



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 6, 2021

The Honorable Ronald D. Kouchi,
President and Members of the Senate
Thirty First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirty First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith HB53 SD1 CD1, without my approval and with the statement of objections relating to the measure.

HB53 SD1 CD1

RELATING TO STATE BONDS.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 53

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, House Bill No. 53, entitled "A Bill for an Act Relating to State Bonds."

The purpose of this bill is to authorize the issuance of general obligation bonds by the State. Further, this bill declares the Legislature's findings with respect to this bond authorization as required by Section 13 of Article VII of the Hawaii State Constitution.

This bill is objectionable because there is insufficient funding for the debt service on the amount of general obligation bonds proposed by this bill and the associated general obligation bond declaration, which renders them invalid.

House Bill No. 54, entitled "A Bill for an Act Relating to the State Budget," and House Bill No. 200, entitled "A Bill for an Act Relating to the State Budget," the General Appropriations Act of 2021, approved as Act 88, both appropriate moneys from the American Rescue Plan Act of 2021 (ARPA), Pub. L. No. 117-2, § 9901, 135 Stat. 4, 223 (2021), for debt service payments for fiscal years 2021-2022 and 2022-2023. However, according to the federal guidance regarding the spending of ARPA moneys, such funds cannot be used for the payment of debt service. Consequently, general funds must be substituted for the ARPA moneys to pay debt service.

To correct this situation, in my statement of objections to House Bill No. 54, I stated that the appropriation of general funds must be made for fiscal year 2021-2022 for the payment of debt service in the amount of \$238,944,470. In addition, I stated that the appropriation of general funds must be made for fiscal year 2022-2023 for the payment of debt service in the amount of \$257,446,927. If those general fund

STATEMENT OF OBJECTIONS
HOUSE BILL NO. 53
Page 2

appropriations are not made to provide for debt service payments, then this bill is objectionable because the State would not be able to issue the general obligation bonds authorized by this bill due to the insufficient funding for the debt service payments. If the Legislature is able to meet my objections with respect to debt service in House Bill No. 54, I would likely no longer have objections to this bill, however, to allow sufficient time to correct the errors in House Bill No. 54, the effective date of this bill is objectionable because the funding for this bill is contingent on the corrections to House Bill No. 54. To correct that situation, the effective date of this bill would have to be delayed to provide sufficient time to ensure House Bill No. 54 is enacted prior to this bill being enacted.

For the foregoing reasons, I am returning House Bill No. 53 without my approval.

Respectfully,

A handwritten signature in black ink, appearing to read "David Y. Ige". The signature is fluid and cursive, with a large, sweeping flourish at the end.

DAVID Y. IGE
Governor of Hawai'i



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Speaker and Members of the
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Thirty First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith HB54 HD1 SD1 CD1, without my approval and with the statement of objections relating to the measure.

HB54 HD1 SD1 CD1

RELATING TO THE STATE BUDGET.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 54

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, House Bill No. 54, entitled "A Bill for an Act Relating to the State Budget."

The purposes of this bill are to:

1. Appropriate \$250,000,000 in general funds for fiscal year 2020-2021 to be deposited into the Emergency and Budget Reserve Fund;
2. Appropriate \$390,000,000 in general funds for fiscal year 2020-2021 for the actuarially required contribution for other post-employment benefits;
3. Amend House Bill No. 200, entitled "A Bill for an Act Relating to the State Budget," the General Appropriations Act of 2021, approved as Act 88, to:
 - (a) Appropriate \$78,923,678 in general funds for fiscal year 2021-2022 for debt service payments;
 - (b) Appropriate \$103,787,677 in moneys from the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) under the American Rescue Plan Act of 2021 (ARPA), Pub. L. No. 117-2, § 9901, 135 Stat. 4, 223 (2021), for fiscal year 2022-2023 for debt service payments; and
 - (c) Make the bill effective upon its approval; provided that the deposit into the Emergency and Budget Reserve Fund and appropriation for other post-employment benefits take effect retroactively on June 30, 2021.

STATEMENT OF OBJECTIONS
HOUSE BILL NO. 54
Page 2

This bill is objectionable for the following reasons:

Funding for Debt Service

This bill is objectionable because the moneys from the SLFRF cannot be used for the payment of debt service, and as a result, the bill understates the amount of moneys necessary for the payment of debt service for fiscal years 2021-2022 and 2022-2023. The payment of debt service is a primary obligation of the State required by law. The amounts required to pay the debt service are \$238,944,470 for fiscal year 2021-2022 and \$257,446,927 for fiscal year 2022-2023. The bill amends House Bill No. 200 by adding an appropriation of \$78,923,678 from general funds for debt service payments for fiscal year 2021-2022 and an appropriation of \$103,787,677 for debt service payments from the SLFRF for fiscal year 2022-2023.

House Bill No. 200 provided the balances of the total amounts due for each fiscal year for debt service payments, \$160,020,792 for fiscal year 2021-2022 and \$153,659,250 for fiscal year 2022-2023. However, I needed to line-item veto those appropriations for debt service payments in House Bill No. 200 because both of those items were funded by moneys from the funds established under the ARPA. The use of SLFRF for debt service payment is prohibited by the final interim rules on the SLFRF, issued by the United States Treasury (Treasury) on May 1, 2021 (codified at 31 C.F.R. 35.6) (the day after the session ended), and there are no other funds established under the ARPA that the State is allowed to use for debt service payments. Consequently, general funds must be substituted for the appropriations from the ARPA to pay debt service in the correct amounts of \$238,944,470 (\$78,923,678 + \$160,020,792) for fiscal year 2021-2022 and \$257,446,927 (\$103,787,677 + \$153,659,250) for fiscal year 2022-2023. It would be appropriate to amend this bill to rectify the improper use of SLFRF funds appropriated in the bill, by adding the correct amount of general funds necessary for debt service payments to meet the State's obligations.

STATEMENT OF OBJECTIONS
HOUSE BILL NO. 54
Page 3

Notably, the lack of sufficient funding for debt service payments has consequences beyond this bill. In addition to the State's inability to satisfy its debt service payment obligations, the deficiency in funding hinders the State from satisfying the bond authorization requirements of House Bill No. 53, entitled "A Bill for an Act Relating to State Bonds," and thus from issuing general obligation bonds to fund various capital improvement projects that are authorized in House Bill No. 200 and House Bill No. 185, entitled "A Bill for an Act Relating to the Judiciary," the Judiciary Appropriations Act of 2021. If these bond authorization requirements are unmet, the State cannot issue general obligation bonds and the capital improvement projects cannot commence. Therefore, it is critical to appropriate general funds for the debt service payments for fiscal years 2021-2022 and 2022-2023.

In addition to my objections to the lack of sufficient appropriation of general funds and the appropriation of ARPA funds to pay for debt service, I also object to other instances where no appropriation has been made and/or where the ARPA funds that have been appropriated are inconsistent with the final interim rules published after the session had ended, and some clarifying action is needed to maintain the uninterrupted operation of important State functions.

Funding for the Major Disaster Fund

This bill is objectionable because it did not include funding for the Major Disaster Fund when it amended House Bill No. 200. The Major Disaster Fund is a statutorily established fund in the Department of Defense to provide initial funding to respond to emergencies and disasters in Hawai'i. I believe that not having funding will have a major detrimental impact on the Department of Defense's ability to respond to emergency situations when people's lives and properties are at stake. It would be imprudent for the Department of Defense not to have immediate access to funds to address a crisis. Waiting for identification of surplus funds and delays in securing those funds could jeopardize fast response to emergency situations. At minimum, funding for

STATEMENT OF OBJECTIONS
HOUSE BILL NO. 54
Page 4

the Major Disaster Fund should include a general fund appropriation of \$5,000,000 for fiscal year 2021-2022 and \$5,000,000 for fiscal year 2022-2023 to insure moneys are readily available to meet this critical need.

Funding for Essential Programs and Services

Additionally, there were objectionable appropriations of federal ARPA funds in several other bills for which a general fund appropriation would be more appropriate.”

Effective date

The effective date upon approval for part II of the bill, which amends House Bill No. 200, is objectionable because those amendments should be effective on June 30, 2021 to avoid gaps in funding.

In summary, my objections to this bill are that (1) it understates the amount of moneys necessary for the payment of debt service for fiscal years 2021-2022 and 2022-2023, (2) it improperly appropriates ARPA funds for the payment of debt service, and (3) it fails to fund other essential programs or services of the State. It is my hope that the Legislature will amend this bill to meet my objections as it is authorized to do by section 16 of article III of the Constitution of the State of Hawai'i, and that it will make the amendments retroactive to June 30, 2021, to avoid gaps in funding.

For the foregoing reasons, I am returning House Bill No. 54 without my approval.

Respectfully,



DAVID Y. IGE
Governor of Hawai'i



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HONOLULU

DAVID Y. IGE
GOVERNOR

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Speaker and Members of the
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Thirty First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith HB58 HD1 SD1 CD1, without my approval and with the statement of objections relating to the measure.

HB58 HD1 SD1 CD1

RELATING TO STATE FUNDS.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 58

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, House Bill No. 58, entitled "A Bill for an Act Relating to State Funds."

The purposes of this bill are to temporarily suspend certain general excise and use tax exemptions for the period January 1, 2022, through December 31, 2023, and to increase, effective on January 1, 2022, the conveyance taxes for the sale of non-commercial properties valued at \$4,000,000 or greater. The intent was to generate more revenues for state services.

This bill is objectionable because the increase in conveyance tax rates for non-commercial properties will have significant unintended consequences on the development of affordable rental housing and other transactions. The bill did not define commercial properties and adopts the definition applicable in each county, which is problematic and could have negative inadvertent consequences for family-owned businesses, agriculture, industrial, public service, preservation and conservation projects.

Projects with community benefit that will be adversely affected by this increase in conveyance tax include, for example: Castle and Cooke's plan to gift 16 acres of land valued at \$16 million for the relocation of Wahiawa General Hospital; a pending proposal preserve 380 units of existing affordable rental apartments in Chinatown; a plan to purchase 87 acres of former Dole plantation lands in Waialua for affordable housing; and a pending proposal to preserve and renovate 143 affordable rental apartments in Waipahu.

STATEMENT OF OBJECTIONS
HOUSE BILL NO. 58
Page 2

Further, the generation of more revenues for state services in the manner proposed by this bill is no longer necessary. Hawaii's fiscal situation has improved dramatically from the time that the fiscal biennium 2021-2023 Executive Biennium Budget and Financial Plan was presented to the Legislature in December 2020. Since then, the Council on Revenues met three times and increased its general fund revenue projections for fiscal years 2020-2021 through 2026-2027 by a total of \$6.1 billion over this seven-year period. In addition, the Coronavirus Response and Relief Supplemental Appropriations Act of 2020 and the American Rescue Plan Act of 2021 provide substantial federal funding to address a range of pandemic-related state costs, including almost \$600 million for the Department of Education and \$1.64 billion of general-purpose funding to mitigate state revenue losses and increased COVID-related expenses. Circumstances have changed so much that there is no longer the pressing need for the extraordinary revenue actions proposed in this bill.

For the foregoing reasons, I am returning House Bill No. 58 without my approval.

Respectfully,



DAVID Y. IGE
Governor of Hawai'i



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State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith HB338 HD1 SD1, without my approval and with the statement of objections relating to the measure.

HB338 HD1 SD1

RELATING TO THE JUDICIARY.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 338

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, House Bill No. 338, entitled "A Bill for an Act Relating to the Judiciary."

The purpose of this bill is to require an appellate court to hold a hearing when a party to an appellate court proceeding files a motion to disqualify or recuse a judge or justice on the basis on a possible conflict of interest.

This bill is objectionable in part because parties to cases pending before the Intermediate Court of Appeals (ICA) and the Hawaii Supreme Court can already file motions to disqualify judges of the ICA or justices of the Supreme Court and nothing precludes litigants from requesting a hearing. In addition, requiring an appellate court to provide for a hearing for every motion to disqualify would limit its ability to reject spurious claims, slowing down the appellate process.

For the foregoing reasons, I am returning House Bill No. 338 without my approval.

Respectfully,



DAVID Y. IGE
Governor of Hawai'i



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GOVERNOR

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Speaker and Members of the
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State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith HB465 HD1 SD1, without my approval and with the statement of objections relating to the measure.

HB465 HD1 SD1

RELATING TO COLLECTIVE BARGAINING.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 465

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, House Bill No. 465, entitled "A Bill for an Act Relating to Collective Bargaining."

The purpose of this bill is to amend section 89-5, Hawaii Revised Statutes, to change the manner in which the representative of labor is appointed to the Hawaii Labor Relations Board (HLRB) and a means for removal of that representative if the exclusive representatives determine that the representative does not demonstrate the necessary ability to serve.

This bill is objectionable because there is concern that the summary removal process provided in this bill may jeopardize the HLRB's ability to make neutral and unbiased decisions. Because of the nature of the duties HLRB members perform, each HLRB member must remain neutral in the face of the facts and the law while earnestly representing their respective constituencies (labor, the employer, and the public). Historically, unanimous agreement among HLRB members has not been commonplace and there exist internal processes for resolving disagreements. The HLRB should be able to exercise these processes rather than allowing the exclusive representatives to remove HLRB members. I believe that the HLRB is currently able to maintain its present degree of independence and neutrality precisely because its members are protected from being summarily removed merely for political reasons or because of parties' assumption that they were entitled to a preordained outcome.

STATEMENT OF OBJECTIONS
HOUSE BILL NO. 465
Page 2

For the foregoing reasons, I am returning House Bill No. 465 without my approval.

Respectfully,

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DAVID Y. IGE
Governor of Hawai'i



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 6, 2021

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State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith HB515 HD1 SD2, without my approval and with the statement of objections relating to the measure.

HB515 HD1 SD2

RELATING TO THE DEPARTMENT OF
EDUCATION.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 515

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, House Bill No. 515, entitled "A Bill for an Act Relating to the Department of Education."

The purpose of part I of this bill is to require the Auditor to audit the Department of Education's School Food Services Branch to determine the amount of local produce that is being purchased and served to students and to identify the sources of the purchased produce. The purpose of part II of this bill is to require that the Board of Education prioritize for the Superintendent of Education position candidates who have the minimum qualification of ten years of employment in a department of education, including no less than five years serving as a principal or in a higher-level position, and a desired qualification of having a working understanding of the State's tri-level system of educational administration.

This bill is objectionable because the Department of Education's School Food Services branch is already conducting its own system-wide audit of local produce purchased and served in school cafeterias. Requiring the State Auditor to conduct another audit would be a duplication of effort and is unnecessary. The administration fully supports increasing the amount of local produce served in schools as demonstrated by the signing of HB767. Through the Aina Pono program, DOE is increasing local food in student meals as well as connecting our keiki with the 'āina through their food, using products from the local agricultural community. The 'Aina Pono program was created to combine the Farm to School Initiative with our other educational programs, including 'Aina Pono Harvest of the Month, test kitchens, meal programs, menu planning, health and food education, nutrition, and school gardens.

STATEMENT OF OBJECTIONS
HOUSE BILL NO. 515
Page 2

Regarding part II, the Board of Education (Board) is the primary government entity charged with determining educational policy and appointing the Superintendent of Education. Part II effectively usurps the Board's discretion over hiring, thereby interfering with the Board's statutory obligation to appoint the Superintendent, and may have an unintended consequence of limiting the supply of future candidates for the position.

For the foregoing reasons, I am returning House Bill No. 515 without my approval.

Respectfully,

A handwritten signature in black ink, appearing to read "David Y. Ige". The signature is fluid and cursive, with a large, sweeping flourish at the end.

DAVID Y. IGE
Governor of Hawai'i



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DAVID Y. IGE
GOVERNOR

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State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith HB 546 HD2 SD2 CD1, without my approval and with the statement of objections relating to the measure.

HB546 HD2 SD2 CD1

RELATING TO EDUCATION.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 546

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, House Bill No. 546, entitled "A Bill for an Act Relating to Education."

The purposes of this bill are to: (1) require Complex Area Superintendents to report directly to the Superintendent of Education (Superintendent); (2) require the Department of Education (DOE)'s Office of Information Technology Services to submit a report to the Legislature pertaining to the restructuring requirements in the next biennium set forth in the bill; and (3) require the DOE's Office of Strategy, Innovation, and Performance to submit a report to the Legislature pertaining to the restructuring requirements in the next biennium set forth in the bill.

This bill is objectionable because it circumvents the statutory control and authority of the Board of Education to determine the organizational structure of the department. The structural change in staff reporting at the DOE that this bill prescribes may prevent the Superintendent from effectively conducting the Superintendent's core job functions by overburdening the Superintendent with the additional responsibility of supervising the work of 15 Complex Area Superintendents. The primary role of the Superintendent is to oversee the planning, organizing, and directing of system-wide programming, financing, and personnel. The existing organizational structure allows the Superintendent to focus on the overall strategic planning and vision for the DOE. Currently, Complex Area Superintendents report to the Deputy Superintendent, who is charged with overseeing academic and educator development and is better positioned to oversee the work of Complex Area Superintendents.

STATEMENT OF OBJECTIONS
HOUSE BILL NO. 546
Page 2

Additionally, this bill would make a significant alteration to organizational reporting structure within the DOE through statute. Writing this change into state law may make it difficult for the DOE to make future changes in reporting structure without first receiving legislative approval. This would significantly hinder DOE's ability to aptly develop a dynamic organizational structure that best serves the needs of students, administrators, and other school functions.

Furthermore, the organization of each department is established via detailed organizational charts, which are comprised of multiple levels of organizational units. These organizational structures are developed based on public-service needs, budget restraints, and sound administrative practices and are periodically revised to address changing circumstances. Initiating reorganizations through the legislative process largely ignores all of these multifaceted considerations.

For the foregoing reasons, I am returning House Bill No. 546 without my approval.

Respectfully,



DAVID Y. IGE
Governor of Hawai'i



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Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith HB572 HD1 SD1, without my approval and with the statement of objections relating to the measure.

HB572 HD1 SD1

RELATING TO THE HAWAII EMERGENCY
MANAGEMENT AGENCY.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 572

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, House Bill No. 572, entitled "A Bill for an Act Relating to the Hawaii Emergency Management Agency."

The purposes of this bill are to place the Hawai'i Emergency Management Agency (HI-EMA) within the Department of Defense (Department) for administrative purposes only, make the Administrator of emergency management the Director of the HI-EMA, require the Administrator to report directly to the Governor, and require the Governor to appoint the Administrator of the HI-EMA.

This bill is objectionable because the timing of the implementation does not give the State, nor the Department, enough time to fully assess other potential alternative organizational structures for the HI-EMA and to determine the ramifications of the administrative attachment of the HI-EMA to the Department, particularly during the ongoing COVID-19 public health emergency operation.

Furthermore, in times of emergency HI-EMA works in conjunction with the Hawai'i National Guard. Having a separate chain of command to address an emerging health or safety emergency will complicate the response, possibly jeopardizing public safety.

Revisiting this effort next year with more inputs from the agencies impacted by these structural changes would allow for greater review of various options for reorganization that may result in greater efficiencies than the current plan outlined in the bill.

STATEMENT OF OBJECTIONS
HOUSE BILL NO. 572
Page 2

For the foregoing reasons, I am returning House Bill No. 572 without my approval.

Respectfully,

A handwritten signature in black ink, appearing to read "David Y. Ige". The signature is fluid and cursive, with a large, sweeping flourish at the end.

DAVID Y. IGE
Governor of Hawai'i



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Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith HB613 HD2 SD2 CD2, without my approval and with the statement of objections relating to the measure.

HB613 HD2 SD2 CD2

RELATING TO EDUCATION.

Sincerely,

DAVID Y. IGE

Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 613

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, House Bill No. 613, entitled "A Bill for an Act Relating to Education."

The purposes of this bill are to: (1) appropriate moneys from the Elementary and Secondary School Emergency Relief Fund established by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, received by the State for the Department of Education (DOE) to fund certain education related items; (2) appropriate moneys from the Coronavirus Response and Relief Supplemental Appropriations Act, 2021, Public Law 116-260, received by the State for the DOE to fund certain education related items; (3) appropriate moneys from the American Rescue Plan Elementary and Secondary School Emergency Relief (ESSER) Fund established by the American Rescue Plan Act of 2021 (ARPA), Public Law 117-2; and (4) delay pay increases for all superintendents granted by the Board of Education until Department heads receive raises set forth in the most recent salary recommendations by the Commission on Salaries.

This bill is objectionable because appropriations made in this bill do not comply with federal guidance for spending and put the state at risk of being in violation of federal rules. According to guidance issued by the United States Department of Education, state legislatures do not have the ability to limit a local education agency's

STATEMENT OF OBJECTIONS
HOUSE BILL NO. 613
Page 2

use of funds appropriated through the CARES Act or ARPA.¹ For federal purposes, DOE is considered both a State Education Agency, as well as a Local Education Agency. The proscriptive limits on spending for each service category outlined in the bill effectively limit DOE's ability to allocate funds in violation of the federal guidance.

Additionally, the federal government requires a Local Education Agency using ARPA funds to develop a spending plan that incorporates "meaningful consultation" with community stakeholders, including teachers, principals, students, school staff, unions, civil rights organizations, English learners, and various other groups. 86 Fed. Reg. 21195, 21195. The spending plan outlined in this bill was developed during conference committee and it does not appear that any meaningful community consultation occurred. This lack of a transparent and open consultation process puts the State and DOE at risk of being in violation of federal guidance. Violation of federal rules could result in the State being required to return such funds.

For the foregoing reasons, I am returning House Bill No. 613 without my approval.

Respectfully,



DAVID Y. IGE
Governor of Hawai'i

¹ *Frequently Asked Questions – Elementary and Secondary School Emergency Relief Programs Governor's Emergency Education Relief Programs*, U.S. Department of Education, May 26, 2021, at 15.
https://oese.ed.gov/files/2021/05/ESSER.GEER_.FAQs_5.26.21_745AM_FINALb0cd6833f6f46e03ba2d97d30aff953260028045f9ef3b18ea602db4b32b1d99.pdf



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 6, 2021

The Honorable Ronald D. Kouchi,
President and Members of the Senate
Thirty First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirty First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith HB663 HD1 SD1, without my approval and with the statement of objections relating to the measure.

HB663 HD1 SD1

RELATING TO THE GAME MANAGEMENT
ADVISORY COMMISSION.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 663

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, House Bill No. 663, entitled "A Bill for an Act Relating to the Game Management Advisory Commission."

The purpose of this bill is to require the Governor to appoint each commission member of the Game Management Advisory Commission, aside from the ex-officio Chairperson of the Board of Land and Natural Resources, from lists submitted respectively by the President of the Senate and the Speaker of the House of Representatives.

This bill is objectionable because it has the potential to upset the balance of interests needed on this commission, which provides key input to the Department of Land and Natural Resource's resource management decisions on a range of recreational activities enjoyed by the public.

For the foregoing reasons, I am returning House Bill No. 663 without my approval.

Respectfully,



DAVID Y. IGE
Governor of Hawai'i



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 6, 2021

The Honorable Ronald D. Kouchi,
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Thirty First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirty First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith HB774 HD1 SD2 CD1, without my approval and with the statement of objections relating to the measure.

HB774 HD1 SD2 CD1

RELATING TO DEVELOPMENT DISTRICTS.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

STATEMENT OF OBJECTIONS
HOUSE BILL NO. 774
Page 2

development district authority boards; and (d) adopting rules relating to the approval of reserved housing developed outside of a community development district.


This bill is objectionable because it establishes four new community development district authority boards but does not place these new boards within one of the principal departments. Section 6 of article V of the Hawaii State Constitution requires that "[a]ll executive and administrative offices, departments and instrumentalities of the state government and their respective powers and duties shall be allocated by law among and within not more than twenty principal departments in such manner as to group the same according to common purposes and related functions." Since the bill does not provide for placement of the new boards within a principal department, the bill will be subject to challenge as establishing the new boards in violation of the organizational placement requirement of section 6 of article V of the Hawai'i State Constitution.

Additionally, there are concerns about the prescribed requirements of more than one of the district authority boards. A lack of eligible nominees has the potential to hinder progress of the board.

This bill is also objectionable because it incorrectly lists Tax Map Key (TMK) number "2-3-8-009-038" as part of the new Pulehunui community development district. This TMK number refers to a privately-owned, residential-zoned parcel.

For the foregoing reasons, I am returning House Bill No. 774 without my approval.

Respectfully,



DAVID Y. IGE
Governor of Hawai'i



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 6, 2021

The Honorable Ronald D. Kouchi,
President and Members of the Senate
Thirty First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirty First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith HB862 HD2 SD2 CD1, without my approval and with the statement of objections relating to the measure.

HB862 HD2 SD2 CD1

RELATING TO STATE GOVERNMENT.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 862

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, House Bill No. 862, entitled "A Bill for an Act Relating to State Government."

The purposes of this bill are to effect a number of changes to the Pacific International Space Center for Exploration Systems (PISCES); the Transient Accommodations Tax (TAT); and the Hawaii Tourism Authority (HTA). Specifically, this bill:

1. Transfers PISCES from the Department of Business, Economic Development, and Tourism (DBEDT) and places it within the University of Hawaii at Hilo for administrative purposes only, and transfers the balance of moneys in its special fund accordingly;
2. Abolishes the Office of Aerospace Development, the Aerospace Advisory Committee, and the Unmanned Aerial Systems Test Site Advisory Board within DBEDT and transfers the Challenger Center Program and its funds held in the Office of Aerospace Development to the Department of Education;
3. Repeals TAT funding for the counties, the Tourism Special Fund (within HTA), the Special Land and Development Fund, the State Parks Fund, and the trails and access program (all within the Department of Land and Natural Resources), reverting to the general fund amounts that otherwise would have been funded;
4. Authorizes the counties to establish their own TAT charge with a cap of three percent of all gross rental value taxable thereunder;
5. Amends TAT funding of the Hawaii Convention Center Enterprise Special

STATEMENT OF OBJECTIONS
HOUSE BILL NO. 862
Page 2

Fund from \$16.5 million to \$11 million, but maintains the Tourism Emergency Fund at \$5 million;

6. Repeals HTA's Tourism Special Fund (TSF), along with conforming amendments repealing funding reliant on, or wording in other statutes referring to, the TSF (including certain Central Services expense payment exemptions, the Turtle Bay Conservation Easement special fund, and HTA CEO and employee salaries);
7. Repeals HTA's market development-related research authority;
8. Repeals HTA's exemption from chapter 103D (the procurement code), Hawaii Revised Statutes (HRS); and
9. Appropriates \$60 million in moneys from the Coronavirus State and Local Recovery Funds (SLFRF) under the American Rescue Plan Act of 2021 (ARPA) (see comments below) for HTA for fiscal year 2021-2022, to be expended by DBEDT.

This bill is objectionable because it ends dedicated funding from TAT for HTA and substantially reduces funding for the Hawaii Convention Center (HCC) at a time when both need current funding levels to be maintained and fails to appropriate sufficient and suitable fundings for the operation of HTA and HCC.

A second, equally important objection is a repeal of HTA's special fund as well as its portion of the TAT, replaced by significantly lower, one-time SLFRF funding. It not only undermines the purpose of the TAT (to provide dedicated funding from visitors to mitigate their impacts on the community), but it also hinders HTA's current efforts in destination management to strike a more sustainable balance between needed tourism revenue and tourism's community impacts. The lack of a special fund appropriation for the operation of HTA in this bill or in House Bill No. 200, entitled "A Bill for an Act Relating to the State Budget," the General Appropriations Act of 2021, approved as Act 88, is objectionable because the SLFRF funds appropriation cannot and does not take the place of an appropriation of special funds. The recent Treasury

STATEMENT OF OBJECTIONS
HOUSE BILL NO. 862
Page 3

rules define the SLFRF funds as federal grants, subjecting them to federal grant requirements that include extensive reporting requirements and adherence to strict procurement procedures. These federal requirements would hinder and prove inefficient for HTA operations, including its ability to participate in cooperative advertising with the tourism industry domestically and internationally and to conduct its grant and other discretionary funding programs for numerous sponsored events, including community events like the Merrie Monarch Festival.

A special fund appropriation for HTA operations is necessary for HTA to respond to shifting circumstances as the State emerges from the restrictions imposed by COVID-19. The repeal of special funds for HTA operations in this bill is objectionable because the operation of the HTA in this critical time of recovery offers an opportunity to reinvent the tourism industry in Hawai'i and requires the appropriations from its special fund, rather than the restrictive SLFRF funds. Although the numbers of domestic visitors have rebounded much faster than anticipated, international visitors still account for only a small percentage of pre-COVID-19 levels. HTA needs to help Hawai'i re-capture its share of international visitors as health conditions improve abroad. Like convention visitors, international visitors are vital to developing a more sustainable tourist industry based on quality, not quantity, of visitors. HTA needs to have the flexibility the special fund appropriations provide to continue its efforts to rebrand the industry and make it more sustainable. Accordingly, repeal of HTA's special fund at this critical time is ill-advised. It also is unclear if the SLFRF funds can be used to support an appeal to foreign markets.

The cuts to HCC funding in this bill will restrict its ability to attract additional events to the State and fulfill its mission. Inadequate funding is objectionable because it does not provide complete support for a robust schedule to maximize an HCC calendar of activities. Without the special funds appropriation, the HCC is unable to book conventions beyond the scope that the amount of the SLFRF funds appropriation accommodates. With the easing of COVID-19 restrictions domestically

STATEMENT OF OBJECTIONS
HOUSE BILL NO. 862
Page 4

and in Canada and Europe, there is increased demand to hold conventions in Hawai'i. Re-establishing convention activity in Hawai'i is vital to developing a more sustainable tourist industry based on quality, not quantity, of visitors. Therefore, the cuts to HCC funding are objectionable. In addition, at minimum, the HCC operation would need an appropriation of \$54,069,594 out of the convention center enterprise special fund for fiscal year 2021-2022 and the same sum for fiscal year 2022-2023.

Furthermore, the repeal of HTA's special fund and cuts in appropriations for both HTA and HCC were predicated in part on dire revenue forecasts that have since been revised upward and have thus relieved much of the pressure to repeal special funds and restrict funding to the very enterprises that will generate future revenue for the State. The year-to-year funding contemplated in this bill and House Bill No. 200 as related to the fundings for HTA and HCC would not allow long-term planning, multi-year contract savings for the operations of HTA and HCC, and execution of a strategic plan.

The bill is also objectionable because it repeals HTA's procurement exemption. Sustaining HTA's current exemption from the Hawaii Procurement Code (chapter 103D, HRS) is essential to continue to provide the flexibility necessary for HTA to respond timely and quickly to the complex contracting requirements encountered by HTA every day. The operation of HTA, particularly during this challenging time, is reliant on its ability to contract rapidly and efficiently with an increasing variety of contractors throughout the world, who provide unique services, cultural events and other opportunities in a competitive world market. The Hawaii Procurement Code is ill-adapted to the exigencies of today's tourism market, and the procurement protocols already in place at HTA provide many of the same legal protections without the administrative and logistical delay.

The bill also is objectionable because it fails to cite to chapter 231, HRS, and the authorities for the administration of taxes provided therein. Without reference to chapter 231, HRS, the county directors of finance are unable to, among other things, (1)

STATEMENT OF OBJECTIONS
HOUSE BILL NO. 862
Page 5

impose penalties under sections 231-34 to 231-41, HRS, for violations such as failure to file returns and failure to pay tax; (2) impose interest on underpaid amounts under section 231-39, HRS; and (3) subpoena records under section 231-7, HRS. Moreover, while the bill seeks to provide authority to the counties to levy, assess, and collect transient accommodations tax upon adoption of a county ordinance and in accordance with section 46- , HRS, the bill also provides that the tax shall be levied, assessed, and collected as provided in "this section." By failing to reference the "chapter," and limiting the counties' authority for the administration of the tax to "this section," it does not appear that the counties will be able to administer the tax because the new section created by the bill does not provide for how the new county transient accommodation tax is to be levied, assessed, and collected.

This bill is also objectionable because it is inefficient to create an entirely new set of tax collection systems for each county. Additionally, if dedicated funding from the TAT to the counties is to be preserved, this bill creates a gap for counties from existing TAT resources while new systems are being implemented. Previously, the Legislature has granted the State the authority to assist the counties with tax collection administration, for example, with county surcharges. The Legislature did not grant the State this authority in this bill.

This bill is also objectionable because there is no funding for PISCES in House Bill No. 200. PISCES is an on-going program to help diversify Hawaii's economy through applied research, workforce development, and economic development initiatives in the space exploration field. Funding PISCES will ensure continued emphasis in this high potential field.

Additionally, there is no provision to transfer contracts, equipment, and other essential functions from DBEDT to the University of Hawaii – Hilo for PISCES.

This bill is also objectionable because the funding for the Challenger Center Program in House Bill No. 200 changes the means of funding to unspecified federal funds. It is the Department of Education's (DOE) understanding that the source

STATEMENT OF OBJECTIONS
HOUSE BILL NO. 862
Page 6

of federal funds for the Challenger Center Program is federal Elementary and Secondary School Emergency Relief Funds (ESSER). According to guidance issued by the United States Department of Education, state legislatures do not have the ability to limit a local education agency's use of funds appropriated through the CARES Act or ARPA.¹ For federal purposes, the DOE is considered both a State Education Agency, as well as a Local Education Agency.

For the foregoing reasons, I am returning House Bill No. 862 without my approval.

Respectfully,



DAVID Y. IGE
Governor of Hawai'i

¹ *Frequently Asked Questions – Elementary and Secondary School Emergency Relief Programs Governor's Emergency Education Relief Programs*, U.S. Department of Education, May 26, 2021, at 15.
https://oese.ed.gov/files/2021/05/ESSER.GEER_.FAQs_5.26.21_745AM_FINALb0cd6833f6f46e03ba2d97d30aff953260028045f9ef3b18ea602db4b32b1d99.pdf



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 6, 2021

The Honorable Ronald D. Kouchi,
President and Members of the Senate
Thirty First State Legislature
State Capitol, Room 409
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The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirty First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith HB895 SD1, without my approval and with the statement of objections relating to the measure.

HB895 SD1

RELATING TO CREDIT FOR TIME OF
DETENTION PRIOR TO SENTENCE.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 895

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, House Bill No. 895, entitled "A Bill for an Act Relating to Credit for Time of Detention Prior to Sentence."

The purpose of this bill is to amend section 706-671(3), Hawaii Revised Statutes (HRS), to clarify that a defendant who is convicted of a crime committed while serving a term of imprisonment for a separate unrelated crime cannot receive credit for any presentence detention time served for the new offense that overlaps with time being served for the old offense.

This bill is objectionable because the wording in the bill, as it is written, does not overcome the problem identified by the Hawaii Supreme Court in State v. Abihaj, 146 Hawai'i 398, 453 P.3d 1055 (2020), and does not achieve what the Legislature intended when it first passed section 706-671(3), HRS, in 2012. The bill will have no effect on the sentence a defendant receives for a crime committed while serving a term of imprisonment for a separate unrelated crime.

For the foregoing reasons, I am returning House Bill No. 895 without my approval.

Respectfully,



DAVID Y. IGE
Governor of Hawai'i



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 6, 2021

The Honorable Ronald D. Kouchi,
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Thirty First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirty First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith HB1284 HD2 SD2 CD1, without my approval and with the statement of objections relating to the measure.

HB1284 HD2 SD2 CD1

RELATING TO THE DEPARTMENT OF
HUMAN SERVICES.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 1284

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, House Bill No. 1284, entitled "A Bill for an Act Relating to the Department of Human Services."

The purpose of this bill is to establish within the Department of Human Services (DHS) an "all-claims, all-payer data center steering committee" to "oversee and provide direction for the all-claims, all-payer database and data center within the health analytics program established in section 346-421," Hawaii Revised Statutes, composed of one member from the DHS and six members from other agencies.

This bill is objectionable because another multi-agency steering committee already exists in the State Health Planning and Development Agency, which is almost identical in its composition and responsibilities to the committee proposed in the bill. The existing multi-agency steering committee is actively carrying out its duties. This bill also lacks clarity regarding the relationship between the steering committee established in this bill and the administrator of the DHS's Health Analytics Program, a position established by section 346-421(a), HRS, as it is ambiguous regarding which entity has superceding authority over the all-claims, all-payer database and data center.

For the foregoing reasons, I am returning House Bill No. 1284 without my approval.

Respectfully,



DAVID Y. IGE
Governor of Hawai'i



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 6, 2021

The Honorable Ronald D. Kouchi,
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Thirty First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirty First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith HB1296 HD1 SD2 CD1, without my approval and with the statement of objections relating to the measure.

HB1296 HD1 SD2 CD1

RELATING TO STATE FUNDS.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 1296

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, House Bill No. 1296, entitled "A Bill for an Act Relating to State Funds."

The purposes of this bill are to: (1) repeal the Hawaii tobacco prevention and control trust fund (Trust Fund) and transfer any balance of the Trust Fund to the general fund on June 30, 2025; repeal the allocation of 26 percent of the Hawaii tobacco settlement special fund (Special Fund) to the university revenue undertakings fund on July 1, 2033; set a cap of \$4,300,000, on the Special Fund; require that the management contract for the Trust Fund not extend beyond June 30, 2025; and require the Department of Health to provide an annual report to the Legislature before the regular sessions of 2022, 2023, 2024, 2025, and 2026 on Trust Fund expenditures; (2) make an emergency appropriation of \$4,780,880 for fiscal year 2020-2021 for the state comprehensive emergency medical services system; (3) appropriate \$577,466 for fiscal years 2021-2022 and 2022-2023 for two full-time equivalent (FTE) permanent and five FTE temporary positions in the Office of the Governor; (4) require state departments to reimburse the State for fringe benefit costs of special-funded employees; (5) prohibit any expenditure of cigarette tax moneys in the Hawaii cancer research special fund for research and operating expenses; (6) repeal the deposit of any cigarette tax money into the cancer research special fund on July 1, 2041; (7) and repeal the deposit of cigarette tax moneys into the emergency medical services special fund on July 1, 2021; (8) establish a threat assessment program within the Hawaii State Fusion Center of the Office of Homeland Security within the State Department of Defense; and (9) appropriate \$132,972 for fiscal years 2021-2022 and 2022-2023 for one FTE permanent

STATEMENT OF OBJECTIONS
HOUSE BILL NO. 1296
Page 2

administrative assistant position in the Department of Human Resources Development.

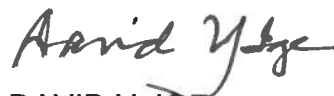
This bill is objectionable because by repealing the Trust Fund, the bill would eliminate the dedicated, long-term funding arrangement for tobacco prevention programs. The Trust Fund uses payments being made by tobacco companies pursuant to the Tobacco Master Settlement Agreement to develop and fund programs to prevent tobacco uptake and to cease tobacco use. Defunding a dedicated revenue source for tobacco prevention and cessation programs creates uncertainty about the continuity of those programs and their ability to achieve their intended outcomes. Any significant reduction in these programs or services will likely result in negative public health impacts and significantly higher health care costs in future years. Over the last twenty years, these programs have helped prevent youth from initiating smoking, have reduced the number of residents who smoke, and have reduced tobacco-use-related healthcare expenditures by over one billion dollars.

Additionally, the bill would eliminate the University of Hawaii (UH) Cancer Center's ability to conduct cancer research and cancer center operations with cigarette tax moneys, significantly increasing costs for the UH to maintain its existing operation and programs.

Notably, recent improvements in the State's current fiscal situation and forecasted tax revenues appear to eliminate the need for this bill.

For the foregoing reasons, I am returning House Bill No. 1296 without my approval.

Respectfully,



DAVID Y. IGE
Governor of Hawai'i



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 6, 2021

The Honorable Ronald D. Kouchi,
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The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirty First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith HB1299 HD1 SD1 CD1, without my approval and with the statement of objections relating to the measure.

HB1299 HD1 SD1 CD1

RELATING TO NON-GENERAL FUNDS.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 1299

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, House Bill No. 1299, entitled "A Bill for an Act Relating to Non-General Funds."

The purposes of this bill are to repeal, abolish, or amend various non-general funds and accounts and to transfer the unencumbered balances remaining in such funds and accounts to the general fund.

This bill is objectionable because there are several provisions that pose constitutional, operational, or legal issues. They are: (1) the repeal of the Milk Control Special Fund; (2) the reclassification of the Hawaiian Home Receipts Fund from a trust fund to a trust account; (3) the abolishment of the National Mortgage Settlement Trust Account; (4) the repeal of the Hawaii Technology Loan Revolving Fund; (5) the repeal of the Judiciary's Probation Services Special Fund; (6) the repeal of University of Hawaii's Community Service Special Fund; (7) the repeal of the Private Trade, Vocational, and Technical School Licensure Special Fund; (8) the repeal of the Hawaii Water Infrastructure Special Fund; and (9) the repeal of the Agricultural Development and Food Security Special Fund.

(1) The Milk Control Special Fund provides a source of funding for the regulatory oversight of the milk industry in Hawai'i. It is funded by the license fees collected for its activities, which fees are deposited into the Milk Control Special Fund. Accordingly, the transfer of those regulatory fees may be subject to challenge under Hawaii Insurers Council v. Lingle, 120 Hawai'i 51, 201 P.3d 564 (2008). In that case, the Hawai'i Supreme Court opined that transferring "legitimate regulatory fees" from an insurance special fund into the State's general fund violated the separation of powers

STATEMENT OF OBJECTIONS

HOUSE BILL NO. 1299

Page 2

doctrine because administrative fees and assessments imposed by an administrative agency can only be used for the purposes of providing services to the persons or entities paying such fees. Any other use of the fees would constitute a tax, which can only be imposed by a Legislature. The Court adopted a three-pronged test to determine whether any assessment was a regulatory fee and therefore was probably not transferable to the general fund. The test asks (1) whether a regulatory agency assesses the fee, (2) whether the agency places the money in a special fund, and (3) whether the assessment "is expended for general public purposes or [instead] used for the regulation or benefit of the parties on whom the assessment is imposed." Id. at 66, 201 P.3d at 579.

In this instance, the Department of Agriculture is the regulatory agency that assesses the fee, the subject moneys are placed in a special fund, and the assessment is used for the regulation of the parties on whom the assessment is imposed. Thus, I believe the moneys in the Milk Control Special Fund constitute regulatory fees that cannot be transferred to the general fund pursuant to Hawaii Insurers Council v. Lingle.

(2) The reclassification of the Hawaiian Home Receipts Fund from a trust fund to a trust account is contrary to the express provisions of section 213(d) of the Hawaiian Homes Commission Act, 1920. Section 213(d) reads as follows:

(d) There are established in the treasury of the State four trust funds, to be known respectively as the Hawaiian home operating fund, the Hawaiian home receipts fund, the Hawaiian home trust fund, and the native Hawaiian rehabilitation fund and one special fund to be known as the Hawaiian home administration account.

(Emphases added.)

(3) Section 62 of this bill abolishes the National Mortgage Settlement Trust Account, which was administratively established in 2012 based on a consent judgment that was filed along with 48 other states in U.S. District Court for the District of

STATEMENT OF OBJECTIONS
HOUSE BILL NO. 1299
Page 3

Columbia, and lapses the unencumbered balance to the general fund. This Trust Account was established pursuant to a court order and the termination of the Trust Account may subject the State to sanctions because the purposes for which the Trust Account was established are still continuing.

(4) The repeal of the Hawaii Technology Revolving Loan Fund conflicts with H.B. 1191 Relating to Broadband Service Infrastructure, which retasks and renames this same fund to the Hawaii Broadband Infrastructure Fund.

(5) The repeal of the Judiciary's Probation Services Special Fund defunds positions and services for the Judiciary's statewide assessment database, which the Probation Program uses to supervise offenders, and eliminates the funding source for the Interstate Compact Offender System Coordinator position, which is responsible for compliance with federal rules for the tracking of offenders leaving and entering the State from Compact of Free Association states.

(6) The repeal of University of Hawaii's Community Services Special Fund eliminates the funding source for the University's non-credit Outreach College programs, which include the Substitute Teacher Course and conversational language courses, among others.

(7) The repeal of the Private Trade, Vocational, and Technical School Licensure Special Fund defunds a 0.50 FTE permanent positions and administrative/operational costs used for the protection of consumers from deceptive educational practices.

For the foregoing reasons, I am returning House Bill No. 1299 without my approval.

Respectfully,



DAVID IGE
Governor of Hawai'i



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 6, 2021

The Honorable Ronald D. Kouchi,
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The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirty First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith SB140 SD2 HD2 CD1, without my approval and with the statement of objections relating to the measure.

SB140 SD2 HD2 CD1

RELATING TO COMMUNITY
DEVELOPMENT.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 140

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, Senate Bill No. 140, entitled "A Bill for an Act Relating to Community Development."

The purpose of this bill is to establish the transit-oriented development zone improvement board to develop and implement a transit-oriented development zone improvement program to foster community development by strategically investing in public facilities.

This bill is objectionable because the bill does not provide for placement of the transit-oriented development zone improvement board within a principal department. Pursuant to Section 6 of Article V of the Hawai'i State Constitution, the transit-oriented development zone improvement board must be placed within a principal department. Consequently, this bill would establish the new board in violation of the organizational placement requirement of Section 6 of Article V of the Hawai'i State Constitution.

For the foregoing reason, I am returning Senate Bill No. 140 without my approval.

Respectfully,

A handwritten signature in black ink, appearing to read "David Y. Ige". The signature is fluid and cursive, with a large loop at the end.

DAVID Y. IGE
Governor of Hawai'i



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 6, 2021

The Honorable Ronald D. Kouchi,
President and Members of the Senate
Thirty First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirty First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith SB153 SD2 HD1 CD1, without my approval and with the statement of objections relating to the measure.

SB153 SD2 HD1 CD1

RELATING TO THE STATEWIDE TRAFFIC
CODE.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 153

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, Senate Bill No. 153, entitled "A Bill for an Act Relating to the Statewide Traffic Code."

The purpose of this bill is to establish a new Hawaii Impaired Driving Council in the Department of Transportation to address and develop strategies for reducing impaired driving in Hawai'i.

This bill is objectionable because it creates a new council that duplicates efforts already underway by the Hawai'i Drug and Alcohol Intoxicated Driving group convened by the Department of Transportation. The group has been in operation for several years and focuses on driving behavior, programs, and enacting laws dealing with drinking and driving to save lives on Hawaii's roadways.

For the foregoing reasons, I am returning Senate Bill No. 153 without my approval.

Respectfully,



DAVID Y. IGE
Governor of Hawai'i



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 6, 2021

The Honorable Ronald D. Kouchi,
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State Capitol, Room 409
Honolulu, Hawai'i 96813

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Speaker and Members of the
House of Representatives
Thirty First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith SB263 SD2 HD2 CD1, without my approval and with the statement of objections relating to the measure.

SB263 SD2 HD2 CD1

RELATING TO ECONOMIC DEVELOPMENT.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 263

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, Senate Bill No. 263, entitled "A Bill for an Act Relating to Economic Development."

The purposes of this bill are to establish a "Hawaii Made" program in the Department of Business, Economic Development, and Tourism (DBEDT) and to appropriate \$150,000 for the "Hawaii Made" program out of the American Rescue Plan Act of 2021 (ARPA), Pub. L. No. 117-2, § 9901, 135 Stat. 4, 223 (2021). This bill further adds Hawaii-made product labeling requirements under the jurisdiction of DBEDT that are almost identical to Hawaii-made product labeling requirements under the jurisdiction of the Department of Agriculture (DOA).

This bill is objectionable because the labeling requirements would result in duplicative jurisdiction over the same labeling regulation between DBEDT and DOA. Moreover, while DOA has statutory means of enforcement, DBEDT has none and would have no means to enforce these labeling requirements.

For the foregoing reasons, I am returning Senate Bill No. 263 without my approval.

Respectfully,



DAVID Y. IGE
Governor of Hawai'i



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 6, 2021

The Honorable Ronald D. Kouchi,
President and Members of the Senate
Thirty First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

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Speaker and Members of the
House of Representatives
Thirty First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith SB404 HD2 CD1, without my approval and with the statement of objections relating to the measure.

SB404 HD2 CD1

RELATING TO ELECTIONEERING
COMMUNICATIONS.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 404

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, Senate Bill No. 404, entitled "A Bill for an Act Relating to Electioneering Communications."

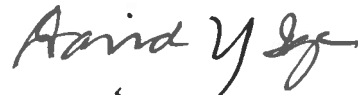
The purposes of this bill are to (1) exempt candidates and candidate committees from having to file electioneering communication statements of information; (2) reduce the aggregate amount that can be spent on electioneering communications before a statement of information must be filed from \$2,000 to \$1,000; (3) reduce the electioneering communications reporting requirement to just one statement of information to be filed upon meeting the \$1,000 in aggregate spending; (4) revise the definition of "electioneering communication" to include any advertisement sent by mail, rather than just by bulk mail; and (5) clarify that an electioneering communication does not include communication that is an actual expenditure.

This bill is objectionable because it exempts candidate and candidate committees from the heightened twenty-four-hour reporting requirements, resulting in less information being provided to the public prior to election day. Furthermore, for noncandidate committees, the bill reduces the annual electioneering communication reporting requirement to just one report to be filed upon meeting the \$1,000 in aggregate spending threshold and any spending beyond the initial \$1,000 will not have to be reported, resulting in less information being provided to the public prior to election day.

STATEMENT OF OBJECTIONS
SENATE BILL NO. 404
Page 2

For the foregoing reasons, I am returning Senate Bill No. 404 without my approval.

Respectfully,

A handwritten signature in black ink, appearing to read "David Y. Ige". The signature is fluid and cursive, with a large, sweeping flourish at the end.

DAVID Y. IGE
Governor of Hawai'i



EXECUTIVE CHAMBERS
HONOLULU

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July 6, 2021

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House of Representatives
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State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith SB589 SD2 HD2 CD1, without my approval and with the statement of objections relating to the measure.

SB589 SD2 HD2 CD1

RELATING TO THE UNIVERSITY OF
HAWAII.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 589

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, Senate Bill No. 589, entitled "A Bill for an Act Relating to the University of Hawaii."

This bill includes provisions that impact the University of Hawaii (UH) Cancer Center by: (1) establishing the University of Hawaii (UH) Cancer Center in statute as the "Cancer Research Center of Hawaii" (CRCH); (2) requiring the Director of the CRCH to be appointed by the Board of Regents (BOR) upon recommendation of the Provost of UH-Manoa and with the concurrence of the UH President; (3) requiring the CRCH to be administratively affiliated with the John A. Burns School of Medicine (JABSOM); (4) requiring funds expended from the Tuition and Fees special fund or Research and Training revolving fund for JABSOM or the CRCH to be used for educational or research and research-related purposes only; and (5) requiring UH to develop a plan for JABSOM and the CRCH to achieve greater operational efficiencies. Also, while this bill extends the sunset date of Act 38, Session Laws of Hawaii (SLH) 2017, exempting UH's technology transfer activities from certain provisions of the State Ethics Code, to June 30, 2024, it prohibits technology transfer activities in which UH employees have a conflict of interest. It similarly extends the sunset date of Act 39, SLH 2017, establishing UH's Innovation and Commercialization Initiative Program (ICIP), to June 30, 2024, but prohibits program activities in which UH employees have a conflict of interest.

This bill is objectionable because the prohibitions on certain technology transfer activities and program activities in parts III and IV of the bill may impair existing

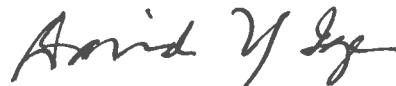
STATEMENT OF OBJECTIONS
SENATE BILL NO. 589
Page 2

UH contracts, in violation of the Contract Clause of the United States Constitution, which prohibits states from passing laws that impair the obligations of contracts. Such prohibitions may also intrude upon the BOR's exclusive jurisdiction over the internal structure, management, and operation of UH because the bill does not identify parts III and IV as statewide concerns, in violation of section 6 of article X of the Hawai'i State Constitution.

In addition, by codifying the UH Cancer Center into law and setting organizational reporting into statute, the bill limits UH's flexibility to make changes to the structure in the future. While there may be cost savings as a result of merging the administrative functions of the Cancer Center and Medical School, such organizational changes should be made in consultation with the leadership of the respective institutions and UH Manoa leadership.

For the foregoing reasons, I am returning Senate Bill No. 589 without my approval.

Respectfully,



DAVID Y. IGE
Governor of Hawai'i



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 6, 2021

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Speaker and Members of the
House of Representatives
Thirty First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith SB639 SD1 HD1 CD1, without my approval and with the statement of objections relating to the measure.

SB639 SD1 HD1 CD1

RELATING TO COURTS OF APPEAL.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 639

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, Senate Bill No. 639, entitled "A Bill for an Act Relating to Courts of Appeal."

The purpose of this bill is to amend chapter 602, Hawaii Revised Statutes by adding new sections designated "[s]ua sponte decisions" that would prohibit the appellate courts, when acting on a matter on appeal, from affirming, modifying, reversing, or vacating a matter on grounds other than those raised by the parties unless the parties are provided the opportunity to brief the court. If an appellate court fails to give the parties the opportunity to submit supplemental briefing, a rehearing shall be ordered upon timely petition of any party.

This bill is objectionable in part because the concerns raised by this bill have been addressed by the judiciary. The Supreme Court of Hawai'i has proposed an amendment to the Hawai'i Rules of Appellate Procedure to address the concerns raised by this bill and is currently seeking public comment on the proposal.

For the foregoing reasons, I am returning Senate Bill No. 639 without my approval.

Respectfully,



DAVID Y. IGE
Governor of Hawai'i



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 6, 2021

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Thirty First State Legislature
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Speaker and Members of the
House of Representatives
Thirty First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith SB807 SD2 HD2 CD1, without my approval and with the statement of objections relating to the measure.

SB807 SD2 HD2 CD1

RELATING TO EDUCATION.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 807

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, Senate Bill No. 807, entitled "A Bill for an Act Relating to Education."

The purposes of this bill are to: (1) require each Department of Education school's academic plan to include the following: a clear accounting of all resources that will be allocated to address and achieve each measurable outcome; the school's priority improvement strategies and measures to determine progress; student growth indicators; information about programs intended to address social and economic conditions that adversely impact student learning; a breakdown of certain teacher vacancy data; average class sizes for all regular education, special education, and content based English language learning classes; and teacher workforce experience metrics; and (2) require the Department of Education to submit an annual report on the school academic and financial plans to the Board of Education and the Legislature.

This bill is objectionable because schools are already required to create academic and financial plans, and the new measurements specified by this bill may not add value for schools any more than the current measurements. Specifically, the option to use the National Assessment of Education Progress (NAEP), which uses random samples of schools throughout the system every other year, does not provide an accurate assessment of results at the individual school level. It may also be difficult to report data consistently across all schools if the Legislature is requiring an "authentic assessment," as defined in the bill. Measurements will likely differ from school to school, making system-wide reporting problematic. Furthermore, this bill adds

STATEMENT OF OBJECTIONS
SENATE BILL NO. 807
Page 2

additional requirements for data analysis, while the resources were reduced in House Bill No. 200, entitled "A Bill for an Act Relating to the State Budget," the General Appropriations Act of 2021, approved as Act 88.

For the foregoing reasons, I am returning Senate Bill No. 807 without my approval.

Respectfully,

A handwritten signature in black ink that reads "David Y. Ige". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

DAVID Y. IGE
Governor of Hawai'i



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 6, 2021

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Thirty First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

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Speaker and Members of the
House of Representatives
Thirty First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith SB811 HD1 CD1, without my approval and with the statement of objections relating to the measure.

SB811 HD1 CD1

RELATING TO THE DEPARTMENT OF
EDUCATION.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 811

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, Senate Bill No. 811, entitled "A Bill for an Act Relating to the Department of Education."

The purpose of this bill is to require the Department of Education (DOE) to publish a weekly report on the DOE's website identifying schools that have reported positive COVID-19 cases.

This bill is objectionable because the DOE and the Department of Health have already established protocols to report cases, notify contacts, and prevent transmission in schools. This bill may also increase the potential for individuals to be identified, harassed, or discriminated against if weekly reporting is required. As written, this bill possesses a high potential for privacy violations, particularly in smaller communities. An increase in bullying, harassment or social isolation can have negative impacts on a student's educational outcomes. Instances of bullying and harassment are likely under reported, as students may be hesitant to make official complaints to school administrators. This bill could significantly increase the potential for harassment at a time when students should be allowed to focus on getting back to in person learning and their own academic achievement. Additionally, reporting of positive cases may lead to disruption and anxiety among members of the school community, hindering the ability of school administrators to conduct normal school business.

STATEMENT OF OBJECTIONS
SENATE BILL NO. 811
Page 2

For the foregoing reasons, I am returning Senate Bill No. 811 without my approval.

Respectfully,

A handwritten signature in black ink, appearing to read "David Y. Ige". The signature is fluid and cursive, with a large, sweeping flourish at the end.

DAVID Y. IGE
Governor of Hawai'i



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 6, 2021

The Honorable Ronald D. Kouchi,
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State Capitol, Room 409
Honolulu, Hawai'i 96813

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Speaker and Members of the
House of Representatives
Thirty First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith SB1387 SD1 HD2 CD1, without my approval and with the statement of objections relating to the measure.

SB1387 SD1 HD2 CD1

RELATING TO MICROCHIP IDENTIFICATION

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 1387

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, Senate Bill No. 1387, entitled "A Bill for an Act Relating to Microchip Identification."

The purpose of this bill is to require dog and cat owners to microchip their pets and update the ownership information when pets are transferred between owners.

This bill is objectionable because the proposed new statutory section includes an exemption for a "designated population management program." That term is not defined in any statute or rule and there is no agency or entity responsible for creating such a designation. The bill will also introduce conflict and confusion with county ordinances that already define "ownership" and identification requirements, such as the microchipping requirements of the City and County of Honolulu and the County of Kaua'i.

For the foregoing reasons, I am returning Senate Bill No. 1387 without my approval.

Respectfully,



DAVID Y. IGE
Governor of Hawai'i



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 6, 2021

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Thirty First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

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Speaker and Members of the
House of Representatives
Thirty First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith SB1409 SD2 HD1 CD1, without my approval and with the statement of objections relating to the measure.

SB1409 SD2 HD1 CD1

RELATING TO TRAINING IN NATIVE
HAWAIIAN RIGHTS.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 6, 2021

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 1409

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, Senate Bill No. 1409, entitled "A Bill for an Act Relating to Training in Native Hawaiian Rights."

The purpose of this bill is to prohibit newly appointed or reappointed members of certain State councils, boards, and commissions from serving if the member has not completed the Native Hawaiian rights training course required by section 10-42, Hawaii Revised Statutes (HRS). This bill further requires the Office of Hawaiian Affairs to record the training course and make the recording available to those who were unable to attend.

This bill is objectionable because it imposes punitive measures on volunteer members of several boards. The vast majority of board members impacted by this bill have already completed a Native Hawaiian rights training course offered by the University of Hawaii. A review of records of forty-three board and commission members across the five boards and commissions within the Department of Land and Natural Resources (not including new or retired members or vacancies, and including two who took the class before section 10-42, HRS, became law) revealed that only two individuals had not yet completed the training. In-person course offerings have been limited to once or twice a year, which may impact quorum requirements. Any gaps in training can be covered by more in-person course offerings and online course offerings, where the members can take the class on their own schedule, including workdays and weekends, rather than only on set days.

Additionally, my Administration supports providing board members with the flexibility to choose from more than one provider of Native Hawaiian rights training.

STATEMENT OF OBJECTIONS
SENATE BILL NO. 1409
Page 2

For the foregoing reasons, I am returning Senate Bill No. 1409 without my approval.

Respectfully,

A handwritten signature in black ink, appearing to read "David Y. Ige". The signature is fluid and cursive, with a large, sweeping flourish at the end.

DAVID Y. IGE
Governor of Hawai'i