



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

community bulletin

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Aloha, Friends and Neighbors

Happy New Year to you!

We welcome 2018 with optimism and hope, as well as a renewed commitment to striving for a healthy community, a dynamic Hawaii, and a stronger nation.

The New Year also brings us the start of the Legislature, which convenes on January 17.

COMMITTEES

I will be serving as chair of the Senate Committee on Government Operations, which oversees general state government operations as they relate to such matters as procurement, state facilities, and efficiency. I have long held a keen interest in the efficiency and effectiveness of our public agencies, and expect that my committee responsibilities will enable me to continue to ensure that your tax dollars are spent wisely.

My other duties include being vice chair of the Higher Education Committee. This leadership position will allow me to work more closely with the University of Hawaii to better oversee its spending and management practices, which have been the focus of my attention, and occasional criticism, over the years. I will also have an opportunity to more closely scrutinize the institution's policies and operations.

My other assignments will be as a member of the Education Committee and Judiciary Committee.

LEGISLATION

This will not be a budget year, so any proposals for spending that come before us will be "supplemental," usually for unexpected or unbudgeted expenses from state agencies. Additionally, since this will be the second half of the biennium, all bills that were introduced last year will be carried over to this session and added to those being proffered this year.

ALL-MAIL ELECTIONS

Several years ago, I introduced a bill calling for an all-mail voting pilot project, proposing that we select a district or two to test voter response to an exclusively mail-in election. This was in reaction to Hawaii's historically poor, and embarrassing, voter turnout.

Since then, the measure has come up in session after session. While the proposals have taken various approaches, they all share a common goal of all-mail elections. In addition, again in session after session, the members of both the Senate and House of Representatives have approved the measure, only to have it fail during the final hurdle: the conference committee process.

Rest assured I will continue to support this proposal and consider any other bills that would encourage, stimulate, or somehow improve our voter turnout numbers. It's unfortunate that our citizens are not taking advantage of a fundamental right in a

democracy, but I intend to do my best to find ways to bolster voting.

PRESCRIPTION DRUG PRICES

This year, I will be introducing a number of proposals that seek to improve transparency in the prices of prescription drugs and regulate or limit the cost of these medications. Experts tell us that drugs rise dramatically in price between the manufacturer and the user. Drugs that help people live healthier and longer lives should not be out of reach simply because of their cost. We have an excellent health care system and are leaders in the creation of new life-saving drugs, so there should be ways to make medications affordable to all.

MONEY FOR EDUCATION

Last session, the Legislature took up a measure to establish a surcharge on residential investment property and visitor accommodations to increase funding for public education. The proposal stalled during conference committee deliberations.

Teachers are so important. It is the Legislature's responsibility to budget enough funding to provide adequate resources for our teachers and students. The challenge we will face again this session is to devise funding methods that support our teachers and students.

HAWAII'S FUTURE

Congresswoman Colleen Hana-

busa has announced she will be seeking the office of governor, thereby creating a vacancy in the U.S. House of Representatives for Hawaii's 1st Congressional District.

My decision to fill this upcoming vacancy was based on a number of factors: the need for a strong voice for Hawaii; continued representation for you on Capitol Hill; a willingness to protect and expand Social Security, affordable health care, education, and other vital programs; working with the state's Congressional delegation to preserve our island values; and an urge to exercise stronger oversight over government spending.

I hope I can look to you for support in this endeavor.

In the meantime, please share your ideas and concerns with me on the direction of the Legislature or any proposals under consideration.

Mahalo and best wishes to you for a happy, healthy, and prosperous 2018.



Aloha,

Donna Mercado Kim
Senator, 14th District



Governors Celebrate Homecoming on Home Turf

Farrington High School marked its first-ever home game in its 80-year history with a homecoming football contest against Castle High School on September 23 in the school's new Skippa Diaz Stadium. Alumna and Senator Donna Kim helped plan the festivities by organizing past and present cheer and song leaders to celebrate.

More than 4,000 alumni and fans turned out for the homecoming, which included a presentation of a \$10,000 donation by Kaiser Permanente for the school and a \$1,000 scholarship from the Kusunoki Family in honor of the late Henry Kusunoki, who was the school's football coach in the 1940s. The multi-sport field is named after him.

community survey 2018

LEGISLATURE
2018



Community Survey

Senator Kim is seeking your input on prospective legislation that may be considered during this session of the Legislature, as well as on other issues. The results will be published in the next edition of the *Community Bulletin*.



Minimum Wage

The Legislature approved incremental hikes in the state's minimum wage over a five-year period, beginning in January 2014 with a rate of \$7.25 an hour. The final increment of that minimum wage raise took effect in January 2018 with a rate that is now \$10.10 an hour.

Do you support another incremental increase in Hawaii's minimum wage?

Yes
 No

If yes, how much should the minimum wage be? _____



Prison Relocation

Readers of the *Community Bulletin* will recall that plans have been in the making for expanded correctional facilities, as well as the possible redevelopment of the Oahu Community Correctional Center site in Kalihi to coincide with the arrival of the new rail transit system.

The state has completed a draft environmental impact statement, which calls for the relocation of OCCC to a site now occupied by the animal quarantine station in Halawa Valley. While that was the recommended proposal, other sites considered were the existing Halawa Correctional Facility, remaining at the Kalihi location, and Mililani Technology Park.

Do you support the relocation of OCCC to Halawa Valley?

Yes
 No



Traffic Improvements

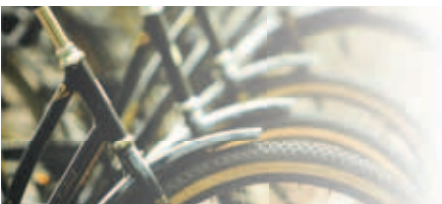
The Hawaii Department of Transportation has implemented a number of projects to alleviate traffic congestion on our freeways. These have included restriping to create more traffic lanes, converting shoulder lanes into roadways, and so on.

Are you experiencing less traffic on our freeways?

Yes
 No

Do you believe these changes have saved you driving or commuting time?

Yes
 No



Bicycling

Bikeshare Hawaii is a non-profit organization that recently launched and manages the Biki bikeshare program, with funding and support from public institutions and private partners, including the state government.

Have you used the Biki bikes?

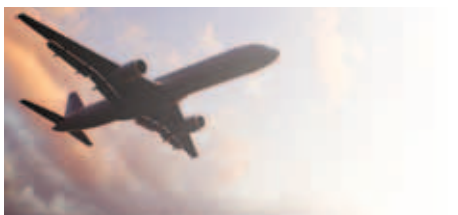
Yes
 No

In 2014, the King Street bicycle lane was officially opened, making Honolulu the 56th city in the country with a protected bike lane. This was the city's first attempt to make Honolulu a bicycle-friendly community. A second protected bike lane was installed in May 2017 on

South Street, connecting the King Street bike path to Kakaako and Downtown Honolulu. Currently, Oahu has two miles of protected bike lanes, 46 miles of bike paths, 59 miles of bike lanes, and 40 miles of bike routes, and the city has proposed creating more protected bike lanes in the future.

Do you support creating more protected bike lanes?

Yes
 No



Federal Travel Ban

The Trump administration has imposed a ban on travel from certain nations and is curbing immigration by restricting the Deferred Action for Childhood Arrivals program, among other measures. The state administration has been aggressive in fighting some of these measures, costing Hawaii's taxpayers thousands of dollars in legal fees and manpower hours.

Were you in favor of Hawaii's Attorney General filing multiple lawsuits against the Trump administration's travel ban?

Yes
 No

If so, do you think taxpayer money should be used for Hawaii to be the lead in fighting the travel ban?

Yes
 No



Hawaii as a Sanctuary State

The 2017 Legislature approved a resolution (which is a statement, not a law) declaring Hawaii to be a sanctuary state and requesting local law enforcement agencies to decline to work with federal immigration authorities. California, meanwhile, became the first sanctuary state this October when its legislature passed a bill designating it as such, and which the governor signed into law.

Do you think Hawaii should become a sanctuary state?

Yes
 No



Health Care

Single-payer national health insurance, dubbed "Medicare for all," is a system in which a single public or quasi-public agency organizes health care financing, with the provision of care remaining largely in the private sector. Under such a system, everyone would be covered for all medically necessary services, including doctor, hospital, preventive, long-term care, mental health, reproductive health care, dental, vision, prescription drug, and medical supply costs—at taxpayer expense. California attempted to pass a measure in 2017 for a single-payer system but failed; the proposal's cost was estimated at \$400 billion annually.

Would you support a national single-payer health care system?

Yes
 No

Mahalo for taking the time to respond. Please send your completed survey to:

Donna Mercado Kim
Senator, 14th District
Hawaii State Capitol
Honolulu, Hawaii 96813

OPTIONAL:

Name _____

Address _____

E-mail _____

Comments _____



Senator Kim on the hotseat



In this edition, Senator Kim answers a question regarding the tax reform bill

I've heard a lot about the politics of the tax reform bill just passed by Congress. Do you know how it will affect local taxpayers? I heard we're losing a lot of our deductions and I'm concerned.

The tax reform bill just approved by Congress has drawn praise as a major legislative achievement and boon to the economy by some, and criticism as a handout to the wealthy and a budget-buster by others. While it's too soon to know the full impact of the changes on taxpayers and the economy, it's worth pointing out there are merits to both sides of the partisan divide.

Here are some key provisions, which take effect for the next tax year, not 2017:

Tax rates for individuals will be lowered and the standard deduction will nearly double. It likely will result in many taxpayers deciding to forego itemizing deductions.

The personal exemption has been eliminated. It's possible that larger families will not see any benefit from this change.

Here's one that could affect Hawaii property owners: The mortgage interest deduction on a first or second home will be allowed only on debt up to \$750,000, down from \$1 million today. Homeowners who currently have a mortgage will not be affected because the changes have a "grandfather" clause.

Homeowners will no longer be able to deduct home equity loan interest.

The deduction for state and local taxes will be capped at \$10,000 for folks who choose to itemize. The vast majority of homeowners claim a deduction under that limit, but the impact on higher-income households in high-tax states remains to be seen.

The child tax credit will be doubled to \$2,000 for children under 17. The new provision will allow high earners to claim the credit, while some families may be able to get a refund even when their tax liability is zero. Some taxpayers can claim a temporary credit for non-child dependents, like a child over 17 years old, an ailing elderly parent, or a disabled adult child.

Deductions have been preserved for medical expenses, student loan interest, charitable donations, and classroom supplies bought by teachers.

Tax reform will exempt most people from the estate tax, but does not repeal it.

Tax Bill Impact on Eight Sample Households

	James	Jason	Amber	Kavya and Nick	Sophie and Chad	Soren and Linnea	Laura and Seth	Joe and Ethan
Ordinary Income	\$30,000	\$52,000	\$75,000	\$85,000	\$165,000	\$325,000	\$2,000,000	\$48,000
Marital Status	Single	Single	Single	Married	Married	Married	Married	Married
Earners	1 earner	1 earner	1 earner	1 earner	2 earners	2 earners	1 earner	Retired
Children	No kids	2 kids	No kids	2 kids	2 kids	3 kids	2 kids	n/a
Tax-Deferred Retirement Contributions	\$2,600	\$4,000	\$5,500	\$5,500	\$20,000	\$37,000	\$18,500	\$0
Itemization	Std. Ded.	Std. Ded.	Std. Ded.	Std. Ded.	Itemizing	Itemizing	Itemizing	Std. Ded.
Current Law	\$4,331	\$5,198	\$16,104	\$11,035	\$29,345	\$71,629	\$713,234	\$3,497
Proposed	\$3,953	\$3,306	\$14,327	\$8,782	\$27,122	\$62,012	\$694,330	\$3,227
Tax Liability Change	-\$379	-\$1,892	-\$1,777	-\$2,254	-\$2,224	-\$9,617	-\$18,904	-\$270
% Tax Liability Change	-9%	-36%	-11%	-20%	-8%	-13%	-3%	-8%
% Change in After Tax Earnings	1.26%	3.64%	2.37%	2.65%	1.35%	2.96%	0.95%	0.56%

Note: Tax burden figures do not include employer-side payroll taxes. These results are for 2018, and do not reflect the expiration of many individual provisions. Source: Tax Foundation calculations.

TAX FOUNDATION

@TaxFoundation

In a hit on the Affordable Care Act, or Obamacare, there will no longer be a penalty for not buying health insurance. Republicans claim this will offset the cost of the tax bill by reducing federal spending on insurance subsidies and Medicaid. But the Congressional Budget Office predicts that fewer Americans will enroll on the Obamacare exchanges, and fewer people who are eligible for Medicaid will seek coverage and learn they can sign up for the program. Some experts believe this provision will raise premiums because more healthy people might decide to skip buying insurance.

The benefits to businesses are a little more complicated, but some of the key changes include lowering the tax burden on pass-through businesses like S-corporations, LLCs, and partnerships; barring the 20-percent deduction for anyone in a service business unless he/she meets income limits; lowering the corporate tax rate from 35 percent to 21 percent; and changing how American multinational companies are taxed.

Cutting taxes means less government tax revenue. The tax reform bill provides for a lot of money in cuts, which are not being offset by revenue-generating measures.

The nonpartisan Joint Committee on Taxation estimates that the federal deficit will increase by \$1.46

trillion over the next ten years. It may grow larger if Congress does not allow the individual tax cuts to expire after 2025.

Reduced tax revenue could mean that Congress will seek to make cuts in the federal budget. Insofar as such vital services as Social Security, Medicare, Medicaid, education, and so on make up a sizable share of federal spending, there is potential that those will be targeted by Republicans.

We won't know the full impact of the tax reform bill for quite some time.

But whatever the outcome, rest assured that, if elected to Congress, I will continue to support tax-relief for the middle-class. This includes restoring the state and local tax deduction and championing other measures that help to offset Hawaii's high cost of living and housing.

And while I endorse making our businesses more competitive in the global economy, I'll also work hard to preserve Social Security, Medicare, Medicaid, and services for children, the elderly, and the most vulnerable among us.

Scholarship Open to Hispanic Students

Hispanic high school students are eligible to apply for one of 11 John S. Martinez Leadership Scholarships being offered by the National Hispanic Caucus of State Legislators. Senator Kim is a caucus member.

Applicants must be Hispanic or of Hispanic descent; reside in Senator Kim's district; have a grade point average of 3.0 or better; be a junior or senior enrolled full-time at a public high school in Senate District 14; and nominated by their school principal, teacher, guidance counselor, legislator, or community leader.

The scholarship includes a one-time \$3,000 grant for educational purposes. It will be awarded upon graduation and acceptance into higher education. No more than two recipients will be selected per state and recipients will be recognized for their efforts by Hispanic Caucus members in their home states.

Applicants must submit a resume, academic transcript, two letters of recommendation, and a 500-word personal statement on, "What Does Public Service Mean to Me."

Application deadline is March 24, 2018. Additional information is available at: nhcsl.org

The scholarship is named in honor of the late John S. Martinez, who was a Connecticut state legislator for eight years and president of the National Hispanic Caucus of State Legislators at the time of his death.



Representatives from all levels of government and the Moanalua community put their heads together to devise solutions to the traffic problems in the neighborhood.

Traffic Safety Improvements Come to District 14

Residents and commuters in Moanalua Gardens, Kalihi, and Aiea are enjoying some relief from their traffic woes, thanks to the work of Senator Kim, community groups, and federal, state, and city agencies.

Moanalua-Tripler

Traffic and speeding have been long-standing problems for Moanalua Gardens residents, particularly during the heavy morning commute as motorists make their way to Tripler Army Medical Center.

Senator Kim established an Apona Street Advisory Group that began meeting in July. The group was charged with coming up with solutions to help solve problems regarding Apona Street and Jarrett White Road. The group consisted of area legislators; representatives of Tripler Army Medical Center, city and state transportation agencies, Honolulu Police Department, and Moanalua Gardens Community Association; and a resident. The governor's chief-of-staff attended the first meeting.

The group proposed a number of recommendations, which have been or will be implemented:

- The city Department of Transportation Services will put up a no-right-turn sign on the corner of Apona Street and Jarrett White Road in early 2018.
- The city will install signs, also in early 2018, on Ala Mahamoe and Apona streets informing motorists there is no access to Tripler by way of Apona Street.
- The state Department of Transportation installed a curbed island on Jarrett White Road at Apona Street.
- The state extended the right turn lane on Jarrett White Road approaching Mahiole Street.
- Tripler installed a new no-right-turn sign near the exit gate and kicked off a campaign to alert its employees and visitors about speeding, playing loud music while driving through the neighborhood, and generally being a good neighbor.

Kalihi

In Kalihi, where motorists from Wilson Tract and Kamehameha IV Housing meet at opposing sides of the Alu Street intersection with Likelike Highway, Senator Kim joined Councilmember Carol Fukunaga in requesting the state and city transportation agencies to look into the situation.

The state Department of Transportation determined that motorists leaving Kamehameha IV Housing had the right-of-way to make left turns at the intersection (in the mauka-bound direction). Motorists coming from Alu Street, meanwhile, had to yield when turning left and heading makai-bound.

The agency has adjusted the traffic signals and will install signs to inform drivers who has the right-of-way.

Aiea

At the request of Senator Kim, the Department of Transportation concluded a three-month pilot project in which "delineators," or the white vertical posts, were placed on the makai-bound lane where Ulune Street intersects Kahuapaani Street (near where Halawa Heights Road begins).

The delineators will keep separate motorists who are converging at the intersection. Drivers on Ulune Street who are turning right on Kahuapaani Street, heading makai, must stay in the far-right lane. Meanwhile, motorists turning left from Ulune onto Kahuapaani will be unable to prematurely merge into the freeway-bound, far-right lane until it is safe to do so.

The state has determined that the delineators are beneficial and will be made permanent.



State Completes Halona Street Bridge Construction

Senator Kim participated with Governor David Ige and other government officials in the blessing ceremony for the Halona Street bridge in late September. The bridge spans Kapalama Canal mauka of the H-1 Freeway in Kalihi. It connects North Vineyard Boulevard with Houghtailing Street.

The project was funded by the Hawaii Department of Transportation and Federal Highway Administration at a total cost of \$7.2 million. The bridge was originally built in 1938. Work included replacing the foundation, pavement, and railings, as well as replacing the water and gas lines beneath the bridge.

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Filipino Veterans to Receive Burial Assistance

Senator Kim attended the signing of Act 105, which appropriates \$50,000 during this fiscal year for burial grants for Filipino-American veterans who fought alongside Allied forces during World War II. The grants may be used for funeral and burial costs, including the cost of returning remains to the Philippines for burial. Qualifying veterans must live in Hawaii and funds must be matched on a one-to-one basis from private sources.



Senator Honors Seniors

As has become an annual tradition, Senator Kim visited senior groups in her district (pictured here with Aiea residents) in celebration of Grandparents Day on September 10. She thanked them for their contributions to their communities and brought Filipino sweet rolls for them to enjoy.



Kalihi Students Receive Sackpacks

Students from Linapuni, Kaewai, and Kalihi Waena (above) elementary schools received free Sackpacks thanks to Senator Kim, the National Foundation for Women Legislators, and the Office Depot Foundation. This was the senator's second consecutive year to be selected to give out the Sackpacks to her district schools.

The free Sackpacks were filled with essential back-to-school supplies, including a ruler, crayons, a pen, pencil, pencil sharpener, and eraser. The senator chose those schools because they are among Oahu's campuses with the highest number of students who come from low-income families and have a large percentage of students receiving free or reduced-cost school lunches.

"Going back to school should be an exciting time for children who head back to class with all the tools they need to learn. But for families where money is tight, this isn't always the case," said Senator Kim. "Having the opportunity to give these kids a small dose of this excitement and giving them the confidence they need to succeed this school year through this program warms my heart."