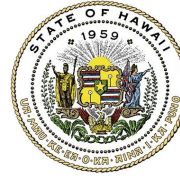


# Representative Gene Ward



2011  
MARCH  
Report

District 17 • Hawai'i Kai-Ka Iwi Coast-Kalama Valley • 586-6420

## State Budget Deficit Balloons to \$1.3 Billion

	FY 11	FY 12	FY 13
Ending Balance (Surplus/Deficit)	-192.3	-229.7	-229.7

### Vote Your Revenue Increase Options (in Millions)

Instructions: Below are various proposals designed to raise revenues to help fill our budget gap. Some hurt taxpayers more than others. The House Minority Caucus' choices are highlighted.

#### Abbreviations:

SB - Senate Bill      HB - House Bill  
SD - Senate Draft    HD - House Draft  
GET - General Excise Tax    TAT - Hotel Tax

Type "X" in the box to the left of the proposal you want implemented into the budget.

Executive Proposals:

	FY 11	FY 12	FY 13
Repealing state tax deduction (HB1092 & SB1319)	0.0	63.7	79.0
State tax on pension income (HB1092 & SB1319)	0.0	112.3	112.3
Repeal exclusion of royalties from penalties (HB1092 & SB1319)	0.0	2.5	2.5
Increase TAT/TOT on timeshare properties (HB1092 & SB1319)	0.0	26.6	31.2
Raise alcohol tax by 50% (HB1062 & SB1289)	0.0	20.0	20.0
Establish a soda tax (HB1062 & SB1289)	0.0	25.0	50.0
Reduces GF amounts and increases SF amounts from barrel tax (HB1019 & SB1246)	0.0	-13.2	-13.2
Annual federal tax conformity measure (HB1089 & SB1316)	0.0	-3.0	-3.0
Funding of Chief Information Officer position (HB1060 & SB1287)	0.0	-1.0	-1.0
Lt. Governor Special Fund (HB1060 & SB1287)	0.0	-0.1	-0.1
Utilize Rainy Day Fund - Current available balance of \$46 million	46.0	0.0	0.0
HB1043 - Raid Hurricane Relief Fund - Current available balance of \$117 million	0.0	42.0	0.0
Other Proposals:			
SB1270 SD1 - Borrow Hurricane Relief Fund - Current Available balance of \$117 million - Bonds	42.0	0.0	0.0
HB793 - Delays the standard deduction and personal exemption increases	0.0	11.5	11.5

### Get Involved in Balancing the Budget

Aloha Friends & Neighbors,

The Minority Caucus has been working diligently on an alternative budget that does not require a GET increase, similar to the one that my office produced last year (see photo at left). You can find, and create your own State Budget by visiting: [www.hawaii.statebudgetonline.com](http://www.hawaii.statebudgetonline.com).

The alternative budget is an electronic spreadsheet that is divided into three distinct parts. The first part of the budget includes over 30 executive and legislative proposals/options to help balance the budget.

The second part of the spreadsheet gives you the option to cut expenditures and fill in the budget gap. There is also an opportunity for you to pick and choose which programs you would like to remain in State Budget, House Bill 200.

The final part of the alternative budget includes a summary of revenues and expenditures, and provides a total for each fiscal year that will let you know if you have a budget deficit or surplus.

If you have trouble navigating your way through the House Republican alternative budget, please do not hesitate to contact my office at (808) 586-6420.

With Aloha,

### Ka Iwi Watch Update:



The City's Department of Planning and Permitting stated on **March 22, 2011** that **no applications** have been filed for development on Ka Iwi.

### March 11th Earthquake & Tsunami

My colleagues and I introduced House Resolution 175 urging the State of Hawai'i to furnish financial assistance, basic necessities, and mental health care to the people of Japan.

This resolution has been referred to the Committee on International Affairs and awaits a hearing.



*Rep. Ward attended Rep. Barbara Marumoto's Town Hall on Taxing Pensions on Friday, March 18, 2011.*

## Town Hall on Taxing Pensions

Over 100 concerned citizens, taxpayers, and retirees attended Rep. Barbara Marumoto's Town Hall on Taxing Pensions.

It was a standing room only crowd. Presentations were made by Steve Tam of AARP, and Lowell Kalapa of the Tax Foundation of Hawai'i.

Rep. Ward described other legislation that will impact seniors including bills to raise the gas tax, the motor vehicle weight tax, and a bill that would reinstitute the state "death tax" on inheritances.

Those in the audience expressed concerns over the proposed tax proposals, especially those who retired after serving in our nation's armed forces. Ninety percent of the audience reported that they rely on their pension income for most living costs.

One senior calculated his taxes, including if his pension was taxed, and found that he would owe the State over \$2,400 more in addition to what he pays now.

Rep. Ward continues to be in opposition to the taxation of your pension in any form.



*(l-r) Reps. Gil Riviere, Gene Ward, and Barbara Marumoto listen as Governor Abercrombie presents his proposals to balance the State budget.*

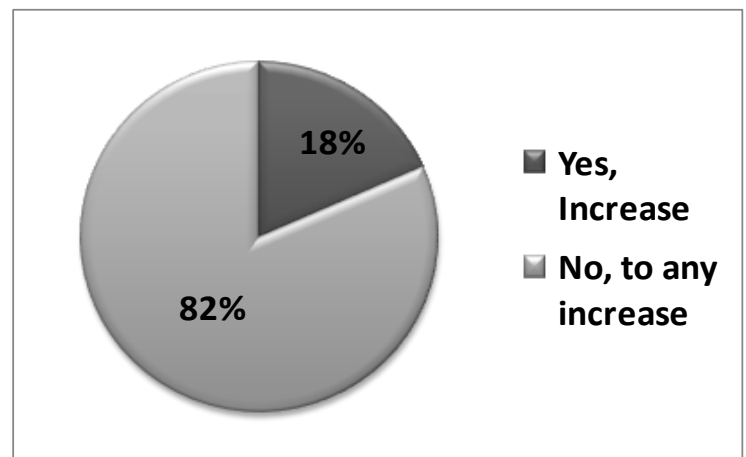
## Cost of Living Going Up!

The House Majority is pushing a long list of tax and fee increases plus raiding many special funds in an effort to balance the state budget. The "revenue enhancements" enable the Majority to make fewer cuts in the budget. Some of the tax/fee increases include:

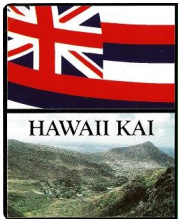
- Hotel tax (T.A.T.) on Timeshares
- Increase Fuel Tax
- 75 cents/1000 lbs. on incoming freight
- Increasing solid waste tipping fee
- 1 cent/lb. increase on the motor vehicle weight tax
- \$3/day on rental cars
- Disabled parking registration \$1
- Conveyance tax on transfer of controlling interests with real property interest
- Surcharge on film permits
- Pension Tax - Federal AGI, Individual, \$100,000 or more
- \$20 surcharge on business licenses
- Tax and labor service fees for ADA compliance
- GET on life settlement contracts
- Make a permanent physicians assessment fee
- Delay standard deduction
- 20% increase on Liquor Tax
- Increase tax on tobacco products
- Suspend GET exemption on certain entities and add a 4% GET

## Results of Survey Indicate Opposition to G.E.T. and Other Increases

Initial results of a survey distributed at Rep. Ward's February Town Hall and the February Hawai'i Kai Neighborhood Board meeting indicate that an overwhelming majority of constituents are in opposition to an increase in the General Excise Tax (G.E.T.).

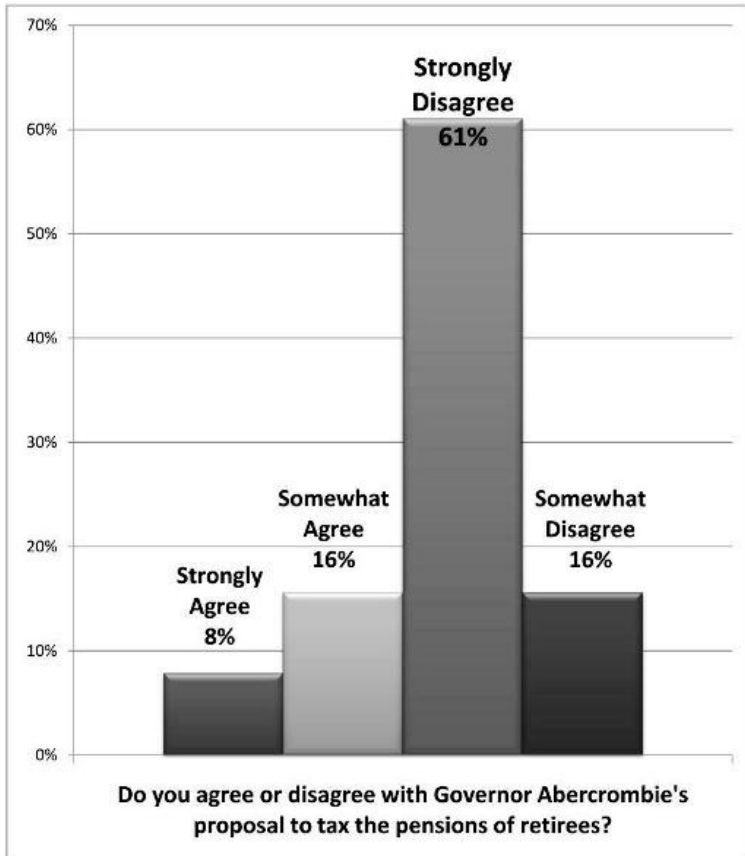


# HAWAII KAI FARMERS ALERT!

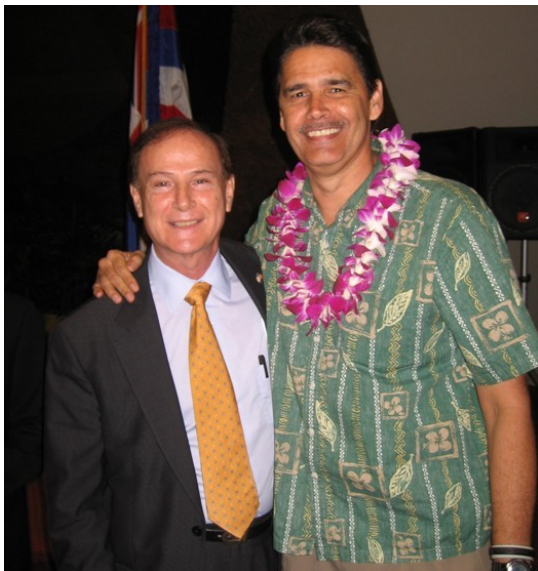


**KEEP THE VALLEY  
VALLEY!  
SAVE KAMILONUI FARMLANDS**

As of March 28, 2011, Kamilonui Valley farmers are still negotiating with Kamehameha Schools (KSBE).



## Ward Congratulates State Boys Basketball DII Champs - Farrington High School



*Representative Ward and his colleagues in the House recognized the HHSAA State Boys Basketball DII Champs - Farrington High School on March 3rd. Pictured with Rep. Ward is head coach, Mr. Allan Silva, who also serves as D.O.E Coordinator for the No Hope in Dope Program.*

**Representative Gene Ward**

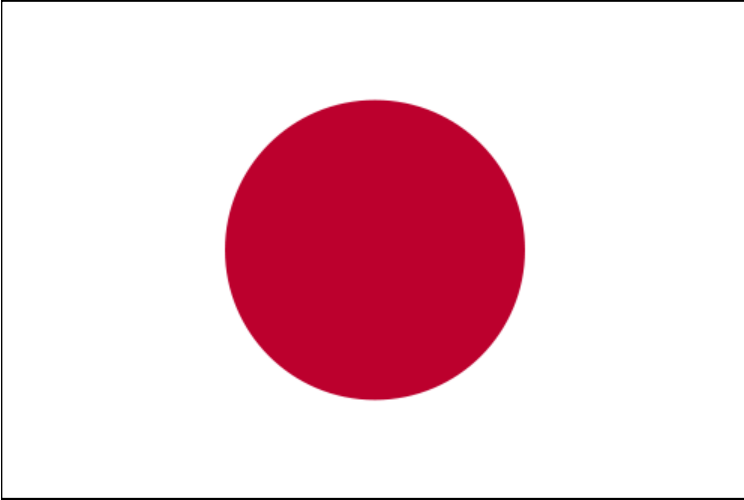
## Caucus Visits Renewable Energy Facility



*Supporting renewable energy and Hawai'i's energy independence, members of the House Republican Caucus toured the First Wind electrical generation facility on a "field trip" to O'ahu's North Shore on Saturday, March 12, 2011.*



## March 11th Earthquake and Tsunami



The March 11, 2011 9.0-magnitude Tōhoku earthquake and subsequent tsunami still weigh heavily in the hearts and minds of the people of Hawai‘i.

This tragedy was brought even closer to our office here at the State Capitol. Masanori Yuasa is a legislative intern from Tokyo, Japan studying at Brigham Young University Hawai‘i. Despite rolling blackouts in Tokyo and surrounding regions, Masa is able to communicate with his parents via e-mail on daily basis.

Motivated to do his part, Masa coordinated a battery drive at the Legislature when his parents reported that AA batteries initially cost hundreds of dollars to buy.

Masa concludes his internship on March 30, 2011, and will be returning to Japan shortly thereafter.

Our sympathies go out to the victims of this tragedy in Japan.

## State Civil Defense Tests Faulty Sirens



Civil Defense warning sirens were tested statewide on April 1, 2011.

The next scheduled test will be conducted by the City’s Department of Emergency Management on Monday, May 2, 2011 at 11:45am.

If a siren near your home does not sound, or does not operate correctly, please contact the city at 723-8960 or at [dem@honolulu.gov](mailto:dem@honolulu.gov).

Representative Gene Ward

## Ward Denounces Arsons Against North Shore Shark Tour Operators



*Rep. Ward speaks out against recent arsons at Hale‘iwa Harbor .*

Rep. Ward joined Rep. Gil Riviere and North Shore residents to denounce recent arsons against North Shore shark tour operators at Hale‘iwa Harbor on March 27, 2011.

Expressing unity with the North Shore community, Rep. Ward spoke out against vigilantism, and promoted the rule of law.

Rep. Ward introduced a bill this legislative session that would have increased fines for those operating illegal shark tours.

## Upcoming Events

### - 3rd Annual Hawai‘i Tea Party Tax Day Rally

- Friday, April 15, 2011
- 4:00pm - 7:00pm
- Hawai‘i State Capitol Rotunda

### - Office of Rep. Ward - Annual Earth Day 2011 @ Ka Iwi

- Saturday, April 23, 2011
- 9:30am - 12 Noon
- Meet at Alan Davis Beach

### - Legislature’s Adjournment Sine Die

- Thursday, May 5, 2011
- The legislature concludes formal business for 2011, and reconvenes in January 2012.

### - Post Session Town Hall with Senator Slom

- Tuesday, May 10, 2011 (Tentative)
- 7:00pm - 8:30pm
- Haha‘ione Elementary School

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