EMPLOYEES' RETIREMENT SYSTEM

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

05 PA PA

LAUREL A. JOHNSTON DIRECTOR

KEN N. KITAMURA ACTING DEPUTY DIRECTOR

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)

WRITTEN ONLY

TESTIMONY BY LAUREL A. JOHNSTON
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON
SENATE BILL NO. 2116

February 23, 2018 11:00 a.m. Room 211



RELATING TO BIOSECURITY

Senate Bill No. 2116 proposes to expedite the response to newly detected invasive species in the State of Hawai'i by establishing procedures for biosecurity emergency declarations and expenditures and creating the Biosecurity Emergency Response Special Fund to be used to mitigate or eradicate newly detected terrestrial or aquatic biosecurity threats. Legislative appropriations would be deposited into the fund; consequently, this bill also appropriates \$300,000 in general funds in FY 19 for deposit into the new fund. The Department of Agriculture would administer and expend moneys from the special fund.

While we recognize the importance of timely responses to biosecurity emergencies, the Department of Budget and Finance has significant concerns about this measure. We are concerned about the significant and broad exemptions provided to the fund from Chapters 36 (Management of State Funds), 37 (Budget), 89 (Collective Bargaining in Public Employment) and 103D (Hawai'i Public Procurement Code) of the HRS, and that expenditures could be made from the fund without legislative approval.

These cash management, budgetary and procurement statutes provide the underlying guidance to ensure that State funds are properly managed and expended. We are, however, unclear about the exemption from Chapter 89, Collective Bargaining in Public Employment and are uncertain about what it would provide.

Additionally, as a matter of general policy, this department does not support the creation of any special fund which does not meet the requirements of Section 37-52.3, HRS. Special funds should: 1) serve a need as demonstrated by the purpose, scope of work and an explanation why the program cannot be implemented successfully under the general fund appropriation process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries or a clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the program or activity; and 4) demonstrate the capacity to be financially self-sustaining.

The proposed Biosecurity Emergency Response Special Fund would have no source of revenue and would require general fund appropriations; as such, the proposed fund would not be self-sustaining. Further, it is questionable whether establishing a special fund that would only be used for biosecurity emergencies and, thus, on a potentially limited basis would be appropriate.

Currently, if the Governor declares a state of emergency, biosecurity-related or otherwise, funds from existing appropriations can be used for immediate expenses pursuant to budget provisos. If necessary, an emergency appropriation could be requested during the Legislative Session. In addition, the existing Pest Inspection, Quarantine and Eradication Fund could potentially be used to address some biosecurity emergencies, as well.

Thank you for your consideration of our comments.



<u>SB-2116</u> Submitted on: 2/22/2018 11:49:42 PM

Testimony for WAM on 2/23/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Springer Kaye	Testifying for Big Island Invasive Species Committee	Support	No

Comments:



P.O. Box 253, Kunia, Hawai'i 96759 Phone: (808) 848-2074; Fax: (808) 848-1921 e-mail info@hfbf.org; www.hfbf.org

February 23, 2018



HEARING BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS

TESTIMONY ON SB 2116RELATING TO BIOSECURITY

Room 211 11:00 AM

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee:

I am Randy Cabral, President of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,900 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interest of our diverse agricultural community.

The Hawaii Farm Bureau strongly supports of SB 2116, which establishes a biosecurity emergency response fund within the Department of Agriculture and establishes procedures for emergency declarations and expenditures.

The existing Biosecurity Program includes a rapid response segment, but its' procedures are not clearly defined. The intent of this measure to clearly articulate the procedures so timely response to discoveries of new invasive species is needed. We have had numerous new outbreaks, the ohia wilt, semi slugs carrying the rat lungworm disease, and on Kauai a virus currently isolated but that has the potential of great harm to flowering gingers across the state. At a higher level the Rose-ringed parakeet's explosive population growth will take untold amounts of money to bring it under control.

We respectfully urge your support of this measure, clarifying its place within the existing biosecurity program and articulating the procedures that shall be put into place and identify State, County and private parties responsible for the procedural steps.

Thank you for this opportunity to provide our opinion on this important matter.

<u>SB-2116</u> Submitted on: 2/22/2018 4:38:52 PM

Testimony for WAM on 2/23/2018 11:00:00 AM



Submitted By	Organization	Testifier Position	Present at Hearing	
Maki Morinoue	Individual	Support	No	

Comments:

Little Fire Ants already spread to all major islands. Recently arrive beetle...what's next? We need Biosecurity laws in place now together with emergency reponse in place! Mahalo

<u>SB-21</u>16

Submitted on: 2/22/2018 6:45:56 PM

Testimony for WAM on 2/23/2018 11:00:00 AM



Submitted By	Organization	Testifier Position	Present at Hearing	
Spencer Wright	Individual	Support	No	

Comments:

As a resident of rural Hawai'i, I deal with the full gamut of invasive species, everything from clidemia to little fire ants. In fact, I am listening to an infinite choir of coqui frogs as I write this. What would it have meant for Hawai'i if we had a rapid biosecurity response when coqui frogs were first reported? Or little fire ants, or miconia, or semi-slugs? Much more importantly, what will it mean to Hawai'i when the next nightmare species is reported and we DON'T have a rapid biosecurity response to it? What species will be destroying our home if we don't act? Please lend your support to SB 2116, and please support your constituents' fight against invasive species!

Sincerely,

Spencer Kaleo Wright, Mountain View, Hawai'i Island



Submitted on: 2/22/2018 8:52:42 PM

Testimony for WAM on 2/23/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Rachel Rounds	Individual	Support	No

Comments:



<u>SB-2116</u> Submitted on: 2/23/2018 7:43:39 AM

Testimony for WAM on 2/23/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Marion McHenry	Individual	Support	No

Comments: