



HOUSE REPUBLICAN CAUCUS
HAWAII STATE CAPITOL – HONOLULU, HAWAII

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**The Governor's State of the State Address:
5 Things We Can Agree On, 5 Areas for Improvement**

HONOLULU – Today, Gov. David Ige delivered his annual State of the State Address. While the Minority Caucus can agree with the governor on many things, there are also issues that still need to be addressed.

5 Things We Can Agree On

1. We Need More Affordable Housing

The state is far behind in meeting our affordable housing needs. We've proposed several measures to encourage more affordable housing, including more options for individual units and removing the cap for the Rental Housing Revolving Fund. The Minority Caucus also supports sustainable maintenance of existing housing options to avoid costly situations like the Mayor Wright Homes lawsuit.

2. Tax Modernization is Important

Better technology ensures that we collect the taxes the state is owed under the current rates, allowing for more effective budgeting and planning. It also provides needed relief in returning tax refunds to those who need it in a timelier manner.

3. Heat Abatement Needs to be Addressed

The problems with heat abatement in our schools has been a subject discussion for years. The Minority Caucus proposes a tax credit for private entities installing solar energy units in schools along with greater flexibility for principals in infrastructure development projects.

4. We Need to Aggressively Pay Down Unfunded Liabilities

We need to be aggressive in paying down our state's debts and unfunded liabilities before we start looking to new spending. It's a costly expenditure, but something the state needs to take seriously.

5. The Government Should Follow the Law

The process matters, and the government is not above the law. It is accountable to the people it represents. The better the government is at meeting its obligations, the less waste there will be.

5 Areas for Improvement

1. Cost-of-Living and Tax Relief for Middle and Low Income Families

Living in Hawaii is very expensive, and wages haven't been increasing in tandem with the cost-of-living. This makes the working poor vulnerable to ending up on the streets. The Minority Caucus proposed income tax reductions for those who most need it, and exempting necessities like food and Section 8 rentals from the GET.

2. Structural Changes to Departments to Speed Up Operations

It's good that the Department of Transportation reduced its backlog of projects funded by federal money. However, we didn't hear anything about the changes made to the bureaucracy, or changes that still need to be made, that caused the problem in the first place.

3. Systemic Problems that Discourage an Innovative Economy

We agree that diversifying our economy needs to be done and will provide the state with better economic security. However, providing money for businesses won't be enough. We also need to address our tax structure and the education of our workforce, systemic issues that can keep businesses away.

4. We Need Better Mental Health Facilities, But We Also Need Staff

We support building a forensic mental health facility. But adequate staffing is also an issue, and we addressed both in our package. And on a broader level, we need to address mental health needs earlier, in schools and in the criminal justice system, by putting more resources toward better assessing mental health needs on the front end. This would relieve overcrowding at the State Hospital and free up spaces for civil commitment patients.

5. Public Safety Needs More Attention

While a new, updated prison facility is needed and can provide cost savings, the budget is limited and it may be a lower priority than addressing the systemic problems that can lead to criminal behavior and recidivism in the first place. In addition to addressing poverty, we need to effectively fund our statutorily mandated re-entry program and offer opportunities to keep people out of prison as opposed to creating more space to keep them in. Also, the security at our public buildings is lacking, something we proposed initiatives to address.

The House Minority Caucus is comprised of Minority Leader Beth Fukumoto Chang, Minority Floor Leader Feki Pouha, Minority Leader Emeritus Rep. Gene Ward, Minority Whip Rep. Lauren Cheape Matsumoto, Assistant Minority Leader Rep. Bob McDermott, and Assistant Minority Floor Leader Rep. Cynthia Thielen, and Minority Policy Leader Andria P.L. Tupola.

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