THE SENATE THE TWENTY-NINTH LEGISLATURE REGULAR SESSION OF 2018

COMMITTEE ON WAYS AND MEANS

Senator Donovan M. Dela Cruz, Chair Senator Gilbert S.C. Keith-Agaran, Vice Chair

NOTICE OF DECISION MAKING

DATE: Friday, February 23, 2018

TIME: 11:00 A.M.

PLACE: Conference Room 211

State Capitol

415 South Beretania Street

AMENDED AGENDA

The following measure(s) were previously heard in their respective subject matter committees:

SB 2069 RELATING TO 'ULU. AEN/HRE, WAM

(SSCR2241) Appropriates funds for the research, development, marketing,

and conservation of 'ulu.

Status & Testimony

Testimony

SB 2073 RELATING TO AGRICULTURE. AEN, WAM

(SSCR2007) Clarifies that the amount appropriated in Act 183, Session Laws of Hawaii 2017, shall be deposited into the food safety

Status & certification costs grant program special fund and that the same amount shall be appropriated out of the special fund for fiscal

year 2018-2019.

SB 2078 RELATING TO PUEO RESEARCH.

AEN/WTL/HRE,
Appropriates funds for the department of land and natural

WAM

(SSCR2363)

Status & Appropriates funds for the department of land and natural resources to conduct, in collaboration with the University of Hawaii college of tropical agriculture and human resources, a two-year breeding ecology study and two-year foraging ecology

study on the pueo on Oahu.

SB 2116 RELATING TO BIOSECURITY. AEN, WAM

(SSCR2009) Establishes the biosecurity emergency response special fund within the Department of Agriculture. Establishes procedures for

Status & emergency declarations and expenditures. Appropriates

<u>Testimony</u> moneys into the special fund.

SB 2124 RELATING TO INVASIVE SPECIES. AEN/HRE, WAM

(SSCR2133) Appropriates funds to the Hawaii ant lab for personnel and

equipment to support mitigation of the little fire ant.

Status &

SB 2125, SD1

(SSCR2002)

Status &

Testimony

RELATING TO COFFEE BERRY BORER.

Extends the pesticide subsidy program manager position, including the civil service and collective bargaining exemptions for the position, through June 30, 2022, in order to provide assistance to local coffee farmers for coffee berry borer pesticide costs incurred through the final year of the program.

Takes effect 6/29/2018. (SD1)

SB 2126

(SSCR2051)

Status & **Testimony**

SB 2396, SD1

(SSCR2003)

Status & **Testimony**

SB 2398, SD1

(SSCR2094)

Status & **Testimony**

SB 2399, SD1

(SSCR2069)

Status & **Testimony**

SB 2556

(SSCR2005)

Status & **Testimony**

SB 2563

(SSCR2134)

Status & **Testimony**

RELATING TO THE PESTICIDE USE REVOLVING FUND.

Increases the pesticide use revolving fund balance threshold

from \$250,000 to \$1,000,000.

RELATING TO LOAN PROGRAMS.

Sets a budget ceiling of \$2,500,000 for the Hawaii water infrastructure special fund. Appropriates funds for and out of the agricultural loan revolving fund and Hawaii water infrastructure special fund. (SD1)

RELATING TO THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM.

Requires the Department of Agriculture to create a local health food dollar-for-dollar matching program for beneficiaries of the Supplemental Nutrition Assistance Program. Establishes and appropriates funds into and out of the local health food incentive

program special fund. (SD1)

RELATING TO INVASIVE SPECIES PROGRAM ADMINISTRATION.

Restructures the Hawaii invasive species council as the Hawaii invasive species authority, to be administratively attached to the department of agriculture, to coordinate implementation of the Hawaii interagency biosecurity plan and to improve coordination of the State's invasive species prevention, early detection, rapid response, control, enforcement, and outreach programs. Appropriates funds for the authority and relevant interagency

invasive species projects. (SD1)

RELATING TO AGRICULTURE.

Establishes a special fund within the department of agriculture to deposit fees and expend funds necessary for the industrial hemp pilot program.

RELATING TO AGRICULTURE.

Appropriates funds to the department of labor and industrial relations for the K-12 agriculture workforce development pipeline initiative.

AEN, WAM

AEN, WAM

AEN, WAM

on 02-22-18]

AEN, WAM

AEN/HMS, WAM

AEN, WAM

[Measure deleted

AEN/LBR, WAM

HEARING WAM 02-23-18-4 .htm



SB 2572, SD1

(SSCR2048)

Status & Testimony

RELATING TO AGRICULTURE.

Appropriates funds for the department of agriculture to conduct import substitution projects to encourage Hawaii farmers and growers to identify and grow food and nonfood alternative products to phase out imports of high-risk pathway food and commodities by 2027. Appropriates funds for outreach materials to encourage Hawaii residents to buy local products and foster a sense of pride and self-responsibility in protecting Hawaii's agriculture, environment, and lifestyle. (SD1)

SB 2573

SB 2574

(SSCR2034)

Status & Testimony

RELATING TO NUTRIENT CYCLING.

Establishes and appropriates funds for a regional nutrient cycling pilot program on Maui. Requires DOA to report on the efficacy of the pilot project.

RELATING TO AGRICULTURE.

(SSCR2072)

Authorizes the issuance of GO bonds for plans of a biological control containment facility on Oahu. Appropriates funds.

Status & Takes effect July 1, 2018.
Testimony

SB 2575, SD1

(SSCR2453)

Status & Testimony RELATING TO AGRICULTURAL FOOD PRODUCTION.

Appropriates funds for the University of Hawaii West Oahu to expand its existing programs and develop new means to increase food security and self-sufficiency in the State. Takes effect 7/1/2025. (SD1)

SB 2894, SD1

(SSCR2132)

Status & Testimony

RELATING TO AGRICULTURE.

Requires the department of agriculture, in coordination with the agribusiness development corporation and University of Hawaii college of tropical agriculture and human resources, to conduct crop performance testing trials on state agricultural lands of Hawaii's most highly imported food crops. Makes an appropriation. (SD1)

SB 2928, SD1

(SSCR2370)

Status & Testimony

RELATING TO THE HAWAII FARM TO SCHOOL PROGRAM.

Establishes and appropriates funds for a farm to school grant pilot program within the Hawaii department of agriculture to provide grants to schools, early care and education centers, nonprofits, soil and water conservation districts, and food producers participating in the Hawaii farm to school program. Requires the Hawaii farm to school coordinator to submit a report to the legislature. Makes an appropriation for continuance of the Hawaii farm to school program and coordinator position. Repeals on 6/30/2021. (SD1)

SB 3030

(SSCR2036)

Status & Testimony RELATING TO AGRICULTURE.

Establishes a farmer apprentice mentoring program to teach and train farmers to utilize a whole farm system approach to agriculture. Makes an appropriation to the department of agriculture for the farmer apprentice mentoring program.

SB 3031, SD1

(SSCR2047)

Status & Testimony

RELATING TO THE ORGANIC FOODS PRODUCTION TAX

CREDIT.

Clarifies and strengthens the organic foods production tax credit. Repeals on 12/31/2021. (SD1)

HEARING WAM 02-23-18-4 .htm



AEN, WAM

AEN, WAM

AEN, WAM

AEN/HRE, WAM

AEN/HRE, WAM

AEN/EDU, WAM

AEN, WAM

AEN, WAM

SB 2056, SD1

(SSCR2253)

Status & **Testimony**

RELATING TO HEALTH.

Requires restaurants that sell children's meals that include a beverage for a single price to make the default beverage a

healthy beverage. (SD1)

SB 2060, SD1

(SSCR2301)

Status & **Testimony**

RELATING TO CONDOMINIUMS.

Expands the scope of the condominium education trust fund to cover voluntary binding arbitration between interested parties. Amends the conditions that mandate mediation and exceptions to mandatory mediation. Makes conforming amendments.

SB 2114

(SSCR2400)

Status & **Testimony**

SB 2188, SD1

(SSCR2252)

Status & **Testimony**

SB 2199

(SSCR2063)

Status & **Testimony**

SB 2304, SD1

(SSCR2203)

Status & **Testimony**

SB 2312, SD1

(SSCR2396)

Status & **Testimony**

SB 2340, SD1

(SSCR2045)

Status & **Testimony**

Effective 1/1/2019. (SD1)

RELATING TO THE GLASS ADVANCE DISPOSAL FEE PROGRAM.

Appropriates funds to establish two positions for the glass advance disposal fee program.

RELATING TO THE CONVEYANCE TAX.

Establishes an additional conveyance tax for the sale of certain condominiums or single family residences. Requires that the revenue collected in each county from the additional conveyance tax be allocated to the respective county's affordable housing fund. Sunset 6/30/2023. Effective 7/1/2050.

(SD1)

RELATING TO INSURANCE.

Authorizes the State to apply for and implement a waiver from certain provisions of the Patient Protection and Affordable Care

Act of 2010, as amended.

RELATING TO TOBACCO.

Prohibits the issuance and renewal beyond November 30, 2019, of retail tobacco permits for businesses that are located within five hundred feet of a preschool, school, or certain public playgrounds. Beginning on December 1, 2019, prohibits the sale of tobacco products and electronic smoking devices by businesses that are located within five hundred feet of a preschool, school, or certain public playgrounds. (SD1)

RELATING TO GRANTS.

Clarifies the grant application process requirements for organizations that may receive a grant from the State. Specifies additional grant application process requirements for nonprofit organizations. (SD1)

RELATING TO HEALTH INSURANCE.

Ensures certain benefits under the federal Affordable Care Act are preserved under Hawaii law, including: extending dependent coverage for adult children up to 26 years of age; prohibiting health insurance entities from imposing a preexisting condition exclusion; and prohibiting health insurance entities from using an individual's gender to determine premiums or contributions. (SD1)

CPH, WAM

CPH/JDC, WAM

CPH/AEN, WAM

CPH, WAM

CPH/JDC, WAM

CPH/JDC, WAM

CPH, WAM

CPH, WAM

SB 2374

(SSCR2398)

Status &

Testimony

SB 2488, SD1

(SSCR2483)

Status & **Testimony**

SB 2493, SD1

(SSCR2150)

Status & **Testimony**

SB 2511, SD1

(SSCR2152)

Status & **Testimony**

SB 2648, SD1

(SSCR2435)

Status & Testimony

SB 2653

(SSCR2104)

Status & **Testimony**

SB 2654, SD1

(SSCR2506)

Status & **Testimony**

RELATING TO COMMUNITY PARAMEDIC SERVICES.

Establishes and appropriates funds for a three-year community paramedic services pilot program. Establishes reporting requirements. Repeals December 31, 2021.

RELATING TO MEDICAL CANNABIS.

Establishes the medical cannabis insurance reimbursement working group to address the complexities surrounding the topic of making medical cannabis reimbursable by health insurance.

(SD1)

RELATING TO INSURANCE.

Delays the implementation of the producer licensing requirements amended by Act 152, Session Laws of Hawaii

2017, until January 1, 2020. (SD1)

RELATING TO LANGUAGE ACCESS.

Appropriates funds for the establishment of two full-time equivalent (2.0 FTE) permanent program specialist positions within the office of language access to assist state agencies and state-funded agencies in implementing the requirements of

Hawaii's language access law. (SD1)

RELATING TO THE PUBLIC UTILITIES COMMISSION.

Makes various updates to the structure and operations of the public utilities commission to increase efficiency and effectiveness, including: establishing guiding principles; establishing docket review and decision-making processes; permitting teleconference and videoconference abilities; specifying senior staff members who must file public financial disclosures; beginning 01/01/19, increasing the number of commissioners to five; updating the composition of the commission; specifying training requirements; clarifying commissioners' ability to appoint and employ staff; clarifying the roles of the executive officer and chief counsel; permitting neighbor island members to receive per diem compensation and compensation for travel expenses; and requiring the commission to report to the legislature regarding certain staff duties.

Effective 7/1/2050. (SD1)

RELATING TO CHAPTER 453, HAWAII REVISED STATUTES.

Establishes requirements for licensure by endorsement for physicians, surgeons, and osteopathic physicians. Appropriates

funds.

RELATING TO CHAPTER 245, HAWAII REVISED STATUTES. Makes unlawful shipment of tobacco products, and transport of

tobacco products ordered or purchased through a remote sale, to anyone other than a licensee. Includes e-liquid within the definition of "tobacco products", as used in the cigarette tax and tobacco tax law, thereby making all provisions of the cigarette tax and tobacco tax law that relate to tobacco products applicable to e-liquid as well. Increases the license fee for

wholesalers or dealers and the retail tobacco permit fee. Effective 1/1/2019. (SD1)



CPH, WAM

CPH/HRE, WAM

CPH, WAM

CPH, WAM

CPH, WAM

CPH, WAM

CPH, WAM

SB 2656, SD1

(SSCR2479)

Status & **Testimony**

RELATING TO MEDICATION SYNCHRONIZATION.

Allows the synchronization of plan participants' medications. Requires plans, policies, contracts, or agreements that are offered by health insurers, mutual benefit societies, and health maintenance organization and provide prescription drug benefits, to apply prorated daily cost-sharing rates for prescriptions dispensed by network pharmacies for less than a thirty-day supply. Repeals 7/1/2023. (SD1)

MAKING AN APPROPRIATION FOR EMERGENCY MEDICAL

Appropriates funds for one ambulance unit each for the county of Kauai and the county of Hawaii, including equipment,

CPH, WAM

CPH, WAM

CPH, WAM

CPH/AEN, WAM

SB 2658

(SSCR2105)

(SSCR2277)

(SSCR2391)

Status &

Status &

Testimony

Testimony

Status & **Testimony**

SB 2924, SD1 RELATING TO HEALTH INSURANCE.

SERVICES.

Establishes an individual mandate for certain qualified taxpayers to sign up and maintain health insurance throughout the year, or pay a penalty on their individual income tax return. Sunsets on

12/31/2023. Effective 7/1/2050. (SD1)

SB 3099, SD1 RELATING TO SOLID WASTE MANAGEMENT.

supplies, and personnel costs.

Requires the department of health to set benchmarks to reach an eighty-five per cent redemption rate by 2023. Establishes and appropriates funds for a plastics recycling grant program to identify Hawaii-based alternatives for the sustainable recycling and reuse of plastic commodities. Automatically increases the glass advance disposal fee from 5 cents to 10 cents if the redemption rate remains below eighty per cent for two consecutive calendar years. Requires the department of health to annually report to the legislature on redemption rates, progress, and plans regarding the deposit beverage container program. Appropriates funds to establish two positions for the

SB 3104, SD1

(SSCR2484)

Status & **Testimony**

RELATING TO PHARMACY BENEFIT MANAGERS.

glass advance disposal fee program. (SD1)

Establishes requirements for pharmacy benefit managers and maximum allowable cost, including the ability of pharmacies to receive comprehensive maximum allowable cost lists and bring complaints within the purview of the department of commerce and consumer affairs, rather than the department of health. Requires pharmacy benefit managers to disclose where an equivalent drug can be obtained at or below the maximum allowable cost, when a maximum allowable cost is upheld on appeal, and allow contracting pharmacies to reverse and rebill claims if the pharmacy benefit manager establishes a maximum allowable cost that is denied on appeal and pay the difference to the contracting pharmacies. Clarifies the available penalties for violations of maximum allowable cost requirements. Removes requirement that prohibits a contracting pharmacy from disclosing the maximum allowable cost list and related information to any third party. (SD1)

SB 3107

(SSCR2250)

Status & **Testimony**

RELATING TO CHRONIC HEALTH CONDITIONS.

Appropriates funds for programs to help persons suffering from multiple chronic conditions, including coordinated treatment, centralized referral, case managers, and peer mentors.

CPH, WAM

CPH, WAM

HEARING WAM 02-23-18-4 .htm



SB 2239, SD1

(SSCR2197)

Status &

Testimony

RELATING TO COLLEGE PLACEMENT EXAMINATION FEES.

Appropriates funds for the payment of SAT or ACT standardized test examination fees for public school students in the twelfth grade who have not taken the SAT or ACT standardized test examination and public charter school students in the eleventh or twelfth grade who have not taken the SAT or ACT

development microgrant program to award grants to public high school students for costs associated with technical or workforce

Appropriates funds for the establishment of a workforce

standardized test examination. (SD1)

training related to certain industries. (SD1)

RELATING TO EDUCATION.

RELATING TO EDUCATION.

SB 2242, SD1

(SSCR2194)

Status & **Testimony**

SB 2368, SD1

(SSCR2195)

Status & **Testimony**

Requires the department of education to establish and implement a program to educate public school students on sexual abuse prevention through age appropriate curricula; provide relevant training to school teachers and staff; and inform parents about important child sexual abuse topics. Requires the board of education to adopt board of education policies to effectuate the sexual abuse prevention education program and to be implemented by the department of education. Requires reports to the legislature on the status of implementation.

Makes an appropriation. (SD1)

SB 2383, SD1

(SSCR2101)

Status & **Testimony**

(SSCR2096)

Status & **Testimony**

SB 2384

SB 2387, SD1

(SSCR2372)

Status & **Testimony**

RELATING TO EDUCATION.

Amends provisions of the national certification incentive program within the department of education to include school psychologists who have achieved national certification. Amends provisions related to eligible schools where teachers or school psychologists with national certification are eligible for the incentive program. Beginning with fiscal year 2018-2019, and each fiscal year thereafter, requires funding requests by charter schools for teacher incentive programs, bonuses, and other compensation beyond regular wages to be a separate line item in the general appropriations act and supplemental appropriations act. Appropriates funds. (SD1)

RELATING TO EDUCATION.

Requires the department of education to develop a comprehensive plan to integrate design thinking and coding in middle, intermediate, and high school curriculums. Requires the department of education to submit the plan to the legislature prior to the regular session of 2019.

RELATING TO THE HAWAII FARM TO SCHOOL PROGRAM.

Requires the Department of Education to establish a farm to school program. Requires the farm to school coordinator in the department of agriculture to work in collaboration with the department of education on any farm to school program. Establishes two full-time equivalent (2.0 FTE) farm to school staff positions within the department of education. Appropriates

funds. (SD1)

EDU, WAM

EDU/LBR, WAM

EDU/LBR, WAM

EDU, WAM

EDU/AEN, WAM

EDU, WAM

HEARING WAM 02-23-18-4 .htm



SB 3070, SD1

(SSCR2280)

Status & Testimony

RELATING TO EDUCATION.

Establishes a Hawaii teacher stipend program to be administered by the Department of Education to address the shortage of teachers in the Hawaii public school system. Appropriates funds for the program for 2018-2019 fiscal year. (SD1)

EDU, WAM

Decision making meeting only, no oral testimony will be accepted.

Persons wishing to submit written testimony may do so up to 24 hours prior to the hearing.

Click here to submit written testimony to the Senate Committee on Ways and Means.

FOR AMENDED NOTICES: Measures that have been deleted are stricken through and measures that have been added are underscored. If a measure is both underscored and stricken through, that measure has been deleted from the agenda.

If you require auxiliary aids or services to participate in the public hearing process (i.e. ASL or foreign language interpreter, or wheelchair accessibility), please contact the committee clerk at least 24 hours prior to the hearing so that arrangements can be made.

FOR FURTHER INFORMATION, PLEASE CALL THE COMMITTEE CLERK AT (808) 586-6800.

Senator Donovan M. Dela Cruz Chair