



Alewa Heights
Kalihi
Kalihi Valley
Moanalua Gardens
Moanalua Valley
Kapalama
Red Hill
Halawa Heights
Aiea

community bulletin

Volume 36, No. 2
Summer 2019



Aloha, Friends and Neighbors

The 2019 session of the Legislature adjourned on May 2, with many achievements, a few failures, and some controversy, all in all a fairly typical year for legislators.

\$40-Billion Budget Approved

The biggest task we faced was reviewing and approving the executive and judiciary budgets for the next two fiscal years.

We appropriated \$40 billion for executive branch spending and about \$369 million for the judiciary, plus other amounts for specific programs, grants-in-aid, and the Office of Hawaiian Affairs.

The capital improvements allotment will be \$3.9 billion.

These appropriations are only authorizations; the governor, chief justice, or other administrators are not required to spend the designated amounts.



Governors Lobby for Legislation

Students from Farrington High School, Senator Kim's alma mater, met with her to seek her support for a bill to prohibit the sale or distribution of all flavored tobacco products in the state. The senator was a cosponsor of the measure.

Holding Government Accountable

My responsibilities this year consisted of chairing the Committee on Higher Education and serving as vice chair of the Education Committee and a member of the Judiciary Committee.

Our Higher Education panel uncovered a number of problems at the University of Hawaii related to its financial policies and practices. I hope the UH will address these problems to ensure students receive a first-class education.

Travel: Upon reviewing the university's travel expenditures, which could have been a contributing factor to the rising cost of tuition, UH records revealed that employees and other personnel are not following institutional travel policies and procedures, including how authorized administrators are reviewing and approving travel. Therefore, we proposed a resolution calling for a formal audit, but the state Office of the Auditor responded that the school had conducted an internal compliance audit in 2017. That audit was woefully executed because only 25 of 25,000 trips were audited, so we amended the resolution to have the state Auditor use that UH evaluation as a starting point for a public report.

While the resolution was approved by the full Senate, it was not taken up by the House. As a result, the Auditor will not be required to conduct the audit because approval by both chambers was unsuccessful.

West Oahu Campus: Discrepancies in the information provided by UH West Oahu on expenditures from Title III federal funds have raised concerns among legislators. As a consequence, 20 senators cosponsored a resolution asking the UH to conduct an internal

audit on programs that receive extramural funding, including federal grants.

With the Senate's approval of the resolution, the UH's Office of Internal Audit will be submitting a report of its findings and recommendations, including any proposed legislation, to the Legislature no later than 20 days prior to the convening of the 2020 session.

Faculty: Concerns over the high cost of tuition and lack of offered courses for students to graduate in four years was the impetus to examine the workloads of tenured professors and researchers and whether the Board of Regents' policy of teaching 24 credit hours per academic school year was being followed. Preliminary findings showed very few faculty, if any, taught 24 credit hours. On average, professors were teaching 8 to 12 credit hours per academic year.

In light of this, the Senate adopted a resolution urging the Board of Regents to review the UH's seven faculty classifications (most universities have just three) and teaching workloads and whether they comply with board policy.

During the interim, I will continue to work with the UH administrators and the regents to resolve the concerns involving travel, West Oahu spending, and faculty classifications.

Are Traveler Declaration Forms Useful?

With my continuing focus on government spending and efficiency, I introduced several measures in keeping with that theme.

In my annual survey, I asked readers about the declaration forms that travelers complete upon arrival in Hawaii (see the results on page 2).

I introduced a resolution requesting the Hawaii Tourism Authority and Department of Agriculture to measure the cost and effectiveness of this effort. According to the HTA, it costs \$657,000 a year for printing, tabulation, and other tasks associated with the program. A total of 3.7 million forms were processed last year, representing nearly 10 million visitors and uncounted returning residents.

Both houses approved the companion resolution, with an evaluation report to be submitted to the Legislature by the end of this year. The agencies' report is to include a description of how the information is used; the cost of the program, including staff time; the level of compliance by travelers; penalties imposed, if any, for failure to comply; the usefulness of the data; and whether either agency has considered an alternative.

More Duties for Lieutenant Governor

With the lieutenant governor's office gradually stripped of many of its duties, I introduced a bill to expand the role of that office, to include leading public tours of the State Capitol and managing vacancies on boards and commission.

The bill was approved by the Senate but not passed by the House.

Solution for Salary Overpayments

Readers will recall that several years ago I raised the issue of salary overpayments by state agencies,

pointing out that the agencies were lax in pursuing reimbursements for these errors. These overpayments continue to plague us.

As examples, from November 2016 to October 2017, state agencies overpaid salaries in an amount exceeding \$415,000 a month. The highest amount of overpayment occurred in November 2016, at \$622,266. That's unbelievable and unacceptable.

This year, I introduced a bill to require agencies to deduct these uncollected overpayments from their biennium budget requests.

The legislation won Senate passage but did not earn House concurrence.



Rainbow Warriors Visit the Capitol

University of Hawaii Rainbow Warrior football coach Nick Rolovich and members of the team visited the State Capitol in February and made a stop at Senator Kim's office.

All-Mail Elections Go Statewide

The move toward all-mail elections began slowly at first. I introduced legislation several years ago, calling for this method of voting.

There was ample evidence for my proposal: The 2014 primary election was the first where more ballots were submitted before the election than on election day. Fifty-six percent of Hawaii voters chose to vote early during that primary, and 83 percent of those did so by mail. In 2016, the number of votes cast before election day exceeded the number of votes cast at polling places on election day, except in one county.

The proposal found support among legislators year after year, but it wasn't until the 2018 session that the full Legislature approved a measure calling for the introduction of all-mail voting, but restricting it initially to Kauai.

However, the growing popularity of absentee voting by mail, combined with consistently lackluster voter turnout, prompted the 2019 Legislature to accelerate the statewide use of all-mail balloting for elections beginning as soon as the 2020 election next year.

The measure will allow for early walk-in voting. Additionally, there will be places for voters to hand over their ballots. But for most people, voting will be by mail.

Let's hope this turns the tide of our poor election participation, at long last.

As always, your input and ideas were invaluable in my legislative decision-making, and I thank you for your interest in our democracy and the laws that govern us all.

Mahalo for your support,

Donna Mercado Kim
Senator, 14th District

community survey 2019

LEGISLATURE
2019



Community Survey Results

Mahalo for participating in our annual community survey on matters before the Legislature and community. Your input was welcome and helpful in shaping Senator Kim's views on the many bills that were under consideration during the session. Here are the results of the survey.

Allocating Money

The major task facing the Legislature this year was approving the state's two-year budget for the executive and judicial branches. We asked how you would prioritize the state's spending, and these are your rankings, beginning with the most important.

- 1 K-12 public schools, repair and maintenance on existing buildings
- 2 Infrastructure maintenance (roads, bridges, facilities, etc.)
- 3 Raising public school teacher salaries
- 4 Affordable housing programs
- 5 Early childhood education (under four years old)
- 6 Senior citizen services
- 7 University of Hawaii, repair and maintenance on existing buildings
- 8 Homelessness services
- 9 Veteran services
- 10 Tax incentives for job creation
- 11 Free college tuition

Other ideas included spending for drug abuse prevention, a new stadium, constructing pedestrian bridges, financial incentives to recruit and retain public school teachers, reducing the cost of state government through audits, and suggestions involving zoning and public safety that are county rather than state responsibilities.

The Legislature approved a two-year, \$40-billion budget (House Bill 2) that includes money for many of these priorities. Details on the budget can be found at capitol.hawaii.gov/budget/2019budget.html.

Hawaii Promise

The success of Hawaii Promise, which provides free tuition for Community College students demonstrating financial need, led the University of Hawaii to seek \$38 million this year to expand the

program to its four-year campuses.

The survey response to this request for more money was:

48% Yes
36% No

While the Legislature did not grant the \$38 million, legislators approved \$700,000 to continue the program and requested an annual report from the UH with measurable results of Hawaii Promise's effectiveness.

Retaining Our Teachers

With Hawaii facing a shortage of public school teachers, we asked for ideas on how to attract and retain people to his profession. Suggestions included:

Financial Incentives

- Provide faculty housing or a housing allowance.
- Increase compensation.
- Reward and recognize outstanding performance.
- Forgive student loans for teachers if they stay for a specified period; provide a bonus for additional years they teach.
- Pay a sign-up bonus.
- Offer a state tax credit or other tax incentive.
- Provide free health insurance.

School Environment, Other Factors

- Reduce administrative (non-teaching) duties.
- Decentralize the Department of Education.
- Give schools more autonomy and financial independence.
- Provide better working conditions, smaller classrooms, more resources (technology, supplies).
- Ensure competent leadership at each school.
- Raise professional accreditation requirements.
- Supplement the faculty by hiring interns, volunteers, retired teachers, and college students.

- Reduce reliance on test results as a measure of performance.

- Parents need to respect teachers more and raise more respectful children.

- Parents and school administrators must support teachers.

- Show teachers that we value them as much as other professionals.

- Enforce student discipline.

- Have state legislators visit each school in their districts quarterly, meet with teachers, and act on what teachers suggest.

The Legislature appropriated \$600,000 for the next two fiscal years for teacher stipends for the Grow Our Own teachers initiative. The program's results will be assessed to determine its effectiveness in retaining teachers.

Lottery

We asked if Hawaii should join other states in operating a lottery to fund public services.

66% Yes
32% No

We then asked if voters should decide the question in a future election.

64% Yes
32% No

The ranking for the distribution of money from a lottery was as follows:

- 1 Public education, including teacher salaries
- 2 Rail transit
- 3 Homelessness services
- 4 Continuing and expanding Hawaii Promise

Other ideas included infrastructure and public facility repair and maintenance, support for social service providers, new prisons, more park rangers, and several law enforcement and water supply issues under the purview of the county governments.

Legislators introduced several measures to create a state lottery to fund myriad programs, but none passed.

Lieutenant Governor

With the lieutenant governor's office having a limited scope of work, we asked several questions regarding that office.

Should the office of the lieutenant governor be eliminated?

40% Yes
52% No

If not, should the lieutenant governor's responsibilities be expanded?

60% Yes
4% No

Suggestions for expanded duties included emergency management, homelessness services, State Capitol tours, rail oversight, and intrastate relations.

Senator Kim introduced a measure that would have expanded the duties of the lieutenant governor. The measure did not pass.

State Declaration Forms

We raised the issue of the effectiveness of the visitor survey and plant and animal declaration forms that travelers entering Hawaii must complete before disembarking.

Do you always complete and submit the form when returning to Hawaii?

82% Yes
12% No

Should these forms be continued?

60% Yes
26% No

Have you ever used the amnesty bins to discard agricultural items you did not declare?

2% Yes
86% No

A resolution was adopted by both chambers requesting the Department of Agriculture and Hawaii Tourism Authority report to the Legislature by year's end on the processing of these forms and the costs involved. Details are in Senator Kim's message.



Senator Kim on the hotseat



In this edition, Senator Kim responds to constituents who asked about the University of Hawaii budget controversy and her vote on the vacation rental legislation

Can you explain the controversy over the proposed cuts to the University of Hawaii budget? I didn't understand why you wanted to eliminate those faculty positions?

As the chair of the Senate Higher Education Committee, it's within my purview to review the University of Hawaii's biennium budget in keeping with the Legislature's oversight responsibilities and to ensure the institution is effective in spending taxpayers' money and fulfilling its mandates.

In our review of the school's budget request, we focused on positions that taught no classes and brought in no research grants. Given that the university's policies state that teaching is the university's highest priority, we thought that was a natural place to begin.

We learned that the UH's general practice is that all instructors and researchers are automatically granted a three-credit-hour reduction for service and another three-hour reduction for research, leaving the typical teaching load at 18 credit hours. But the information from the UH indicated that very few faculty taught 18 credit hours.

In any case, the documents provided to me by the UH administration identified 121 of these non-teaching, non-grant positions, with scant supporting explanation. However, it was only later we learned that 99 percent of these positions included retirements, terminations, leaves without pay, and sabbaticals. In one case, the employee had died. Fifty percent were temporary positions that were completely funded by the federal government or other grants, which is why we restored all of those positions.

It would have saved us a lot of time if the UH had provided this critical information at the outset. That's why we restored all of the positions.

This has been a very productive exercise because it got the UH administration to examine each position and consider grants, funding sources, and instructional workload for those positions. It demonstrated to UH administrators and legislators the challenge of

interpreting teaching workloads and criteria for the substitution of other activities for teaching. But it also showed us how teaching workloads and teaching policies conflict with existing Board of Regents' policies.

It's clear that we have many challenges ahead of us as we work with the Board of Regents and UH administration to explore single classifications, more global criteria of substitutes for teaching, and system-wide standards to determine teaching equivalencies for nine- and eleven-month faculty and researchers.

We'll urge the regents to continue the work in this area that was done by their predecessors.

I see that you voted against the bill to collect taxes from illegal vacation rentals. Why? Don't we need the tax money from these operators?

As a legislator who sat on the Honolulu City Council for 14 years, 12 of them as Zoning Committee chair, I have been consistent in opposing Senate Bill 1292 and similar bills in past years because they did nothing to address the real problem of illegal, short-term vacation rentals in neighborhoods not only across our state, but elsewhere in our nation where numerous states are dealing with the same issues.

Yes, the legislation will authorize online booking companies like Airbnb or Vrbo to collect transient accommodations and general excise taxes that most owners are not currently paying to the state. According to our budget experts, we stand to collect as much as \$46 million a year, if not more, in additional tax revenue, mainly on illegal rentals because they are most likely the ones not paying their taxes. Additionally, the Senate Ways and Means and House Finance committees based the biennium budget on having that money in hand.

The bill allows these thousands of illegal rentals to continue, if not proliferate, if they pay their taxes. In essence, taxes would be collected based on the

unlawful use of a property, thereby legitimizing illegal activity. It also did not contain any provision to help the counties enforce their zoning laws. That made for flawed, unacceptable legislation.

It appears that the Honolulu City Council may be close to adopting an ordinance that will regulate the number of vacation rentals by imposing limits on their numbers, designate caps on the number of units in various zones, and maybe increase the real property taxes collected from these businesses.

It's also a real possibility that the Council's actions will reduce the number of these operations.

Honolulu Star-Advertiser columnist Lee Cataluna made some salient points in her May 3rd editorial and I wholeheartedly agree with many of them. She said it's not about the tax revenue. "That's not what people post online about the strangers coming and going at the house next door or the all-night parties down the street in the house that used to be a home for actual neighbors, not transients," she wrote. "That's not what they talk about with their friends when they say, 'I don't even know whose car is parked in front of my house!'"

"They want their peace and privacy back. They want actual neighbors to be their neighbors, people they can get to know, who can cat-sit for them when they go on trips and who will call them at work when they see something amiss and say, 'Hey, Barbara, you left your side gate open. Want me to close it for you?'"

"Lawmakers need to listen to all the voters who just want their neighborhoods back."

It's my hope that capping the number of vacation rentals will increase the inventory of affordable rentals for our residents. Renters have been shut out of the marketplace because property owners can make three or four times more in vacation rentals than in long-term rentals.

The bill is now on Governor Ige's desk.

We'll await the governor's decision on Senate Bill 1292, as well as the City Council's decision on the enforcement of zoning regulations.

\$22.8 Million for Schools, Roads; \$2 Million for Nonprofit Groups

The Legislature has authorized spending for a number of school, infrastructure, and community support projects for Senator Kim's District 14.

SCHOOLS

Aiea High School: \$600,000 for the design and construction of site improvements near Building A.

Aiea High School: \$5.4 million to design and construct a girls athletic locker room, weight training, and other additions.

Dole Middle School: \$300,000 to design architectural barrier removal.

Dole Middle School: \$4 million to plan, design, and construct an open-air student learning enrichment and activity area, site improvements, and equipment.

Farrington High School: \$300,000 to replace railings in two buildings, make site improvements, and purchase equipment.

Farrington High School: \$875,000 to replace gym bleachers.

Fern Elementary School: \$1.44 million to replace the fire alarm system and make other improvements.

Fern Elementary School: \$225,000 to plan, design, and construct a campus drainage system surrounding several buildings.

Kapalama Elementary School: \$50,000 to recarpet classrooms and purchase equipment.

Kapalama Elementary School: \$1.5 million for ADA improvements.

Kapalama Elementary School: \$75,000 to demolish a cottage and make other improvements.

Moanalua Elementary School: \$100,000 for electrical and air-conditioning improvements.

Moanalua High School: \$2.1 million to replace the stadium light poles and make other site and equipment improvements.

Moanalua Middle School: \$1.5 million to purchase land, design, construct, and equip a covered student drop-off/pick-up area.

Webling Elementary School: \$600,000 to resurface the parking lot.

Webling Elementary School: \$1.5 million to construct and equip an expanded administration and library facility.

STREETS

Kalihi: \$2.3 million for pedestrian safety and accessibility improvements on Kalihi Street.

GRANTS

Senator Kim supported grant requests from nonprofit organizations serving District 14 residents and others.

Moanalua Gardens Foundation: \$300,000 for the restoration and realignment of Kamananui Valley Road.

Kalihi-Palama Health Center: \$250,000 to construct a new facility for clinical space and access for women's health, adult health, pediatrics, and dentistry.

Kokua Kalihi Valley: \$350,000 to design and construct a land-based cultural arts and education center at the Kalihi Valley Nature Preserve.

Adult Friends for Youth: \$380,000

Read to Me International Foundation: \$220,000

After-School All-Stars Hawaii: \$150,000

Kalihi Community Center: \$150,000

Parents and Children Together (PACT): \$275,000

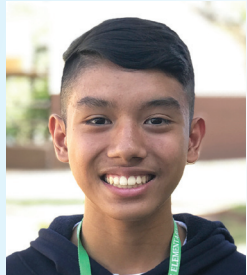
Aloha Spirit Honorees

Middle school students in Senate District 14 who embody the qualities of aloha—*Akahi*, kindness expressed with tenderness; *Lokahi*, unity expressed with harmony; *'Olu'olu*, agreeableness expressed with pleasantness; *Ha'aha'a*, humility expressed with modesty; and *Ahōnui*, patience expressed with perseverance—were recognized by Senator Kim during the spring semester.

Senator Kim presented her annual Aloha Spirit Awards to students at Aiea Intermediate and Moanalua Middle schools this year. The recipients were selected by their schools, and each honoree received a \$50 cash award, a plaque, and his or her name on the school's perpetual plaque.

XAVIER OGO

Aiea Intermediate School



Teachers, counselors, and coaches sing Xavier Ogo's praises. A student with a 4.0 GPA, he excels in math, English, and social studies, while serving on the student council and yearbook and participating in track and cross-country.

The son of Robert and Lisa Ogo, Xavier has been described by his track coach as "a hard working student who will take on a leadership position, on his own, in class or for his sports team." His English teacher says, "Xavier does not know the meaning of 'good enough.' In true live aloha spirit, he always tries to make the world a better place. Xavier always challenges himself to improve and always, and I mean every day, offers his help to others."

Xavier plans to attend college; until then, one of his goals is to "become really good" at track and cross-country.

ASHLEY TAKEUCHI

Moanalua Middle School

One of Ashley Takeuchi's teachers calls her an "all-around outstanding, amazing, and high-achieving student. She is smart, she works hard, and thus she excels in both her academic and co-curricular activities. The thing that makes Ashley special is that she achieves all of these things while embodying the aloha spirit. Ashley is that warm, cheerful face with an infectious smile whose positive attitude permeates throughout our entire learning community. She is always willing to help a friend, a fellow student, and teachers in any way that she can."

In addition to being a fine student, Ashley plays the oboe in the school band, jazz band, and concert orchestra and wants to play like a professional musician. That same spirit extends to her tennis game, where she plans to someday play at a competitive level.

Ashley is the daughter of Marc and Allison Takeuchi.

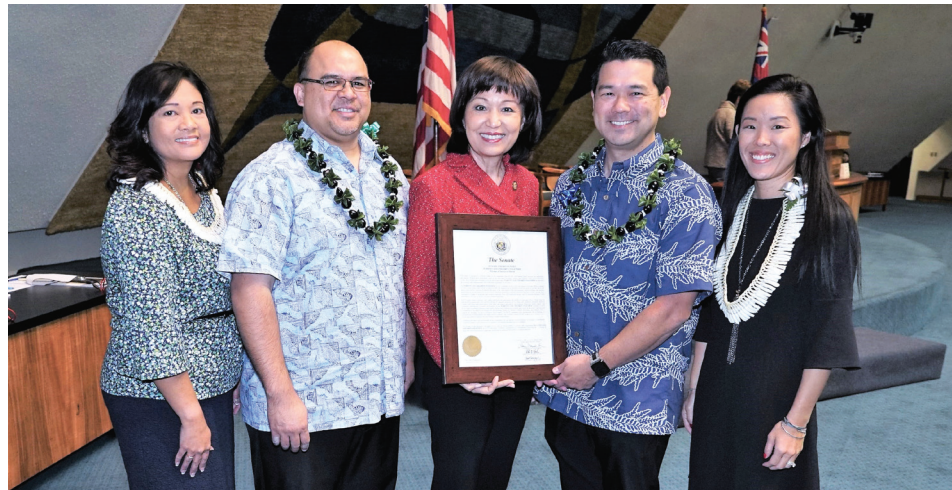


donna mercado
kim
STATE SENATOR DISTRICT 14

PRSRT. STD.
U.S. POSTAGE
PAID
HONOLULU, HI
PERMIT NO. 2071

PAID FOR BY FRIENDS OF DONNA MERCADO KIM

1745 Ala Amoamo Street, Honolulu, Hawaii 96819 | facebook.com/DonnaMercadoKim.com



PACT Celebrates Its 50th

Parents And Children Together recently celebrated its 50th anniversary, and the organization was honored by the full Senate on this milestone in its distinguished history of service to countless families in the islands. A certificate of recognition was presented by Senator Kim. In addition, the senator was a judge for the PACT Keiki Day Art and Essay Contest, "Dare to Dream," as created by students from kindergarten to seniors.

Health, Safety Top Legislature's Agenda

The 2019 Legislature adjourned May 2nd after approving 298 measures covering everything from services for the homeless to removing invasive albizia trees.

A full list of bills forwarded to the governor for his consideration, or which have already been signed into law, is available at <capitol.hawaii.gov>.

More Kupuna Help Ahead

The Legislature approved \$8.3 million for the next two fiscal years to fund services for general kupuna care. The funds will be administered by the Department of Health.

In related legislation, the Legislature appropriated \$1.5 million for Kupuna Caregivers, the program that provides money to caregivers. The measure directs the money to the Executive Office of Aging and raises the current \$70 a day allowance to \$210 per week to cover the costs of various caregiving services. The legislation also calls for evaluation standards and a plan to maximize the number of caregivers served by this program.

Restaurants will now be required to sell children's meals that include a beverage to make the default beverage a healthy beverage, such as water, sparkling water, or flavored water, with no added sugar, corn syrup, or other natural or artificial sweeteners; unflavored nonfat or low-fat milk; or 100-percent fruit juice or vegetable juice with no added natural or artificial sweetener.

Liver Cancer Research Funded

The University of Hawaii's Cancer Center will receive \$350,000 for research on the high incidence of liver cancer in the islands.

The U.S. Centers for Disease Control and Prevention and Hawaii Tumor Registry have stated that Hawaii

has the nation's highest or second-highest rate of liver cancer in recent years. Liver cancer is the leading cause of cancer deaths worldwide, but accounts for only 2.4 percent of all new cancer cases in the United States. As a result, research funding has not been a high priority for the National Institutes of Health.

With liver cancer the fifth most common cause of cancer mortality, the UH Cancer Center is tasked with examining the causes of liver and bile duct cancer, with specific attention to disparities among different racial and ethnic groups in order to support public health and medical interventions.

Focus on Traffic Safety

The confusion as to when a pedestrian can enter a crosswalk led to the passage of a bill specifying that a pedestrian is prohibited from entering a crosswalk once the countdown timer begins.

Red light traffic cameras are being once again considered. A task force will meet to develop policy recommendations for red light running pilot programs in all counties.

While there are many incentives for electric and alternative fuel vehicles, the Legislature is requiring such vehicles to pay an annual registration surcharge fee of \$50 to be deposited into the state highway fund. The bill was passed because motorists with gasoline-powered vehicles are assessed a \$45 fee but also pay more in state gasoline taxes than EVs.

Mandatory Recount and Vote-by-Mail

Two measures passed that will affect future elections. A mandatory recount of election votes and ballot measures will be required when the margin of victory

is 100 votes or fewer or one-quarter of one percent of the total number of votes cast, whichever is greater.

A vote-by-mail program will begin in next year's 2020 election.

Marijuana Decriminalized

The possession of three grams or less of marijuana will be decriminalized beginning January 11, 2020. Possession will become a violation punishable by a fine of \$130. A marijuana evaluation task force will be formed to make recommendations on changing marijuana use penalties and outcomes in the state.

Burial Grants for Veterans

An appropriation of \$100,000 will be awarded for burial grants for qualifying Filipino-American veterans of World War II for funeral and burial services and transportation of their remains to the Philippines, subject to certain conditions.

Worker Proposals Fail

Senator Kim supported two measures that did not pass this year.

The minimum wage would have increased to \$12.00 per hour beginning January 1, 2020, and to \$15.00 per hour beginning January 1, 2023. It would establish an income tax credit for qualifying small businesses to offset the wage increases.

Grandparents would have had one week of family leave to care for a grandchild with a serious health condition. The existing family leave law allows employees to take family leave upon the birth or adoption of the employee's child or to care for that child, a spouse, reciprocal beneficiary, sibling, or parent with a serious condition.