the rest of the US are seeking to be part of the US effort to win the battle against cancer, this bill suggests that residents of Hawaii should not be part of President Obama's and Vice President Biden's initiative to cure cancer. Let's be sure that the residents of Hawaii receive the full benefit of a Cancer Center built for Hawaii. Please restore the needed funding for the Cancer Center this legislative session. Jerris Hedges, MD

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

April 3, 2016

TESTIMONY **IN OPPOSITION** TO HB 1700 HD1

Relating to state budget to adjust and request appropriations for Fiscal Biennium 2015--17 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

Honorable Chair Senator Jill N. Tokuda and Vice Chair Senator Donovan M. Dela Cruz, my name is Dr. Joseph Keaweʻaimoku Kaholokula. I am a Professor and Chair of Native Hawaiian Health at the John A. Burns School of Medicine (JABSOM) at the University of Hawai'i at Mānoa. I am **opposed to the proposed $50 million budget cut to the University of Hawai'i** (UH), specifically to those aimed at its organized research units (ORUs) and our medical school (not an ORU). This would be devastating not only to UH/JABSOM but to all the people of Hawai'i.

UH is our state's flagship university system and JABSOM is our only medical school that provide valuable and affordable educational opportunities for all the people of Hawai'i and those who choose to come to Hawai'i for their education. They are a vital pipeline for our state's most vulnerable populations, such as Native Hawaiians, Filipinos, and other Pacific Islanders, to receive a quality education and means toward economic stability and improved quality of life. UH/JABSOM graduates are our state's workforce, entrepreneurs, doctors, nurses, social workers, lawyers, educators, business leaders, and lawmakers. It is important that we invest in UH and not dismantle it to ensure an economically and intellectually strong Hawai'i.

The research conducted at UH/JABSOM and millions in research dollars that UH/JABSOM faculty bring into the state each year from federal (e.g., NIH and NSF) and private funders create jobs, real-world training for students, and solutions to issues relevant to the people of Hawai'i. As a researcher, I alone bring in over $1.5 million a year and sub-award to community-based organizations, such as community health centers, Hawaiian Home Stead communities, civic clubs, and other CBOs, who in turn use these funds to support their health promotion programs and hire their own community persons to do so. My department alone brings in roughly $10 million a year and these monies are used toward jobs inside and outside of UH/JABSOM. Note that in addition to research, my faculty and I also educate the future doctors and scientists of Hawai'i and lend our expertise to numerous CBOs and the heath care systems here. I know you are well aware of the significant physician shortage here in Hawai'i and the importance of JABSOM in addressing this shortage. Also note that a vast majority of physicians named as Hawai'i's Best Doctors every year are JABSOM graduates and/or faculty. We need both state and research dollars to continue to provide high quality education, research, and community development.

Personally, I am a Native Hawaiian who grew up in poverty. I am a product of our under-resourced public school system that was not friendly to a Native Hawaiian male. Nevertheless, I was able to move beyond these challenges to become the first in my family to obtain a college

degree. Moreover, I was able to earn a doctoral degree and become part of Hawai'i's education, science, and healthcare workforce. UH made this possible. Like many of our local people, I would not have been able to leave Hawai'i for my education because of financial reasons and family obligations. Now, I am able to give back and help others in my family and our communities -- helping them achieve a higher level of quality of life. And I do all this through UH/JABSOM.

The proposed cuts to UH/JABSOM will have devastating effects on all the people of Hawai'i. We should be working together to build a stronger UH and medical school not dismantling it through severe budget cuts. I agree that UH needs to be held financially accountable but this proposed cut is not reasonable or based on any justifiable rationale or evidence. In fact, it is counter to the evidence.

I would like to also add that the House has not addressed the $4 million additional annual investment requested by the Governor for the UH Cancer Center. The Center brings an additional $54 million per year into the Hawaii economy and helps bring valuable NCI cancer treatment trials to Hawai'i. At a time when those living in the rest of the U.S. are seeking to be part of the U.S. effort to win the battle against cancer, this bill suggests that residents of Hawai'i should not be part of President Obama's and Vice President Biden's initiative to cure cancer. Let's be sure that the residents of Hawai'i receive the full benefit of a Cancer Center built for Hawai'i. Please also restore the funding needed for the Cancer Center this legislative session.

Mahalo nui loa iā 'oukou for considering my testimony.

Me ke ha'aha'a,



Joseph Keawe'aimoku Kaholokula, PhD
Alumni and Faculty of the University of Hawai'i at Mānoa
State of Hawai'i Licensed Clinical Psychologist

From: jules hummon
To: WAM Testimony
Subject: HB1700
Date: Sunday, April 03, 2016 5:19:04 PM

Dear Legislators,

I urge you to reject HB1700.

It is deeply disturbing that anyone would believe that eliminating 500 academic research jobs at UH Manoa in one year would be a positive benefit to the State in any manner. Yet that is what is proposed here in the name of fiscal 'reform' – the immediate elimination of about 500 full time positions (estimated as $100,000 each with benefits), through the elimination of $50 million from the UH Manoa and JABSOM budgets (this is about 25% of the total UHM budget). Its fictional budgetary replacement with 'federal' funds is impossible in one year, and unlikely in ten, given the existing tight financial situation in Washington (and the lack of any senior legislators to help push $$ towards the state) and the rules in place at most federal agencies limiting the amount of salary that will be made available to support research by University faculty (who are expected to receive most of their salaries from their institution so grant funds can support students, technicians and trainees).

In addition to the loss of faculty and staff positions, we can anticipate the loss of much of the research support that allows undergraduate and graduate students to work in the areas of their academic interest as their mentors are forced out of the research units, and the grant funding those units generate disappears. This is, without a doubt, the single most misdirected effort to 'help' UH that I can recall. It is nearly incomprehensible to believe that members of the state legislature fail to understand the benefits these people bring to the State economy and education system. We are your neighbors, PTA members, soccer team managers, friends and parents of your childrens' friends. We build, we participate, we teach, we work. And we are getting very, very frustrated by the ongoing attacks on our character, competence, integrity and value to the community.

Please reject HB1700 --The loss of research-related jobs at UH would inevitably, negatively, impact the economy.

Thank you for your consideration

Julia Hummon

Dear Congressmen and Congresswomen:

I am writing to voice my strong opposition to HB1700. The passage of HB1700 would be devastating to the mission of the John A. Burns School of Medicine, both in terms of its vital research advancements that contribute to the treatment of diseases that affect Hawaii residents, and to the education of high quality physicians that will serve our state and the Pacific in the years to come. Ours is the only medical school to serve the state of Hawaii and the Pacific Rim, and a cut of 5M would be prohibitive for us continue in this mission. Please consider the destructive impact that this bill would have on our medical school and on the delivery of quality health care to the citizens of Hawaii and the Pacific, and please vote to oppose it.

Thank you very much.

Sincerely,

Karen S. Thompson, MD
Professor, Department of Pathology
John A. Burns School of Medicine
University of Hawaii

Kelley Withy, MD, PhD
Honolulu, HI

Date: April 1, 2016

To: COMMITTEE ON WAYS AND MEANS

Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz, Vice Chair

RE: Written Testimony in Opposition to HB1700

Dear Senators Tokuda, Dela Cruz and Ways and Means Committee members,

I am writing in strong opposition to HB 1700 that would divert $50 million in funding from research activities at UH. As a non-tenure track faculty at UH for 20 years, and a PhD graduate of UHM, I am dedicated to the education, inspiration and support of the keiki of Hawaii. My research explores the existing health workforce and how to expand the number of healthcare professionals we have in Hawaii so that every person in Hawaii will someday have access to the care s/he needs when and where s/he needs it. My research shows that we have a shortage of over 600 physicians in Hawaii, and the situation is even worse when Nurse Practitioners and Physician Assistants are taken into account. I support health career recruitment activities for over 3,000 students a year, health careers training for 300 and continuing education for over 10,000. I bring in about $3,000,000 a year in federal and local funding for these and other activities and I support 75% of my salary as well as all of the salary of my nine employees. My whole program is possible because UH supports 25% of my salary and provides office space and infrastructure for my team.

I believe that if HB1700 passes, my small but necessary support will be gone. The grants will not be sustainable and the students we are supporting will go without. I don't believe this is your intention with the bill, but this is the reality of it, so please reconsider.

Thank you for your attention to this issue!

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: robertsk@hawaii.edu
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Friday, April 01, 2016 4:31:36 PM

HB1700
Submitted on: 4/1/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Kelly Roberts	Individual	Oppose	No

Comments: De-funding researchers will have extensive and irreversible negative impact on the University and the state.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: lyumol@gmail.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Sunday, April 03, 2016 12:30:53 PM

HB1700
Submitted on: 4/3/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
lauren	Individual	Oppose	No

Comments: By passing this bill, UH students and faculty will be affected in ways that will only discourage current and future staff and students from pursuing education and academic jobs. Education is one of the most important ways to excel our country and passing this bill will put the people in the university many steps behind other very successful countries and other U.S. states. Please reconsider, it will not be regretted.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

THE SENATE COMMITTEE ON WAYS AND MEANS

Tuesday, April 5, 2016
9:00 a.m.
Room 211

TESTIMONY OPPOSING HB1700, HD1 : Changes to UOH100 and UOH110 budgets

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committees:

My name is Lee Buenconsejo-Lum and I am an Associate Professor of Family Medicine at UH JABSOM. Although my primary responsibility is to educate JABSOM Family Medicine resident physicians and medical students, I also am the lead investigator for several large Federally funded grants and programs that aim to reduce health disparities in Hawaii and the US Affiliated Pacific Islands. I am writing on behalf of myself to share my grave concerns about the changes proposed in HD1.

I am writing in **opposition of the changes made in HD1 to the UOH100 (UH Manoa) and UOH110 (UH John A. Burns School of Medicine [JABSOM]) budgets** in HB1700, HD1. **I urge your committee to revert back to the UOH100 and UOH110 budgets that were proposed in HB1700.** These changes would have tremendous negative impacts to research, to administration of vital programs and services that benefit students, underserved populations and those suffering from tremendous chronic diseases and significantly reduce opportunities for students to participate in research that is required of their studies or required to get into graduate school.

The current research environment is incredibly difficult, even for those who do research or implement Federally funded educational / training programs in 'hot topic areas' such as cancer, health disparities, interprofessional / interdisciplinary training, training pipeline programs, HIV/AIDS and climate change. As a faculty member of the University of Hawaii, I have a duty and responsibility to meet my teaching, research and service obligations. As a JABSOM faculty, I also have a duty and critical responsibility to provide the highest quality of care for patients and to ensure that the physicians I train provide the best possible care, in environments that are safe and excellent. I mention this because as a researcher, who is also a clinician educator, I have small FTE funding on many Federal grants. Small FTE funding (equivalent to 1-3 calendar months) is common to almost all Federal grants – as they expect the Institution to have additional resources to support faculty salaries. The bulk of the funds go to staff and other resources needed to carry out the work, including funds to build capacity and knowledge in minority communities and populations so that they can play a key role in improving the health of their own communities.

Removing the G funds would impede the institutional commitments and assurances that are needed to be considered competitive for Federal grants. Removal of G funds would also negatively impact many of the administrative, professional and technical (APT) staff who are vital

support roles to Departments, instructional programs and research programs. N funds would only be awarded by the State if a Federal fund were awarded to UHM or JABSOM. The resulting impact of the proposed budget amendments to UOH100 and UOH110 is to essentially cut ~$45M from UH Manoa and $5.2M from JABSOM.

We would lose numerous staff and faculty – not just those who do research. This in turn would have devastating consequences to the poorest, most underserved people in Hawaii, because many of the teachers of JABSOM medical students and residents would have insufficient means to remain as UH/JABSOM faculty. And therefore, many of the most ill patients – who are cared for by JABSOM faculty, residents and medical students – would no longer have their physicians. This would worsen the physician shortage, overburden whatever physicians are left, cause tremendous patient safety issues, erode the quality of care, skyrocket health care costs, and overburden the ERs that already have 2-4 hour wait times. On the research side, we collectively are developing programs and services that are culturally tailored to Native Hawaiians, Filipinos, Micronesians and other populations with decreased access to care, poorly controlled diabetes, and high rates of high blood pressure, heart disease, stroke and cancer. Other programs are aimed to prevent youth from starting to smoke, or finding more effective ways for people to stop smoking, stay off of meth and alcohol.

I urge you to amend HB1700, HD1 by restoring the originally proposed budget to UOH100 and UOH110 that was in HB1700. Not doing so would be very irresponsible, devalue the University and medical school and cause significant harm to the economy of the State and the health of the people. It would be a terrible legacy.

Thank you for the opportunity to provide testimony.

It has been brought to my attention that this bill proposes to cut $50 million from the University of Hawaii's ORU's and Med school program. This is an absurd proposition, and would be harmful not only to those individuals involved directly in these programs, but also to countless others who benefit from the services provided and the work done by the employees who would be cut loose as a direct consequence of this bill passing.

The researchers at the University of Hawaii do work that is absolutely critical to the continued well-being of people everywhere, from research on the human body and its ills to environmental issues that threaten thousands, if not more. I, myself, study climate change. My group makes direct atmospheric measurements of aerosols and gases all over the world, and without this data nothing could be done to model or predict future disasters.

In short, not only the employees of the University of Hawaii who would lose their jobs be hurt by this bill (and there are many who would suffer such direct consequences). Everyone everywhere stands to lose something. There is nothing to be gained by this. If cuts must be made, they should be done so in a democratic fashion, through intelligent discussion and rational decision making. This bill is neither intelligent nor rational, and it will only cause harm in the long run. It must be opposed.

The elimination of our research units at the University of Hawaii is absurd and a fool's errand. Research Universities of quality are not junior colleges. Research is a vital endeavor to our State and it is the basis of what makes this country what it is. How can any sane person believe that eliminating 500 academic research jobs at UH Manoa in one year would be a positive benefit to the State. Yet that is what is proposed here in the name of fiscal 'reform' – the immediate elimination of about 500 full time positions, through the elimination of $50 million from the UH Manoa and JABSOM budgets (this is about 25% of the total UHM budget). Its fictional budgetary replacement with 'federal' funds is impossible in one year, and very unlikely in ten, given the existing tight financial situation in Washington (and the lack of any senior legislators to help push funding towards the state). The rules in place at most federal funding agencies limit the amount of salary that will be made available to support research by University faculty (who are expected to receive most of their salaries from their institution so that the grant funds can support students, technicians and trainees).

TESTIMONY IN OPPOSITION TO HB 1700 H.D.1

My name is Peter Mouginis-Mark. For the last 33 years, I have been a researcher faculty member within the Hawaii Institute of Geophysics and Planetology (HIGP). I am submitting this testimony as an individual and a Hawaii resident since 1982. **I strongly oppose the component of HB 1700 H.D.1, which pertains to the University of Hawaii.** This issue is covered on pages 34 (lines 39 and 40) and page 36 (lines 6 and 7) of the Bill.

The transfer of $50,000,000 from Manoa's budget for research faculty salaries (p. 34, line 39) and the transfer of these funds to the UH System's funds for repair and maintenance (p. 36, line 7) would be catastrophic for research at the campus. I contend that any restriction on the ability of any other organized research unit (ORU) at the University of Hawaii (UH) is highly detrimental to the mission of the University and would have serious negative impacts for the State. It is incorrect that research be treated as separate from the teaching and community service roles for the students and the State.

In no way would it be possible for the research faculty at Manoa to transfer their salaries to research grants in the timeframe projected. The result would be the almost immediate loss of 500 – 600 research jobs (estimated as ~$100,000 each, with benefits). These faculty members and their staff would leave, and thus there would be a reduction of at least $300,000,000 per year, EVERY year, in the amount of Federal funding coming to the State. I see no way that this is in the best interests of the State nor the UH System.

Research is the economic driver for the University, and it is the State salary support that enables us to explore high-risk/high-payoff funding opportunities. For instance, at the present time I am Science Lead on a $20,000,000 proposal to the National Science Foundation that would provide critically needed geophysical information on Hawaii's water resources. I would never have worked for almost a year to help develop this project had I not had the State salary support that I now receive. And if this support were not available, the people of Hawaii would be left with an uncertain future regarding the availability and quality of water in such critical localities as Honolulu and Kailua-Kona.

A second example where the State benefits from the research skills at UH lies in the many scientific conferences that we attract to the State. I also note that my School (School of Ocean Earth Science and Technology or "SOEST") has recently been congratulated by the Hawaii Tourism Board for generating over $100,000,000 in new visitor revenue by organizing conferences in Hawaii. In my own case, as part of my researcher effort, I am helping to plan a conference in 2018 that will bring an estimated $9,000,000 to the State – a figure that dwarfs all of the salary that I have been paid by the State since I became a faculty member in 1982!

The same situation is true for all other research faculty in my Institute, as well as the remainder of the School of Ocean Earth Science and Technology (SOEST). SOEST has been ranked by the international journal *Nature* as the 15th best in the world, and this is because we raise more than $100,000,000 per year in funding. But Federal grants are

becoming increasingly difficult to win, and so to continue to expand there has to be stability for the core researchers and their support staff. The relevant part of HB 1700 H.D.1 would completely destroy our capability to attract such funding because, with fixed budgets, hundreds of support staff would be let go in order to use the funds for faculty salaries. The impact on the University would be catastrophic, and the negative impact on the State through the loss of these jobs would be severe. Indeed, I would predict a downward spiral in the quality of effort at UH that would essentially make UH Manoa another community college within 5 – 10 years. I am sure that this is not the intent of HB 1700 H.D.1.

Accordingly, I continue to strongly oppose the relevant part of HB 1700 H.D.1, and hope that the Senate Committee on Ways and Means will reject this part of the Bill.

Thank you for your time in reading my testimony.



Peter Mouginis-Mark
2212 Round Top Drive
Honolulu, HI 96822
(808) 387-3700

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: philipmjohnson@gmail.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Thursday, March 31, 2016 3:23:48 PM

HB1700
Submitted on: 3/31/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Philip Johnson	Individual	Oppose	No

Comments: This budget includes a $50M cut to the UH budget that is supposed to be offset by $50M in non-existent federal funds. Such a cut would be disastrous to higher education in Hawaii. My opinion is that UH is UNDERFUNDED by the State and that without stronger support for local higher education, Hawaii faces even more "brain drain" to the mainland. UH is not a perfect institution, but its negatives are more than offset by the many, many positive contributions it makes to our community.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: zeebe@hawaii.edu
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Friday, April 01, 2016 5:50:38 AM

HB1700
Submitted on: 4/1/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Zeebe, Richard	Individual	Oppose	No

Comments: This bill is a disaster for UH both for research *AND* education. It would lead to the demise of research at UH. With the loss of research, UH will lose the vast majority of its top faculty members (they will have no problem finding jobs elsewhere). Yet, these faculty are those that are providing top-notch education for the undergrad and grad students in the state. There seems to be the illusion that research and education at a University is separable. It is not. I vehemently oppose this bill and urge you to do the same. This bill will not benefit the state or students at UH. It will do the opposite.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

Testimony Submitted to the Senate Committee on Ways and Means
April 5, 2016 at 9:00 am
Conference Room 211

Robert Cowie

HB 1700, HD1 – RELATING TO THE STATE BUDGET

I provide this testimony in strong opposition to the part of HB 1700 HD1 that relates to Formal Education and specifically to items 16 UOH100 University of Hawaii, Manoa, and 17 UOH110 University of Hawaii, John A. Burns School of Medicine. In my professional capacity I am a faculty member in an Organized Research Unit (the Pacific Biosciences Research Center) and formerly a researcher at the Bishop Museum. I have been a researcher in Hawaii for 26 years.

The bill proposes to reduce the UH Manoa budget by $45 million and the UH JABSOM budget by $5 million, replacing this support with federal funding, and moving the $50 million to the UH System, with "Repair & Maintenance" listed for it in the UH Board of Regents Legislative Update, March 24, 2016.

It is not at all clear how this federal funding is suddenly going to materialize. Federal funding in the form of research grants is increasingly extremely difficult to obtain (in my field, biology, the success rate at the National Science Foundation (NSF) is 7%) and to be successful in bringing in a large grant almost always takes a number of attempts (with only one opportunity to resubmit per year).

Although partial funding of research faculty salaries is a model that has been tried, especially in the medical field, in other fields such as the non-medical biological sciences this is not the case. Indeed in many of its programs NSF, the key federal funding source for most non-medical research, will not fund the salary of the Principal Investigator (PI; who is the lead faculty researcher on a grant), or will only fund 1 or 2 months of summer salary (for a 9-month faculty appointee). NSF expects the home institution to show commitment to its faculty and support the PI. This legislation could therefore (depending on what the UH System really does decide to do with the $50 million) put an end to much of the research funded by NSF at UH Manoa, a great part of which is undertaken in Organized Research Units (ORUs), which were the target of a parallel bill (HB 1625) that did not pass.

Just this last January, I was at NSF serving on a grants review panel (my time doing this is not funded by NSF), and the NSF Assistant Director in charge of all Biological Sciences spoke to the panel. He stated very clearly that it is now widely accepted that the model of research support that this legislation (originally in combination with HB 1625) proposes has failed. One reason for this failure is that the necessarily intermittent funding of the model provides no professional job security, which is key to development of long-term research programs. If the legislation is implemented, UHM research faculty will either go to more supportive universities or give up trying to obtain funding and leave science (and education).

Faculty in ORUs are key drivers of the research enterprise at UH Manoa. They are crucial in the

training of both undergraduate and graduate students in hands-on science—learning-by-doing. ORUs in general undertake far more research and bring in far more dollars per capita than traditional instructional departments. They are key to the research endeavor in the State and their research is highly regarded nationally and internationally, which is critical to maintaining the high reputation of UH Manoa. It is largely research that is the measure of a university's reputation, not its instructional activities. Only by maintaining the good reputation of UH Manoa can the University attract and retain the best faculty, both research and instructional (and other).

The proposed legislation addresses salary and funding requirements of faculty members in ORUs (though not explicitly – that was explicit in HB 1625), and will essentially require that they fund almost their entire operation from extramural grant sources (assuming the UH System uses the $50 million for repair and maintenance). This includes not only support of the research they undertake (e.g. laboratory equipment and supplies) and the laboratory staff (e.g. technicians) and students (graduate and undergraduate) that they train in their laboratories, as is currently the norm, but that they also support the greater part (if not all) of their salaries from such extramural sources. Essentially, this would mean that the State would get all the benefits of having a Research Intensive university that attracts millions of dollars and attracts and retains high quality faculty, without making a significant contribution to that endeavor. But this is pie-in-the-sky because it is simply not possible to obtain this level of extramural support for all faculty researchers.

Furthermore, much of the research undertaken in ORUs at UH Manoa is not funded by major federal granting agencies but by small grants cobbled together to support a graduate student or an undergraduate trainee. Yet such research is often of direct relevance to Hawaii (e.g. studies of rat lungworm disease, taro pests, endangered and invasive species) but would disappear as such grants are unable to support the PI's salary.

If this legislation is enacted it would pave the way for UH Manoa, the flagship of the University of Hawaii system, to become simply a large liberal arts college. Its research, both of local and of broader significance, would decline in both extent and impact, with tenured faculty moving elsewhere and the reputation of UH Manoa vanishing with it such that it would no longer be able to attract high quality faculty – a downward spiral. Jobs for support personnel would disappear. And local students would increasingly be forced to look out-of-state and pay more (i.e. out-of-state rates) for a quality education as UH Manoa declined into obscurity.

This is a bad idea that would do irreparable harm to the University of Hawaii, to the research enterprise of the State, and especially to the education of its young people.

Thank you for the opportunity to testify against this part of this proposed legislation.

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: roger@hawaii.edu
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Saturday, April 02, 2016 2:17:47 PM

HB1700
Submitted on: 4/2/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Roger S. Fujioka	Individual	Oppose	No

Comments: This bill will change the long standing vision and mission that the University of Hawaii be classified as a Research One University and be supported by the State of Hawaii. Research One Universities are expected to make major scientific contributions to their state, to the nation and to the world.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

THE SENATE COMMITTEE ON WAYS AND MEANS

Tuesday April 5, 2016
9:00 am
Room 211

Testimony Opposing HB1700, HD1 : Changes to UOH100 and UOH110 budgets

Chair Tokuda, Vice Chair Dela Cruz and Members of the Committees:

My name is Satoru Izutsu and I am Vice Dean at UH JABSOM. I am writing on behalf of myself to share my concerns about the changes proposed in HD1.

I am writing in **opposition of the changes made in HD1 to the UOH100 (UH Manoa) and UOH110 (UH John A. Burns School of Medicine [JABSOM]) budgets** in HB1700, HD1. **I urge your committee to consider the UOH100 and UOH110 budgets that were proposed in HB1700.** The changes proposed in HD 1 would have negative impacts to research, to administration of vital programs, and to services that benefit the people of Hawaii.

A recent independent economic analysis has shown that the annual return to Hawaii from the cummulative efforts of the John A. Burns School of Medicine and the UH Cancer Center is over half a billion dollars per year in economic stimulus – creating nearly 6,000 new jobs in Hawaii. Taking from these economic engines for the state would not only negatively impact our economy, it would further limit access of the people of our state to vital health extending care and innovative therapies. The UH Cancer Center requires further investment this legislative session. The Governor has supported the UH President and Board of Regents in acknowledging the importance of restoring the full support needed to keep the Cancer Center sustainable for years to come. Collectively, this is the time for all of Hawaii to speak up in support of UH. The legislature must restore state support of the Cancer Center so that it can continue to aid the people of Hawaii.

I urge you to amend HB1700, HD1 by restoring the originally proposed budget to UOH100 and UOH110 that was in HB1700. Not doing so would be very irresponsible, devalue the University and medical school and cause significant harm to the economy of the State and the health of the people. It would be a terrible legacy.

Thank you for the opportunity to provide testimony.

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: seifrieds001@hawaii.rr.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Thursday, March 31, 2016 6:26:48 PM

HB1700
Submitted on: 3/31/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Seifried	Individual	Oppose	No

Comments: Tuesday I judged at the Hawaii Science and Engineering Fair. A fellow judge was a Science Fair winner of years past, returned to the island with a PhD doing ocean research. I regret not cornering Gov. Ige following his welcome speech to make the point that the excitement and innovation shown by the hundreds of 7 to 12 graders would not be possible in the absence of an active research community in Hawaii. The participants of all ages were fired up - excited with the exposure and confidence-building experience. Picture coltish 7th graders buzzing together over their posters about solar power and growing plants, and picture confident professional seniors proud of the sophisticated analyses they've performed with the guidance and environment of the research labs. There are some really capable people here. These are the health professionals, engineers, scientists, innovators and problem-solvers of tomorrow. If we do not capture them now they are less likely to enter science or engineering, or if they do, will not see Hawaii as a viable professional alternative - they will go mainland for school and not come back. Auwe! Who will see to the people of Hawaii? Who will address the challenges and opportunities of her physical environment? Who will develop her strengths, opportunities, and nascent IP? Research - Investment for now and for the future. Steven Seifried, PhD

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: martels001@hawaii.rr.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Thursday, March 31, 2016 9:03:24 PM

HB1700
Submitted on: 3/31/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Stephen Martel	Individual	Oppose	No

Comments: I oppose this bill. The cuts are Draconian and will cause enormous damage to UH and its students.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: dr_hankins@yahoo.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Monday, April 04, 2016 4:10:10 AM

HB1700
Submitted on: 4/4/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Steven Hankins	Individual	Oppose	No

Comments: I stand in strong opposition to the HD1 amended version of HB1700. The amended budget items will have a devastating negative impact on both the educational and research abilities of the University of Hawaii for decades to come. It would severely impair the ability of the John A. Burns School of Medicine to meet its mission to train physicians for Hawaii and could likely threaten the very survival of the institution. Hawaii is already faced with major physician workforce shortages which adversely impact the health and well being of the citizens of Hawaii. These budget cuts will have far reaching adverse impact on the health and will cause the state to incur huge costs to recruit and retain physicians and care for the poor health of its people for decades into the future. I therefore, strongly urge the the HD1 amendment be reversed and the original language and budgetary plan of HB1700 be reinstated prior to passage. Thank you, for your thoughtful consideration and service to the people of Hawaii. Steven A. Hankins

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

The Senate Committee on Ways and Means
April 5, 2016
9:00 a.m.
Room 211

HB 1700, HD1

TESTIMONY REQUESING THE RESTORATION OF FUNDING FOR THE UNIVERSITY OF HAWAII CANCER CENTER

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

My name is Dr. Thomas A. Wills, and I am Interim Director of the Cancer Prevention and Control Program at the University of Hawaii Cancer Center. In my work, I collect data on Hawaii public schools on adolescent smoking and e-cigarette use. These data have been quite valuable for addressing these issues in Hawaii and this work is going to be influential for influencing pending Federal regulations about new tobacco products. By preventing an increase in rates of adolescent smoking, this research will ultimately help to reduce rates of lung cancer and other smoking-associated diseases.

I am writing to express my support for the appropriation to the UH Cancer Center which was contained in Governor Ige's original budget, and request that the funding be restored.

The UH Cancer Center has been an important partner within the healthcare community of the state, and has made a tremendous difference in the lives of many cancer patients and their families. Because of the ethnic diversity in Hawaii we face different challenges as the types and incidents of cancer and cancer mortality rates may not be like those seen in other states. The UH Cancer Center is uniquely suited to study this diversity in healthcare needs.

The UH Cancer Center is one of only 69 institutions in the United States that hold the prestigious National Cancer Institute (NCI) designation, and is the only NCI-designated center in the Pacific. The NCI designation provides cancer researchers in Hawai'i with greater access to federal funding and research opportunities. More importantly, it gives the people of Hawai'i and the Pacific region access to many innovative and potentially life-saving clinical trials without the necessity of traveling to the mainland.

Each year more than 6,000 Hawaii residents are diagnosed with cancer, and more than 2,000 will die from the disease. Cancer is the second leading cause of death in Hawaii, and accounts for one of every five deaths statewide. As a NCI-designated cancer research center, the UH Cancer Center brings ground-breaking studies and new cancer-fighting drugs and treatment to our community, making it possible for Hawaii's people to receive the most advanced treatments for cancer without the need to travel to the mainland away from home and at great expense.

The UH Cancer Center brings innovative clinical trials to Hawaii. In 2014, the UH Cancer Center, working with Hawaii's hospitals, gave Hawaii's adult and pediatric cancer patients approximately 100 different national clinical trials locally. Currently there are about 100 ongoing clinical trials enrolling both adults and children. These clinical trials always guarantee the national standard of best care and the opportunity to benefit from a better treatment. The Cancer Center is actively following over 1,000 patients who have enrolled in clinical trials in the past. The Cancer Center is also working on identifying potential cancer drugs from Hawaii's natural resources, including compounds from plants, such as poha berry, noni and sea sponge, all of which have shown promise against cancer. Several patents are pending based on the UH Cancer Center's findings and research.

Because the types and incidence of cancer among our local population varies significantly from populations on the mainland, the focus of our research has been to target our diverse ethnic groups. For instance, one of our researchers has found that the use of electronic smoking devices among adolescents in Hawaii is triple that of adolescents on the mainland. This tells us that we need to reach out to our younger population to address this problem. Additionally, the UH Cancer Center's researchers have found that colon cancer in Native Hawaiian men is higher than in other ethnic groups. Thus, researchers are focused on investigating ways to reduce the high rate of cancer deaths in this population.

The funds requested for the UH Cancer Center will be used to reduce the annual shortfall in current operations at the Cancer Center caused by a reduction in the cigarette tax revenue. The cigarette tax revenue has been declining since 2009. Although cost-saving measures have been implemented, state funding support is required to address the operational needs of the Cancer Center which were planned when the facility was envisioned. In order to be successful so that it can continue to serve the needs of Hawaii's population, we must maintain the NCI designation of Hawaii's cancer center.

The incidence of cancer is increasing significantly and may double during the next twenty years, according to recent estimates by the International Agency for Cancer. It is imperative that the UH Cancer Center maintain its NCI designation to foster research relevant to those in Hawai'i and to provide our state's residents with access to the most innovative clinical trials here in Hawai'i, in order to reduce the incidence of cancer in Hawai'i.

I respectfully urge this Committee to restore the funding for the UH Cancer Center which was contained in the Governor's original budget.

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: tom.ranker@gmail.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Thursday, March 31, 2016 6:05:30 PM

HB1700
Submitted on: 3/31/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Tom Ranker	Individual	Oppose	No

Comments: The passage of this bill would lead to an unmitigated disaster for the State of Hawaii. It would immediately reduce one of the most productive research universities in the world to one where no scientist & teacher of high standards and high productivity would even think about apply to, let alone actually accept a position here. This bill demonstrates a fundamental misunderstanding of the critical and important role that basic and applied research play in an educational, research institution. In addition, if passed, it would immediately cause a significant number of UH employees to lose their jobs, causing massive disruption to our State and local community. Extramural grant awards simply could not be magically rebudgeted to cover research faculty salaries without severely impeding research projects; most projects would simply grind to a halt. Even highly funded and highly productive instructional faculty would immediately begin searching for positions in other states.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

I am writing to oppose the proposed budget in HB 1700 HD1 that changes the appropriation of $50,000,000 from the John A. Burns School of Medicine and ORUs to an unspecified field in the UH budget. I am the Director of the Institute for Biogenesis Research (IBR), the so-called "Cloning Lab" that the legislature together with private donations and other foundations, most notably the Castle Foundation, funded in 2000. I therefore also a part of UH Manoa's incredible research engine that has enjoyed the State's support for so long. There are three points that I would like to make.

1. The Research Enterprise at UHM Directly Supports the Education of Hawaii's Students. Most of Hawaii's students cannot afford to attend colleges and universities off-island. UH and a few other schools located in Hawaii are all they have, and UHM is by far the largest of these. The top quality research that is recognized by the world in many cases as among the best internationally provides opportunities for those students to participate in research that they would otherwise never have been able to do. This also has a trickle down effect. These students become better teachers here on the islands, and the professors who lead the research provide insights in their classrooms that are available only in Research 1 Universities like UHM. This is a gem that Hawaii cannot afford to lose because it would take decades to rebuild.

2. The Research Enterprise at UHM Repays the State. Fully 80% of the $350 to $400 million dollars a year that UHM brings to the state goes directly into the Hawaii economy in the form of jobs and indirects that are paid to UHM for operating costs. Again, we cannot afford to topple this research infrastructure now.

3. Federally Funded Research has Never Been So Competitive. Federal funding has decreased over the past ten years, but UHM has been one of those fortunate institutions that has maintained a high level of success in this arena despite these cuts. This is a testament both to the abilities of the researchers themselves and the quality of faculty UHM has been able to recruit, and to the support that UHM has enjoyed by the State of Hawaii. This is the worst possible time to take funds away from this specific mission.

In conclusion, this bill threatens a largely successful research program at Hawaii's largest university at the worst moment in time. Chipping away at the foundation that generations of Hawaii's citizens, state legislators and governors and the University of Hawaii have built at this moment threatens to topple the entire structure. If it crashes, it will be generations more before it returns to its current state, if ever.

W. Steven Ward, Ph.D.
Professor and Director
Institute for Biogenesis Research
Dept. Anatomy, Biochemistry & Physiology
Chief, Research Division
Lakshmi Devi and Devraj Sharma Endowed Chair
Dept. OB/GYN and Women's Health
John A. Burns School of Medicine
University of Hawaii at Manoa
1960 East-West Rd.
Honolulu, HI 96822
Tel: 808-956-5189
Fax: 808-956-7316
E-mail: wward@hawaii.edu

The Senate Committee on Ways and Means
April 5, 2016
9:00 a.m.
Room 211

HB 1700, HD1
TESTIMONY REQUESING THE RESTORATION OF FUNDING FOR THE UNIVERSITY OF HAWAII CANCER CENTER

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

My name is Adelia Chung. I am the president of the Friends of the Cancer Center Board. I am writing to request that the funding for the University of Hawaii Cancer Center be reinstated as contained in the original version of HB 1700. Nearly every strategic development plan for Hawaii identifies economic diversification as being critical to our future. The Cancer Center diversifies our economy with good paying jobs in areas of advanced technology, medicine, medical research and testing and healthcare.

The UH Cancer Center added $ 54.1 million in income to the Oahu economy.

In 2010, the Legislature and UH Board of Regents approved construction of a new Cancer Center building. In 2013, the Center moved into a $ 100,000 million world class facility in Kaka'ako. A request of $ 4 million has been requested this 2016 legislative session.

Of the 1,600 Cancer Centers in the US it is one of only 69 to receive National Cancer Institute recognition. On staff are world-renowned scientists.

We cannot abandon yet another long term strategic economic investment that so greatly benefits the people of Hawaii. I ask that you have the political will to fulfill the commitment made to the people of Hawaii back in 2010.

As a business owner, I know success comes from having a vision then working towards making it happen. I also know success does not happen overnight. Just a short time ago, our state made a significant investment to the only institution in the state dedicated to making discoveries in cancer. Now, it wants to abandon it.

As a citizen, I am offended by the way our state spends our tax dollars. Millions are allocated towards ideas that are trendy "at the moment" with no thought or plan for sustaining it so it can flourish, thrive and contribute to the quality of our lives. The Center has presented a business plan for turning the Center into a revenue producer.

I hope you will take the leadership we need and consider funding an initiative that was committed to years ago. Your vote will offer this State continued growth of a valuable economic asset.

Thank you for the opportunity to provide testimony.

The Senate Committee on Ways and Means
April 5, 2016
9:00 a.m.
Room 211

HB 1700, HD1
TESTIMONY REQUESING THE RESTORATION OF FUNDING FOR THE UNIVERSITY OF HAWAII CANCER CENTER

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

My name is Diane T. Ono, and I am a member of the Friends of the University of Hawai'i Cancer Center Board of Directors. I have been actively involved with supporting the UH Cancer Center for almost 13 years. As a private citizen, I am a firm believer in cancer research and the important role our University of Hawai'i can and should play in promoting and supporting cancer research here in our state.

The reason I so passionately and completely support the work of the UH Cancer Center is because my daughter was on a clinical trial administered by the Cancer Center from 1997 to 1999. My daughter successfully completed her 2-1/2 years of treatment for acute lymphocytic leukemia, and today she is 23 years old. I know she is one small example of the way the Cancer Center has helped the people of our state.

Cancer research is vital to the needs of the people in our community. The research taking place right here at the UH Cancer Center involves our diverse ethnic population as well as our natural resources. Having a recognized and National Cancer Institute designated cancer research center here in Hawaii is important not only for us, the citizens of our state, but also for the important role that Hawaii can play to contribute to the overall effort of finding better treatments through a deeper and more sophisticated understanding of the complex array of diseases called cancer. If you or your loved one is touched by cancer, I know you would want and expect the best treatment available anywhere to ensure a good outcome. The UH Cancer Center is just that for the people of our state. Clinical trials taking place over many decades along with the research in the laboratory were the key to curing once incurable diseases like my daughter's childhood leukemia. Through clinical trials administered by the UH Cancer Center, our citizens are afforded the ability to receive state of the art treatment at local hospitals here in Hawaii surrounded by family and friends with the support they need.

The UH Cancer Center is one of only 69 institutions in the United States that hold the prestigious National Cancer Institute (NCI) designation, and is the only NCI-designated center in the Pacific. The NCI designation provides cancer researchers in Hawai'i with greater access to federal funding and research opportunities. More importantly, it gives the people of Hawai'i and the Pacific region access to many innovative and potentially life-saving clinical trials without the necessity of traveling to the mainland.

Each year more than 6,000 Hawaii residents are diagnosed with cancer, and more than 2,000 will die from the disease. Cancer is the second leading cause of death in Hawaii, and accounts for one of every five deaths statewide. As a NCI-designated cancer research center, the UH Cancer Center brings ground-breaking studies and new cancer-fighting drugs and treatment to our community, making it possible for Hawaii's people to receive the most advanced treatments for cancer without the need to travel to the mainland away from home and at great expense.

The ethnic diversity in Hawaii is unlike other populations in other parts of the country. We in Hawaii face different challenges as the types and incidents of cancer as well as mortality rates may not be like those seen in other states. The UH Cancer Center is acutely aware of Hawaii's unique diversity and healthcare needs. Its focus is finding treatment, drugs and protocols that are specific to our community.

For instance, the UH Cancer Center's researchers have found that colon cancer in Native Hawaiian men is higher than in other ethnic groups. Thus, researchers are focused on investigating ways to reduce the high rate of cancer deaths in this population.

The funds requested for the UH Cancer Center will be used to reduce the annual shortfall in current operations at the Cancer Center caused by a reduction in the cigarette tax revenue. State funding support is required to address the operational needs of the Cancer Center which were planned when the facility was envisioned. In order to be successful so that it can continue to serve the needs of Hawaii's population, we must maintain the NCI designation of Hawaii's cancer center.

The incidence of cancer is increasing significantly and may double during the next twenty years, according to recent estimates by the International Agency for Cancer. It is imperative that the UH Cancer Center maintain its NCI designation to foster research relevant to those in Hawai'i and to provide our state's residents with access to the most innovative clinical trials here in Hawai'i, in order to reduce the incidence of cancer in Hawai'i.

I respectfully urge this Committee to restore the appropriation for the UH Cancer Center as outlined in the Governor's budget and contained in the original version of HB 1700.

The Senate Committee on Ways and Means
April 5, 2016
9:00 a.m.
Room 211

HB 1700, HD1
TESTIMONY REQUESING THE RESTORATION OF FUNDING FOR THE UNIVERSITY OF HAWAII CANCER CENTER

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

My name is Dr. Lori Phillips, and I work at a local nonprofit that works in the field of educational research. The region we serve includes Micronesia. I am also a member of the Friends of the Cancer Board and have been involved with the UH Cancer Center for 8 years. I have been deeply involved with the Micronesian community both in Micronesia and in Hawaii. I also work in the Hawaii DOE Schools and am familiar with the migration of Micronesians to our Hawaii community.

The UH Cancer Center has been an important partner within the healthcare community of the state, and has made a tremendous difference in the lives of many cancer patients and their family. The UH Cancer Center is acutely aware of the Pacific and its unique diversity and healthcare needs. Its focus is finding treatment, drugs and protocols that are specific to our community.

As you know, the UH Cancer Center is a nationally recognized research center and is the only such institution in Hawaii and the Pacific region. Along with its many research projects much of the center's work focuses on Pacific Islander health, specifically Micronesians. **The following are just some of the research projects that assist in understanding Micronesian health:**

The UH Cancer Center and the University of Guam are collaborating to develop stronger cancer programs aimed at understanding the reasons behind cancer disparities among racial and ethnic minority and socio-economically disadvantaged populations. -The University of Guam and UH Cancer Center Partnership is one of only 13 Comprehensive Partnerships to Advance Cancer Health Equity (CPACHE), a program funded by the National Cancer Institute (NCI). The UOG/UHCC Partnership is the only partnership within NCI's CPACHE program that serves Pacific Islanders, specifically Micronesians.

Research projects funded for the new 5-year cycle (2015-2020) include a health communications study designed to increase **cervical cancer screening among Micronesian women in Hawai'i and Guam.**

A betel nut intervention in Guam is being initiated. The first of its kind; and **a study to identify molecular components of the Areca (betel) nut that promotes chronic**

inflammation in the immune system. Betel nut chewing is practiced by many Pacific Island populations in the Western Pacific region. According to UH Cancer Center researchers chewing betel nut causes oral lesions and skin changes in the mouth that can lead to the development of esophageal and oral cancers as well as other diseases. **The UH Cancer Center's betel nut research is of global and regional importance as study findings could inform future public health interventions and clinical recommendations for betel nut users in the Pacific region and worldwide.**

Cancer research is vital to the needs of the people in our community. The research taking place right here at the UH Cancer Center involves our diverse ethnic population as well as our natural resources. Having a recognized and National Cancer Institute designated cancer research center here in Hawaii is important not only for us, the citizens of our state, but also for the important role that Hawaii can play to contribute to the overall effort of finding better treatments through a deeper and more sophisticated understanding of the complex array of diseases called cancer. Through clinical trials administered by the UH Cancer Center, our citizens are afforded the ability to receive state of the art treatment at local hospitals here in Hawaii surrounded by family and friends with the support they need without the necessity of traveling to the mainland.

The UH Cancer Center is one of only 69 institutions in the United States that hold the prestigious National Cancer Institute (NCI) designation, and is the only NCI-designated center in the Pacific. The NCI designation provides cancer researchers in Hawai'i with greater access to federal funding and research opportunities. More importantly, it gives the people of Hawai'i and the Pacific region access to many innovative and potentially life-saving clinical trials.

For instance, the UH Cancer Center's researchers have found that colon cancer in Native Hawaiian men is higher than in other ethnic groups. Thus, researchers are focused on investigating ways to reduce the high rate of cancer deaths in this population.

The funds requested for the UH Cancer Center will be used to reduce the annual shortfall in current operations at the Cancer Center caused by a reduction in the cigarette tax revenue. State funding support is required to address the operational needs of the Cancer Center which were planned when the facility was envisioned. In order to be successful so that it can continue to serve the needs of Hawaii's population, we must maintain the NCI designation of Hawaii's cancer center.

The incidence of cancer is increasing significantly and may double during the next twenty years, according to recent estimates by the International Agency for Cancer. It is imperative that the UH Cancer Center maintain its NCI designation to foster research relevant to those in Hawai'i and to provide our state's residents with access to the most innovative clinical trials here in Hawai'i, in order to reduce the incidence of cancer in Hawai'i.

I respectfully urge this Committee to restore the appropriation for the UH Cancer Center which was outlined in the Governor's budget and contained in HB 1700.

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: earls2@hotmail.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Monday, April 04, 2016 7:18:20 AM

HB1700
Submitted on: 4/4/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
earl stoner	Individual	Comments Only	No

Comments: Dear Chairperson Tokuda and members of the Senate Ways and Means Committee. My name is Earl Stoner and I live in Kula, Maui. I am the immediate past president of the Board of the Friends of the UH Cancer Center. I am requesting that you restore funding for the UH Cancer Center which was removed from this bill in the House. In 2010 when the approval of the building for the Cancer Center was made, the Board of Regents, UH Administration , UHCC management and the Legislature agreed that the Cancer Center would require between $15 and $20 million dollars annually in State of Hawaii funding to support its operations. As you know that funding was provided for through a State of Hawaii tobacco tax. The funding requirement for the Cancer Center has not changed appreciably, what has changed is the source of funding. It seems ironic that the entity charged with stopping tobacco use in Hawaii has to rely on that tax for support when its efforts to curb smoking have caused those funds to dwindle. Please restore the UHCC funding so that more permanent funding support can be establisherd and the business plan for the Center developed by the current management can proceed. Thank you Earl Stoner..

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

The Senate Committee on Ways and Means
April 5, 2016
9:00 a.m.
Room 211

HB 1700, HD1
TESTIMONY REQUESING THE RESTORATION OF FUNDING FOR THE UNIVERSITY OF HAWAII CANCER CENTER

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

My name is Howard Stephenson. As a former chair of the Board of Regents of the University of Hawaii and a longtime supporter of the UH Cancer Center, it is my opinion that the Center is one of the most important components of the university system and is of great value to the state of Hawaii.

The Cancer Center is one of only 69 centers in the US that have earned the prestigious and much-sought-after designation of the National Cancer Institute. Having the NCI designation provides millions of dollars in grants to the Center which otherwise would not be available. These funds not only enable the center to carry out its important research and conduct cancer-related clinical trials for our communities, but also provide considerable economic value to the state. Losing this designation would be a black mark on the university's reputation nationally as few NCI-designated centers have ever given up this distinction. Of note is the fact that our Center is one of only a few not located in the eastern US, giving further credence to rarity of the NCI designation.

The center is now asking for further financial support from the state legislature. In the past, the cigarette tax provided more money for operations than it is currently available because the number of smokers has decreased. The work being done at the Center is of value to all people in Hawaii since much of the research is focused on key cancers that impact us here. The facilitation of cancer trials has opened new possibilities for Hawaii's people in being able to participate in trials without traveling to the mainland. Like myself, anyone who has had immediate family members diagnosed with rare or advanced stages of cancer can appreciate the value that being part of a clinical trial can bring.

Clearly the need for the Cancer Center in Hawaii is great and the cost of closing it would be prohibitive. The Center is presently seeking a new director and several fine candidates have expressed an interest. There are good reasons for funding the Cancer Center which is a part of the Hawaii community and provides a vital service for everyone in our state and the Pacific region.

Therefore, I ask that the funding for the Cancer Center which was contained in the original version of HB 1700 be restored. Thank you.

The Senate Committee on Ways and Means
April 5, 2016
9:00 a.m.
Room 211

HB 1700, HD1

TESTIMONY REQUESING THE RESTORATION OF FUNDING FOR THE UNIVERSITY OF HAWAII CANCER CENTER

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

My name is Patricia Blanchette, MD, MPH and I am currently serving as the Interim Associate Director of the University of Hawaii Cancer Center. I am writing to express my support for the appropriation to the UH Cancer Center which was contained in Governor Ige's original budget, and request that the funding be restored.

I am a graduate of Leeward Community College, the University of Hawaii at Manoa, the John A. Burns School of Medicine and the UH School of Public Health. I am uniquely qualified to comment and I am utterly grateful to the State of Hawaii for the educational opportunities afforded to me.

I am also uniquely qualified to comment on the value of the UH Cancer Center to the people of Hawaii. I know the Center inside and out. As a physician, I am also knowledgeable about the difference the Center makes in the lives of the people of Hawaii, both in people with cancer and in their families.

Sound arguments can and have been made about the Center's high quality and important research and the economic value of the Center to the state economy. However, nothing tops the direct value to the people of Hawaii who have had cancer and been cured, have cancer now and are in treatment trials bringing the best and latest to the people here, and the people whose cancer will be prevented thanks to the Center's research.

This Center is of great value to the people of Hawaii and the other Pacific Islands who constitute an underserved population. No other cancer center is focused on research to help our people.

As the Interim Associate Director, brought in as an experienced UH health sciences administrator to help set things right, I have looked in every corner of the Center to find savings and to improve process. When I came into the Center, it was spending its reserves at a rate of 11 million/year. We reduced that to 7.5 million/year. We found a number of ways to save money. The savings were mainly in condensing space, relocating every cancer center activity into the new building thereby eliminating leasing expenses, getting a better price by joint contracting for services with the medical school, and eliminating duplication of services now that all cancer center activities were in the

same building. We also developed a sound business plan to move us forward towards solvency by partnering with the medical school. We would already be at break even if the cigarette tax funds had remained steady. People have said that the Center had a flawed business plan. It is actually an outdated business plan that needs to be revised and updated.

There is a similar example in Maryland. The Maryland Cancer Center also had a business plan based on their cigarette tax revenues. That Center got into similar financial difficulty as ours when those tax revenues decreased. In Maryland, the governor said that he had been cured of cancer by treatments received that their cancer center. Being a direct recipient helped him to understand at first hand the advance treatments that an NCI designated cancer center brings to the state. So, he made sure that the funds needed by the cancer center went into his budget and worked to make sure that those funds were appropriated.

Our governor also put funds into his budget for the UH Cancer Center. I don't think that he was personally affected, but still he understands the importance.

The UH Cancer Center has been an important partner within the healthcare community of the state, and has made a tremendous difference in the lives of many cancer patients and their families. Because of the ethnic diversity in Hawaii we face different challenges as the types and incidents of cancer and cancer mortality rates may not be like those seen in other states. The UH Cancer Center is uniquely suited to study this diversity in healthcare needs and to make a real difference in the lives of people of Hawaii.

I respectfully urge this Committee to restore the funding for the UH Cancer Center which was contained in the Governor's original budget.

Sincerely,

Patricia Blanchette, M. D.

Patricia Lanoie Blanchette, MD, MPH
Interim Associate Director
UH Cancer Center; and,
Interim Associate Dean for Medical Education
John A. Burns School of Medicine

The Senate Committee on Ways and Means
April 5, 2016
9:00 a.m.
Room 211

HB 1700, HD1
TESTIMONY REQUESING THE RESTORATION OF FUNDING FOR THE UNIVERSITY OF HAWAII CANCER CENTER

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

My name is Penelope Rogers and I am a member of the Friends of the Cancer Board. I have been involved with the UH Cancer Center for more than 10 years. (808) 734-2193, penrichrogers@juno.com.

Picture this: You or a family member has just received a cancer diagnosis from the doctor. Shock, fear, helplessness overwhelm you. This scenario is repeated daily all over our islands. No family is immune.

Consider your first call being to the Clinical Trials Office at the UH Cancer Center- (808) 564-5994. It is the central hub for all clinical trials and studies taking place in Hawaii. At present, there are some 120 active clinical trials and studies of new treatments and technologies for adults and children taking place in our state. The Center coordinates the screening, safety, and quality data of trials for partner hospitals and clinics. These trials will impact not just the participants but, like pebbles in a pond, ever widening circles of patients who will benefit. People of Hawaii may well not need to travel elsewhere at great expense and loss of familial support to access potentially life-saving treatments.

The UH Cancer Center founded in 1971, is now headquartered in a premier new building in Kakaako. The Center is National Cancer Institute designated cancer research center, one of only 69 out of more than 1600 cancer centers in the U.S. Its grants ensure us top researchers who are focused on Hawaii's unique racial/ethnic in types, incidence and mortality of cancer. This designation was hard won and prized, bringing millions of dollars into Hawaii and must not be lost. Our unique population has specific needs and weaknesses. For example, Hawaii has one of the highest rates of liver cancer in the nation. Natural products from our own environment can turn into treatments and cures (more than 2,856 natural products are being tested against human tumors) –no other center can make this claim.

Researchers in the Center are working in concert to bring cures to Hawaii and the world. NCI has competitive grants available for that purpose, totaling billions of dollars over the years which can be competed for by only NCI designated centers. Our researchers receive an average of $20 million in national grants annually, which funds hundreds of jobs, provides training to graduate and undergraduate students, research to

discover new products and patents to generate revenue for UH, and conduct public information and symposiums such as on melanoma, liver cancer, and mesothelioma. In the State of the Union Address, President Obama and Vice president Biden announced a national government focus on curing cancer. How can Hawaii not support our crown jewel in the all-out effort?

Each year more than 6,000 Hawaii residents are diagnosed with cancer, and more than 2,000 will die from the disease. Cancer is the second leading cause of death in Hawaii, and accounts for one of every five deaths statewide. As a NCI-designated cancer research center, the UH Cancer Center brings ground-breaking studies and new cancer-fighting drugs and treatment to our community, making it possible for Hawaii's people to receive the most advanced treatments for cancer.

The funds requested for the UH Cancer Center will be used to reduce the annual shortfall in current operations at the Cancer Center caused by a reduction in the cigarette tax revenue. State funding support is required to address the operational needs of the Cancer Center which were planned when the facility was envisioned. In order to be successful so that it can continue to serve the needs of Hawaii's population, we must maintain the NCI designation of Hawaii's cancer center.

The incidence of cancer is increasing significantly and may double during the next twenty years, according to recent estimates by the International Agency for Cancer. It is imperative that the UH Cancer Center maintain its NCI designation to foster research relevant to those in Hawai'i and to provide our state's residents with access to the most innovative clinical trials here in Hawai'i, in order to reduce the incidence of cancer in Hawai'i.

Governor Ige supports the appropriation for the UH Cancer Center and included funding for it in HB 1700. I respectfully urge this committee to reinstate the funding for the UH Cancer Center. Thank you.

discover new products and patents to generate revenue for UH, and conduct public information and symposiums such as on melanoma, liver cancer, and mesothelioma. In the State of the Union Address, President Obama and Vice president Biden announced a national government focus on curing cancer. How can Hawaii not support our crown jewel in the all-out effort?

Each year more than 6,000 Hawaii residents are diagnosed with cancer, and more than 2,000 will die from the disease. Cancer is the second leading cause of death in Hawaii, and accounts for one of every five deaths statewide. As a NCI-designated cancer research center, the UH Cancer Center brings ground-breaking studies and new cancer-fighting drugs and treatment to our community, making it possible for Hawaii's people to receive the most advanced treatments for cancer.

The funds requested for the UH Cancer Center will be used to reduce the annual shortfall in current operations at the Cancer Center caused by a reduction in the cigarette tax revenue. State funding support is required to address the operational needs of the Cancer Center which were planned when the facility was envisioned. In order to be successful so that it can continue to serve the needs of Hawaii's population, we must maintain the NCI designation of Hawaii's cancer center.

The incidence of cancer is increasing significantly and may double during the next twenty years, according to recent estimates by the International Agency for Cancer. It is imperative that the UH Cancer Center maintain its NCI designation to foster research relevant to those in Hawai'i and to provide our state's residents with access to the most innovative clinical trials here in Hawai'i, in order to reduce the incidence of cancer in Hawai'i.

Governor Ige supports the appropriation for the UH Cancer Center and included funding for it in HB 1700. I respectfully urge this committee to reinstate the funding for the UH Cancer Center. Thank you.

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: chenoa@bluestartups.com
Subject: *Submitted testimony for HB1700 on Apr 5, 2016 09:00AM*
Date: Monday, April 04, 2016 7:46:50 AM

HB1700
Submitted on: 4/4/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Chenoa Farnsworth	Blue Startups	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

COMMUNITY CHILDREN'S COUNCIL OF HAWAII
1177 Alakea Street · B-100 · Honolulu · HI · 96813
TEL: (808) 586-5363 · TOLL FREE: 1-800-437-8641 · FAX: (808) 586-5366

April 3rd, 2016

TO: Committee on Ways and Means – State Capitol

RE: **HB1700 HD1:** To adjust and request appropriations for Fiscal Biennium 2015--17 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

Dear Chair Tokuda, Vice-Chair Dela Cruz, and Members of the Committee,

The Community Children's Councils (CCC's) **supports HB1700 HD 1** which requests the adjustment and appropriations for Fiscal Biennium 2015-2017.

The CCC's support the testimony of the Special Education Advisory Council (SEAC) and have worked together on the support and considerations of the document.

The 17 CCCs are community-based bodies comprised of parents, professionals in both public and private agencies and other interested persons who are concerned with specialized services provided to Hawaii's students. Membership is diverse, voluntary and advisory in nature. The CCCs are in rural and urban communities organized around the Complexes in the Department of Education.

Should you have any questions or need additional information, please contact the Community Children's Council Office (CCCO) at 586-5363.

Thank you for considering our testimony,
Jessica Wong-Sumida, Co-Chair

(Original signature are on file with the CCCO)

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: leilani.maxera@gmail.com
Subject: *Submitted testimony for HB1700 on Apr 5, 2016 09:00AM*
Date: Friday, April 01, 2016 11:35:32 AM

HB1700
Submitted on: 4/1/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Leilani Maxera	The CHOW Project	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: ed@gonorthshore.org
Subject: *Submitted testimony for HB1700 on Apr 5, 2016 09:00AM*
Date: Monday, April 04, 2016 10:52:23 AM

HB1700
Submitted on: 4/4/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Ed Korybski	North Shore Chamber of Commerce	Support	Yes

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: jaramillobernadette@yahoo.com
Subject: *Submitted testimony for HB1700 on Apr 5, 2016 09:00AM*
Date: Sunday, April 03, 2016 12:07:02 AM

HB1700
Submitted on: 4/3/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
bernadette jaramillo	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: ashleigh.smith.mn@gmail.com
Subject: *Submitted testimony for HB1700 on Apr 5, 2016 09:00AM*
Date: Monday, April 04, 2016 1:19:40 AM

HB1700
Submitted on: 4/4/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Ashleigh Smith	Individual	Oppose	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: bkays@navatekltd.com
Subject: *Submitted testimony for HB1700 on Apr 5, 2016 09:00AM*
Date: Thursday, March 31, 2016 9:11:16 AM

HB1700
Submitted on: 3/31/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Brian Kays	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From:	mailinglist@capitol.hawaii.gov
To:	WAM Testimony
Cc:	dylanarm@hawaii.edu
Subject:	Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date:	Wednesday, March 30, 2016 12:07:38 PM

HB1700
Submitted on: 3/30/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Dylan Armstrong	Individual	Support	No

Comments: Please fund our state hospitals thoroughly.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: genesisl@hawaii.edu
Subject: *Submitted testimony for HB1700 on Apr 5, 2016 09:00AM*
Date: Friday, April 01, 2016 3:07:30 PM

HB1700
Submitted on: 4/1/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Genesis Leong	Individual	Oppose	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: istasinopoulos@cc.hawaii.edu
Subject: *Submitted testimony for HB1700 on Apr 5, 2016 09:00AM*
Date: Friday, April 01, 2016 5:22:19 PM

HB1700
Submitted on: 4/1/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Ioannis Stasinopoulos	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: kukana77@yahoo.com
Subject: *Submitted testimony for HB1700 on Apr 5, 2016 09:00AM*
Date: Wednesday, March 30, 2016 8:57:31 AM

HB1700
Submitted on: 3/30/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Susan Lee	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: tdick@startupcv.com
Subject: Submitted testimony for HB1700 on Apr 5, 2016 09:00AM
Date: Thursday, March 31, 2016 10:20:12 AM

HB1700
Submitted on: 3/31/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Timothy Dick	Individual	Support	No

Comments: HB1700 will allow continuation of facilities and funding to support the growth of Hawaii's high technology sector. The private sector contributes $12 for every $1 in government funding and has thusfar has created over 150 high skill, high-paying jobs. HB1700 will help this high-skill job growth continue which can bring kama`aina home and build a new pillar of Hawaii's economy. Thank you for your support.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: tabraham08@gmail.com
Subject: *Submitted testimony for HB1700 on Apr 5, 2016 09:00AM*
Date: Tuesday, March 29, 2016 5:26:01 PM

HB1700
Submitted on: 3/29/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Troy Abraham	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: vickmoy@yahoo.com
Subject: *Submitted testimony for HB1700 on Apr 5, 2016 09:00AM*
Date: Sunday, April 03, 2016 3:32:00 PM

HB1700
Submitted on: 4/3/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
V. Moy	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: jonoye@hawaiiantel.net
Subject: *Submitted testimony for HB1700 on Apr 5, 2016 09:00AM*
Date: Thursday, March 31, 2016 6:54:52 PM

HB1700
Submitted on: 3/31/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Jane Onoye	Individual	Oppose	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: juanita.andaya@gmail.com
Subject: *Submitted testimony for HB1700 on Apr 5, 2016 09:00AM*
Date: Thursday, March 31, 2016 2:07:43 PM

HB1700
Submitted on: 3/31/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Juanita Andaya	Individual	Oppose	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From:	mailinglist@capitol.hawaii.gov
To:	WAM Testimony
Cc:	kbinsted@gmail.com
Subject:	*Submitted testimony for HB1700 on Apr 5, 2016 09:00AM*
Date:	Thursday, March 31, 2016 2:02:20 PM

HB1700
Submitted on: 3/31/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Kim Binsted	Individual	Oppose	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: leslie.omura@gmail.com
Subject: *Submitted testimony for HB1700 on Apr 5, 2016 09:00AM*
Date: Friday, April 01, 2016 4:10:42 PM

HB1700
Submitted on: 4/1/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Leslie Okoji	Individual	Oppose	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
To: WAM Testimony
Cc: smbateni@hawaii.edu
Subject: *Submitted testimony for HB1700 on Apr 5, 2016 09:00AM*
Date: Thursday, March 31, 2016 7:05:19 PM

HB1700
Submitted on: 3/31/2016
Testimony for WAM on Apr 5, 2016 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Sayed Bateni	Individual	Oppose	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

March 29, 2016

Dear Hawaii State Legislature,

I am an AP Environmental Science student at Mililani High School. Through this testimony, I strive to promote the improvement and sustainability of our natural environment through the enforcement of rigorous green building ordinances for newly constructed residential, commercial office and large-scale building alterations.

Hawaii's global status becomes increasingly affluent with its impressive luxury high-rise development in its Honolulu area. The *Howard Hughes Corporation*, a name defining large private landowners in Hawaii quickly transforms urban culture in the Kaka'ako district through the development of new stores, cafes and luxury condominiums. When I visit town, it is undeniable that cranes litter the entire view of Honolulu's cityscape. Countless glass-clad condominiums reflecting the hot Hawaiian sun just seems to add toward the rising temperatures we face each year. In regard to the global crisis of climate change, it is imperative that legislation executes stricter building codes to promote a more sustainable environment.

In 2008, San Francisco was first in the nation to implement a rigorous and comprehensive green building ordinance for its newly constructed buildings. The ordinance demanded that all newly built commercial office buildings covering over 5,000 gross square feet and major building alterations over 25,000 gross square feet satisfy base-level LEED Certification. Furthermore, these certifications needed to increase to eventually meet the LEED Gold Level Certification by 2012. In regard to small residential projects, the city of San Francisco also implemented their own green building standard called GreenPoint Rated.

An internationally diverse platform of new innovation, ideas and culture makes Hawaii ideal for sustainable legislation. Sustainable architectural code is a vital element to assure full environmental responsibility during urban development like in the Kaka'ako area. Through a holistic consideration of both the aesthetic value of Hawaii in addition to the future of Hawaii's residents, visitors and the natural environment, I strive to implement a green building legislation that conserves and preserves Hawaii's precious environment.

Thank you,
Student at Mililani High School