District 12 Legislative Update | May 2012



Senator BRICKWOOD GALUTERIA

Waikiki • Ala Moana • Kaka'ako • Downtown • Chinatown • Palama

Senate Majority Leader • Chair, Hawaiian Affairs Committee



Serving Hawaii's Senate District 12 since 2008

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Aloha,

As we come to the end of my first term as your Senator, I want to take this opportunity to express my heartfelt thanks for the honor and the privilege of serving you and our district these past four years. It has been quite a journey, with all the attendant triumphs, defeats, crusades, and challenges that come with elected office, and I have loved every minute of it.

Four years ago, when I made the decision to run for office, we stood on a platform of fairness. Looking back, I am proud to say that I am still committed to that principle, and am humbled to have had the opportunity to serve our district and our State.

To that end, I remain ever mindful of the fact that I am just one voice -- one opinion, one force -- among the 76 members of the legislature, and that I could not accomplish anything without the encouragement,



Senator Galuteria on the last day of the 2012 Session

support, and/or cooperation of my colleagues. Most importantly, I have appreciated your perspective, insights, and the hard-earned wisdom that you have so graciously shared with me. Many of you have openly lent your not-so-rose-colored-glass view of the ever-important role we play in the Piccadilly-like law-making branch of government.

Mahalo for your confidence and aloha as we prepare for the coming year. Here is an overview of the recent legislative session followed by a list of Senate District 12 community funding for the biennium years 2012-2013.

Senate Stayed the Course

After passing many landmark measures, the Hawai'i State Legislature adjourned on Thursday, May 3, 2012. Throughout this second year of the legislative biennium, the overarching themes of the Senate were in close alignment with Governor Abercrombie's "A New Day in Hawai'i." Job creation, education, shoring up the safety net, and increasing government efficiency were consistently touted, and ultimately supported, by both the Senate and the House. Here are some of the highlights of the Legislature's accomplishments:

Job Creation and Creating a Sustainable Economy

Although Hawai'i is experiencing a steady economic recovery, many people are still unemployed or underemployed, especially in the construction and trade industries. Realizing this grim reality, the Senate made job creation and creating a sustainable economy a top priority through its flagship initiative, the "Invest in Hawai'i Act of 2012." To accomplish this goal, the Senate was able to include more than \$414 million for repair and maintenance projects in the Capital Improvement Program (CIP) portion of the budget for FY 2013. House Bill 2012, the supplemental state budget bill, allows for the creation of more than four



Signing of the OHA Settlement Bill (SB 2783) on April 11, 2012 at Washington Place

thousand shovel-ready jobs to address the aging infrastructure of state-owned assets and facilities; energy conservation and sustainable improvements; and health, safety, and code requirements.

HB 2012 will also enable the Department of Education and the University of Hawai'i system to begin to address the backlog of repair and maintenance projects that have plagued our public school institutions for years, as well as fund much needed renovations, building improvements, and electrical upgrades.

Additionally, over \$60 million was appropriated to the Hawai'i Public Housing Authority to upgrade its units and help shelter low-income families, and \$35 million to the Hawai'i Health Systems Corporation for repair and maintenance of community hospitals statewide.

In support of the tourism industry, Senate Bill 490 develops and implements new initiatives to significantly increase travel to Hawai'i, taking advantage of an executive order signed by President Obama earlier this year. Expanded visa programs will provide an estimated 154,000 jobs in Hawai'i. The 2.4 million international visitors that arrive in Hawai'i annually make Honolulu the fifth busiest point-of-entry in the nation. China, in particular, is an emerging market for our tourism industry, with an expected 28% increase in arrivals from last year.

Looking further ahead into the future of tourism, the Senate supports space tourism, which can potentially become a billion dollar global industry. The groundwork for this industry is established through Senate Bill 112, which appropriates funds for the application for a spaceport license from the Federal Aviation Administration.

People and Children

As a result of our State's economic recovery, the safety net continues to need strengthening. There are many who still suffer job loss and significant wage and benefit reductions. The Senate Majority is mindful of the struggles of Hawai'i's most vulnerable citizens and supports efforts to assist them. Child welfare, domestic violence shelters, MedQuest, and various shortfalls across the Department of Human Services were addressed in the supplemental budget bill, HB 2012, which also includes Capital Improvement Project (CIP) appropriations for the Kalanimoku and Kamāmalu Buildings, the State Capitol, McKinley High and Waikīkī Elementary Schools, the Honolulu Academy of Arts, and the Friends of 'Iolani Palace.

Additionally, House Bill 304 appropriates moneys to support programs essential to education, public health, and public welfare in the form of grants pursuant to chapter 42F of the Hawai'i Revised Statutes. I am happy to report that Volunteer Legal Services Hawai'i and the Waikiki Community Center are among the many organizations that will be funded by this landmark grant-in-aid measure.

The Senate also continues its strong support for education. Notably, the Senate has underscored education as a top priority. Through the supplemental budget bill, key areas of investment were made in the student weighted formula, student Senate Majority Leader Senator Galuteria with meals, community schools for adults, and student transportation. To strengthen



House Majority Leader Representative Chong at the FIN/WAM hearing on Monday, April 30, 2012

Hawai'i's charter school system, Senate Bills 2115 and 2116 increase accountability in the governance of Hawai'i's charter schools and will foster improved student outcomes.

Early life experiences lay the groundwork for a child's lifelong learning, and providing high quality early learning programs that are affordable and accessible for all children is critical to ensuring the success of Hawai'i's keiki. Working in concert with the Governor's Early Childhood Education Initiative members, the Legislature passed Senate Bill 2545 which establishes the Early Learning Council and the Early Learning Advisory Board.

Renewable Energy and Sustainability

The Senate Majority strives to make Hawai'i a model for the rest of the country by continuing the Hawai'i Clean Energy Initiative. Reducing electricity costs depends in part on diversifying the energy sources within the State. Geothermal energy is a solid source of indigenous, renewable energy that could be made available at low costs. Senate Bill 2001 requires consultation and input from the Native Hawaiian community and the general public when developing geothermal projects on public trust lands. Senate Bill 3003 allows geothermal resources exploration and development in all state land use districts and all zones of the conservation districts, respectively.

With our State's dependence on imported foods and threats to our food security, Senate Bill 2695 establishes a livestock feed feasibility pilot project to help address the rising cost of feed and explore ways to increase the sustainability of our local protein and dairy sources. Self-sufficiency is critical to Hawai'i's food security as well as our ability to respond effectively in the event of natural disasters or disruptions in transportation.

Retooling Government

In the area of technology, the Senate calls for investing in the State's information technology (IT) infrastructure in order to improve government, and to better serve the public. The investment in IT upgrades aims to boost productivity, thereby increasing government's efficiency. The supplemental budget bill, HB 2012, makes significant investments in software upgrades, IT integration, and modernization of record-keeping processes.

The Senate also supports the Governor's broadband initiative to improve services, as well as to ensure accessibility for each and every citizen. Senate Bill 2236, which assists Clearcom, Inc., or a partnership headed by the same, with the planning, design construction and appretion of a statewide broadband in



Senator Galuteria accepting a proclamation from Governor Abercrombie in honor of the first annual Kupuna Power Day that was held in the Capitol Rotunda on Saturday. April 21. 2012

design, construction, and operation of a statewide broadband infrastructure, supports this initiative.

Other Bills of Note:

Senate Bill 2783, Relating to the Public Trust Lands, Act 15 (2012)

Signed into law on April 11, 2012, this landmark piece of legislation conveys Kaka'ako Makai lands to the Office of Hawaiian Affairs (OHA) to satisfy the \$200 million amount that the State and OHA agree represents a reasonable compromise for disputes relating to OHA's portion of income and proceeds from public trust lands. All claims, suits, and actions from November 7, 1978 through June 30, 2012 are extinguished and discharged by this act.

Senate Bill 2776, Relating to Public Safety

After an unprecedented collaboration between the Governor, the Chief Justice, the Senate President, the Speaker of the House, and the Director of Public Safety, a data-driven effort will be implemented to bring out-of-state prisoners back to Hawai'i, reduce spending on corrections, and reinvest savings generated on strategies that will reduce recidivism and crime. The passage of SB 2776, part of the Justice Reinvestment Initiative, establishes a statutory structure to improve our criminal justice system.

Senate Bill 2785, Relating to Interisland Electric Transmission Cable Systems

One of the many bills that were part of the administration's package, this measure garnered a lot of attention as it moved through seven committees and passed Final Reading on the very last day of the session. It establishes a regulatory framework to provide predictability and certainty to the regulatory process for a developer seeking to build a high-voltage electric transmission cable system. It also establishes certification criteria for the selection and approval of a developer, and authorizes the Public Utilities Commission (PUC) to review and determine ratemaking principles for the cable. Further, it requires the PUC to establish a cable surcharge to allow for the recovery of costs, as well as develop a cost recovery mechanism. It does not exempt the cable system from environmental review and land use permitting processes, nor does it favor any particular island location, energy resource, or technology. Passage of this bill into law would enhance the use of renewable energy resources and reduced fuel costs, and the availability of "mutual-aid" backup electricity between islands in the event of emergencies.

House Bill 2848, Relating to Public Safety

Many studies conducted both nationally and statewide show native Hawaiians to be at particularly high risk for substance abuse. HB 2848 aims to reduce recidivism for criminal offenders by employing native Hawaiian cultural practices and other innovations into their rehabilitation. It also calls for the Department of Public Safety, in conjunction with Ohana Hoʻopakele and other restorative justice groups, to develop a plan for a puʻuhonua, or wellness center, on public lands. It also tasks the newly established Public Land Development Corporation (PLDC) with assisting in the determination of an appropriate site. A report is due to the Legislature prior to the 2013 legislative session.

House Bill 2806, Relating to Native Hawaiians

If enacted, this measure would establish the Aha Moku Advisory Committee under the Department of Land and Natural Resources (DLNR), thereby formally recognizing the Aha Moku council system that was created by Act 212 (2007) which fosters understanding and practical use of knowledge, including Native Hawaiian methodology and expertise, to assure responsible stewardship of our natural resources. Consisting of eight members appointed by the Governor and confirmed by the Senate from a list of nominations provided by the Aha Moku councils of each island, the committee may advise the chairperson of the Board of Land and Natural Resources (BLNR) on integrating indigenous resource management practices with western practices, sustaining the State's marine, land, cultural, agricultural, and natural resources, and fostering protection and conservation of the State's natural resources, among other things. The measure also directs the committee to submit an annual report in English and Hawaiian to the legislature and the chairperson of the BLNR at least 20 days before the convening of each regular legislative session.

Senate Bill 2780, Relating to the Department of Accounting and General Services

As a further step towards the modernization and transformation of the State's technology infrastructure, systems, processes, and procedures, SB 2780 will expedite implementation of the business reengineering process and technology initiatives that are outlined in the State's information technology strategic plan. In order to take full advantage of the transformation capabilities of modern technology, the newly hired Chief Information Officer, along with the Business Transformation Executive, will embark on a prioritized enterprise-wide re-evaluation of business processes and their enabling technologies in order to advance Hawai'i to a more agile, responsive, and transparent future state.

The measure also allows for an expedited procurement approval process for the implementation of business processes and information technology activies; pilot projects to increase current operational capabilities; and demonstration projects authorized in the supplemental budget bill, HB 2012, under information processing and communication services.

House Bill 2030, Relating to the Statewide Traffic Code

Also referred to as the "Move Over" bill, this measure emerged as a result of several recent traffic fatalities involving police officers responding to emergency situations. It requires motorists to move over and slow down their vehicles when passing stationary emergency vehicles on our highways.

House Bill 2503, Relating to Mortgage Services

With the passage of HB 2502, the Legislature continues its commitment to assist Hawai'i' homeowners. Among other things, this measure helps the State meet national standards for mortgage servicers and helps the Department of Commerce and Consumer Affairs (DCCA) monitor them. It also requires mortgage servicers that provide loan-modification services to be properly licensed, as well as require them to register with Nationwide Mortgage License System.

Senate Bill 2804, Relating to the Hawaii Interagency Council on Homelessness

Homelessness is a complex, multifaceted issue that requires planning, coordination, implementation, and funding across federal, state, local, business, and community lines. On June 22, 2010, the United States Interagency Council on Homelessness released "Opening Doors: Federal Strategic Plan to Prevent and End Homelessness," and on March 4, 2011, the governor hosted an interagency leadership forum on homelessness that was attended by leaders from government, business, the community, and the faith community to develop a collaborative strategy to end homelessness in Hawai'i. Consequently, on July 19, 2011, Governor Abercrombie temporarily established the Hawai'i Interagency Council on Homelessness by executive order, and HB 2804, which statutorily establishes the council under the Department of Human Services (DHS) for administrative purposes, will further enhance the council's ability to provide solutions for ending homelessness in Hawai'i.

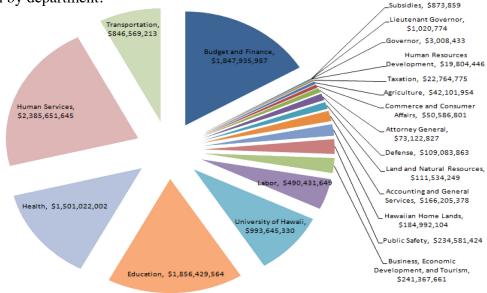
If signed into law, this measue would require DHS, in conjuction with and the advisement of the Hawai'i Interagency Council on Homelessness, to conduct a study on the feasibility of establishing safe havens, and submit a report to the Legislature prior to the 2013 Legislative Session.

You can find the "Open Doors" report here: http://www.usich.gov/PDF/OpeningDoors_2010_FSPPreventEndHomeless.pdf

To read the bill in its entirety, go to: http://www.capitol.hawaii.gov/session2012/bills/SB2804_CD1_.pdf

2012 Supplemental State Budget

This year, the Legislature passed an \$11.2 billion supplemental budget for the State of Hawai'i, House Bill 2012. Following three years of budget cuts totaling more than a billion dollars each year, this year's budget provided the Senate with a refreshing opportunity to reinforce the safety net where needed, reinstitute core services that have been decimated over the past three years, and make strategic investments in key areas that can help us grow the economy and sustain a more prosperous future for Hawai'i. The chart below depicts funding allocation by department.



SUCH A DYNAMIC AND DIVERSE DISTRICT!

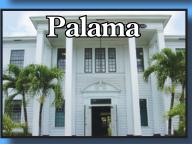












Over \$105 Million for Senate District 12

SCHOOL BUILDING IMPROVEMENTS

Hawai'i School for Deaf and Blind	\$200,000
Jefferson Elementary	\$453,000
Central Middle	\$145,000
Ka'iulani Elementary	\$210,000
McKinley High School	\$841,000

TOTAL SCHOOL BUILDING IMPROVEMENT \$1,849,000

CAPITAL IMPROVEMENT PROJECTS

Kalanimoku Building	\$200,000
Kamāmalu Buidling	\$30,000,000
Washington Place	\$4,761,000
State Capitol Building	\$8,000,000
Bishop Museum	\$2,500,000
Foreign Trade Zone	\$7,500,000
HCDA's Community Development Districts	\$3,710,000
Pohukaina Street	\$1,500,000
Cultural Public Market	\$2,301,000
Senior Residence at Iwilei	\$26,000,000
McKinley High School Track & Field	\$8,000,000
Waikīkī Elementary Student Drop-Off Lane	\$450,000
Mayor Wright Homes	\$5,600,000
St. Francis Healthcare Foundation Intergenerational Center	\$1,000,000
Waikīkī Community Center	\$230,000
Honolulu Academy of Arts Teacher Resource Center	\$120,000
Waikīkī Seawall Improvements	\$400,000
Friends of 'Iolani Palace	\$750,000
TOTAL CADITOL IMPROVEMENT DROJECTS	\$103,022,000

TOTAL CAPITOL IMPROVEMENT PROJECTS \$103,022,000

GRANTS-IN-AID

Best Buddies International	\$125,000
Volunteer Legal Services Hawaii	\$300,000
Waikīkī Community Center	\$60,000

TOTAL GRANTS-IN-AID

\$485,000

TOTAL DISTRICT 12 FUNDING FOR FY 2012 & 2013

\$105,356,000