

**Hawai'i 2050 Sustainability Task Force
Hawai'i State Capitol, Room 414
July 25, 2007
Minutes**

Members Present: Senator Russell Kokubun, Senator Suzanne Chun Oakland, Senator Mike Gabbard, David Goode, Marion Higa, Millie Kim, Keith Kurahashi, Brad Kurokawa, Representative Colleen Meyer, Keith Rollman, Stacie Thorlakson, Senator Jill Tokuda, Michael Tresler, Pamela Tumpap

Members Not Present: Representative Lyla Berg, Representative Pono Chong, Ian Costa, Henry Eng, Jeffrey Hunt, Karl Kim, James Spencer, Jane Testa, Laura Thielen, Beth Tokioka, Representative Ryan Yamane

I. Call to Order. A quorum was established. Chair Russell Kokubun called the task force meeting to order at 1:37 p.m. on Friday, July 25, 2007, at the Hawai'i State Capitol in Room 414. Introduction of task force members. Senator Suzanne Chun Oakland informed the task force that this would be her last meeting she would be attending as a task force member and announced that Senator Ron Menor will replace her on the task force. Chair Kokubun elaborated on Senator Chun Oakland's earlier comments saying that the task force will be going through a transitional period with regards to membership and that Senator Menor, Chair of the Senate Committee on Energy and Environment, will sit as a member of the task force.

II. Review and Approve of Minutes. The June 12, 2007 draft minutes was distributed to task force members. Chair Kokubun entertained a motion to approve the minutes. Millie Kim moved to approve the June 12, 2007 minutes; Senator Mike Gabbard seconded the motion. The task force unanimously approved the June 12, 2007 minutes.

Chair Kokubun asked if there are any objections to having discussions on agenda items taken out of order. Chair Kokubun would like to begin with discussions on agenda item V. No members objected.

III. Discussion and Approval of Goals, Strategies and Measures. Chair Kokubun informed members that the handout on the Hawai'i 2050 Sustainability Agenda includes the task force's suggestions made at the July 6, 2007 meeting. The task force has sought the input of the native Hawaiian community (Kanaka Maoli), business leaders, and environmental community, which have also been provided. Since their input is still being received, action to approve the goals, strategies and measures will be taken at the next meeting.

Chair Kokubun acknowledged and thanked the work by the Community Engagement Work Group, specifically Leland Chang and Janis Reischmann, who put together an 87-

page report that was the foundation for the sustainability agenda and the work going forward. He encouraged all members to review the report which is available online.

Bill Kaneko informed members that the handout distributed (Draft 5.1.1) reflects the comments and suggestions from the last task force meeting and inquired if members were comfortable with the “base” document. Bill also highlighted key revisions. The third paragraph in the Vision was significantly scaled-down and used language that was more aspirational. The Definition and Guiding Principles remained the same. Kem Lowry reformatted the Goals and Strategic Initiatives to identify the actual sub-goals and strategic actions.

Bill acknowledged comments received from Beth Tokioka regarding her concerns with Goal 2 focusing on science and engineering jobs and skills and suggested a more general initiative like how many people in the workforce has some type of college degree. She also suggested changing the language of the third strategic action in Goal 3 to read, “Increase landfill diversion through locally develop strategies and technologies such as source reduction, recycling, composting, waste to energy, etc.” and add another indicator in Goal 5 to track the number of cultural festivities held annually on all islands.

Leimomi Kahn presented key recommendations from the Hawaiian Working Group on the Goals, Strategies and Measurements. The group recommended that the ancestral term “Kanaka Maoli” be used throughout the document in place of the term “Native Hawaiian.” Kanaka Maoli means true, real, genuine, belonging and returning to the land. The group also recommended using the term “self-sufficiency” instead of “living wages” and suggested additional strategic actions and initiatives to Goal 1.

A summary report from the Hawai‘i 2050 Business Leadership Council’s July 24, 2007 meeting was distributed to members. The report expressed comments and recommendations of the council on the draft of the Goals, Strategies and Measures. Chair Kokubun informed members that the council will meet again and would like another opportunity to review the final draft plan. Chair Kokubun also added that a comment the council had was that there a narrative statement explaining the assumptions of each goal.

David Turner commented that agriculture also be considered as a sustainability-related industry in Goal 2 and in relation to the indicator of the number of post-secondary science and engineering students, consider measuring how many young people return to the land to earn a living. He also suggested rewording Goal 4 in the form of a sentence like the other goals.

Chair Kokubun informed members that the first SMS Research telephone survey has been completed and results of the survey will be presented to the task force at the next meeting.

IV. Review of the Hawai‘i 2050 Summit. A Hawai‘i 2050 Sustainability Summit Update was distributed to the task force. Chair Kokubun commented that travel scholarships

were provided at the first summit and believes it was key to the summit's success and would like to provide scholarships again. The update outlined proposed amounts of travel scholarships for each county. The registration fee for the summit will remain at \$20.50 like the first summit.

Representative Colleen Meyer had concerns that the amounts being expended on scholarships were very generous and inquired if the registration fees were included in the scholarships and would task force members determine who receives the scholarships. Chair Kokubun and Pamela Tumpap responded that registration fees are included and that members would determine who would receive scholarships from guidelines established by each county's respective task force members. Representative Meyer inquired if the county mayors had input in the selection process. Pamela responded that for the County of Maui, the mayor was not involved. David Goode commented that he thought the process worked very well. He volunteered his office to coordinate the process and they received as many requests as there was money. Most recipients were students from Kamehameha Schools-Maui and recipients expressed gratitude for receiving the scholarships. There were also many residents who attended that did not request scholarships. Representative Meyer commented that it shouldn't be too hard to sell free airfare and again expressed concern that \$20,000 of taxpayer's money is being spent and may appear to be that we are "buying" support. Pamela and David responded that there was a screening process to determine that those who received scholarships were in need and they also made a commitment to attend. In the case of Kamehameha School students, they made a commitment to continue participating in sustainability efforts. Pamela added that the intent behind the scholarships was to have broad community participation and to engage those who otherwise would not participate because they could not afford it. Chair Kokubun further added that a major concern of neighbor island residents is that most major events are held on the island of O'ahu and are precluded from attending and providing input.

Chair Kokubun entertained a motion to approve the amounts proposed for scholarships. Millie Kim moved to approve the amounts, Pamela Tumpap seconded the motion. The task force unanimously approved the amounts proposed for scholarships for the Hawai'i 2050 Sustainability Summit.

V. Discussion and Approval of the Recommendations from the Accountability Work Group. For discussion, Chair Kokubun asked task force members to refer to two documents prepared by the Accountability Work Group (AWG)—Decision Tree, July 25, 2007 and Report from the Accountability Work Group, July 6, 2007.

Chair Kokubun briefly summarized the presentation of the AWG at the last task force meeting. Senator Norman Sakamoto, Mark Fox, and Representative Kirk Caldwell presented the AWG's recommendations to the task force and clarified questions task force members had on the recommendations. Chair Kokubun recognized Representative Caldwell and thanked him for being available to respond to further questions from members.

Chair Kokubun began discussions by stating the one of the most important aspects of why this sustainability plan differs, in particular, from the State Plan and 12 Functional Plans is that the issue of accountability will be carried out by a neutral group. This group would be made up by a cross-section of the community and function outside of government and would be responsible for measuring whether or not benchmarks have been met and issuing “report cards” to the community on how goals are being reached.

Chair Kokubun opened discussions on the work group’s first recommendation and asked if members had comments or questions on why this implementing entity needs to be established and if there are any objections to the name of this entity. There were no comments, questions, or objections from members. Chair Kokubun continued discussion on the composition of the implementing entity.

The AWG recommended the council be comprised of 15 members, 5 government representatives and 10 public members. The governor and four county mayors would each designate (1) government representative. The public members would be representatives from of the following areas of expertise and interest: Native Hawaiian, business, labor, environment, culture, the visitor industry, the military, agriculture, college students, and high school students. Each member would serve a four-year staggered term.

Chair Kokubun asked if there are any objections to a 15-member council. Representative Colleen Meyer commented that a four-year term may be too long for a high school student. A student would not be able to fulfill their four-year term if they began their term as a sophomore or later. Senator Suzanne Chun Oakland commented that the areas of expertise and interest did not include representatives from the education and health and human services sectors. Chair Kokubun responded to Senator Chun Oakland’s comments saying that he believed that the work group agreed that education is a key component of the plan and addressed the issue by including college and high school student representatives as part of the council. He also added that were many other areas of expertise on the list and the group decided that this was the best representation for the council. Senator Chun Oakland has always supported student participation in the process, but added that an education representative is needed to have a systemic impact on the educational system.

Senator Jill Tokuda had concerns with the specificity of the designation of the ten members. When you are specific in these areas, representatives from areas not listed will want to be included. Senator Tokuda also had concerns with the nomination process for membership of the council and suggested having specific entities as the nominating agents to make recommendations for the governor’s consideration rather than the work group’s recommendation of having the Senate and House nominate a candidate from each area for the governor’s consideration. Chair Kokubun commented that he believed the intent of the work group was for the legislature to select candidates from the input of the broad section of the community with those interests. Senator Tokuda added that she felt the legislature may have too much involvement in the process.

Brad Kurokawa commented that sustainability happens when the grassroots level and top leadership come together and suggested there be representation from each of the four counties and the State on the council. Each county and the State could have their own “local” council or commission who would select their representative to the council. Pamela Tumpap questioned the interaction of the “local” council. Brad responded that the “local” council would report back to the larger statewide council. Millie Kim added that Brad’s suggestions puts the State entity into a more “steering committee” role and engages more of the interest in the local county level.

Chair Kokubun captured input by task force members:

- use interest areas as guidelines or characteristics for membership and add an educator and health and human services to the list and
- more county participation.

Keith Kurahashi commented that he understood the counties’ concerns with having representation on the council but believes the intent of the recommendation was to have a good mix of people on the council—individuals from the Native Hawaiian, business, and labor, for example, could all come from Maui or the Big Island. He also added concerns that if the counties are to select representatives to the council, the mixture of interest areas may be lost—each county, for example, could select someone from tourism and then the council would have four members representing tourism. He suggested keeping the membership guidelines but have each county select two or three non-voting members who would have input in the process.

Brad commented that participants of this council need to be open and broad-based and not have a narrow focus. Senator Chun Oakland clarified that Brad was suggesting that the counties’ one member representative be increased to two or three, not taking into account population size. Brad confirmed Senator Chun Oakland’s comments and added that although they may represent each county, there is the need to focus on the larger statewide picture. Senator Chun Oakland added if Brad would be in favor of the suggestion of having non-voting members. Brad responded that he was open to any suggestions. Chair Kokubun commented that the idea of the council was to have a cross-section of the community and not appear to be heavily government. Brad added that the counties could select someone from county government or private sector. Pamela added her concerns that the public would still view that as “government” since the selection is being made by government officials and that organizations would like to be part of the process.

Chair Kokubun suggested the following composition of the council:

- Five government representatives—designated by the governor and each of the county mayors,
- Four public representatives—one resident from each county, and

- Six public representatives—“at-large” members.

Representative Colleen Meyer commented that there still may be public perception of the council having too much government involvement with the governor and county mayors each designating a member and the Legislature providing the nominations for the remaining members. She suggested having organizations like the Farm Bureau or Board of Regents provide nominations for consideration.

Representative Chun Oakland clarified if education and health and human services were added to the list of areas of expertise. Chair Kokubun responded yes. Stacie Thorlakson suggested adding science and technology to the list since a number of goals and strategies in the agenda addressed this issue.

Chair Kokubun asked members if there were any objections to the proposed composition of the council. No member objected.

Chair Kokubun addressed task force members’ concerns on the nomination process for the council. The AWG recommended that the Senate and House each nominate one candidate from the recommended categories to the governor for selection to the council. Members felt that the nomination of candidates should come from community organizations with interests in the identified areas. The names of candidates will be submitted to the governor for selection to the council. The members will be subject to confirmation by the State Senate. Chair Kokubun was comfortable with this suggestion but added that the House has been an integral part of this process and would have lesser role since they are not part of the confirmation process.

Millie commented that she doesn’t see that as an issue since that distinction is part of both houses of the Legislature and is unavoidable. Senator Tokuda commented a House committee chair or member could nominate a candidate for consideration. Pamela added that the nomination process should not be limited to only organizations with interests in the identified areas but anyone from the community should be allowed to submit a nomination. Bill Kaneko asked for clarification on the suggested nomination process. The task force responded that anyone from the community would be allowed to nominate a candidate in accordance with the guidelines of the areas of expertise identified and county residency requirement to the governor for consideration and the governor’s selection of members will be subject to confirmation by the State Senate.

Chair Kokubun commented that the proposed nomination process would be a little “open-ended” in the sense that there will probably be so many names submitted that you may not get the intended cross-section of areas of expertise. Bill added areas of expertise are only guidelines and have no force of law. Chair Kokubun further commented that the current nomination process allows organizations and individuals to submit recommendations to the governor and the task force could follow the same process.

Stacie suggested that the task force could receive the nominations and present its recommendation to the governor. Keith Kurahashi commented that he has no problem with the AWG's recommendation on the nomination process since part of the recommendation is to solicit a call for nominations from the general public. Senator Chun Oakland clarified that the proposed council will be an on-going body and put forth the efforts of the task force. Senator Chun Oakland also added the possibility of somehow engaging all nominees to aid in the efforts of the council and the sustainability process. Chair Kokubun commented that the AWG has had discussions of establishing advisory groups under the council.

Beth Tokioka has sent in comments that there should be a nominating committee of five, the governor and the four mayors with three names per category. Then the governor would choose from the names sent to her.

Representative Meyer again voiced concerns with having only the Senate and House making the nominations and does not approve the changing of the current nomination process. For example, the Farm Bureau or organic farmers would have better knowledge of candidates from the agriculture community who could be possible members to the council. Senator Chun Oakland commented that her understanding was that interest groups would be allowed to submit nominations directly to the governor. Chair Kokubun commented that that is the structure of the current nomination process. If the task force chooses to follow the current process, it would recommend that certain parameters be used in the composition of the council. For background information, Bill commented that HTA has categories by which their members are required to reflect the composition of membership.

Senator Tokuda inquired if the AWG's recommendations are also subject to public review. Chair Kokubun responded that the recommendations will be part of the draft plan.

Chair Kokubun entertained comments from the audience. Paul Berry commented that this body would require broad legal and planning experience. Chair Kokubun noted that administrative support would be necessary for this body. Paul Berry commented that administrative support could be perceived as "political." Leimomi Kahn suggested that a representative from the Office of Hawaiian Affairs (OHA) be included as a government representative to the council. Janis Reischmann suggested that the task force consider residency requirement from each island rather than each county. David Arakawa suggested that nominees have broad statewide knowledge in the various identified areas of expertise and commented land use was not included in the areas of expertise. Clifton Takamura commented that college students may be better representatives on the council than high school students and suggested including community leaders in the areas of expertise.

Keith Kurahashi suggested having the high school student's term to be for two years beginning from their junior year. Pamela commented that the task force should consider the residency requirement by island and not county.

Chair Kokubun entertained comments from the task force on the recommendation to have no more than five task force members initially on the council. Representative Meyer was unclear on the composition of the initial council—would the five current task force members reduce the number of public members on the council since the governor and mayors would designate a representative to the council. Chair Kokubun clarified by saying that the five current task force members would have to meet the same membership criteria as other nominees. For example, a current task force member could qualify by being the governor’s or mayors’ designee or be a representative of one of the areas of expertise. Bill noted clarification for the recommendation for the “*Interim Board*” *Composition and Selection* by restating the last sentence to read, “The AWG recommends that at least five (5) H2050 Task Force members of the suggested fifteen (15) members of the Sustainability Council be initially appointed, to be ultimately transitioned out due to term limits.”

Chair Kokubun opened discussion on the AWG’s recommendation on scope and function of the sustainability council and noted that “awareness” should be changed to “education” in the fifth listed core functions. With regards to the recommended advisory sub-groups, Chair Kokubun commented that these were suggestions and that the council could create their own advisory sub-groups.

Senator Chun Oakland suggested including as a core function the ability to recommend legislative initiatives or policy changes. Chair Kokubun responded that the intent of the fourth bullet under Core Functions was to address the issue but could be rewritten to address it more clearly. Chair Kokubun asked task force members for other suggestions or comments on the recommended core functions or advisory sub-groups. Chair Kokubun commented that the advisory sub-groups were reflective of the goals and measurements. No response from members. Bill inquired if community resiliency should be removed from the list of sub-groups since that goal was integrated into other goals.

Senator Chun Oakland inquired which sub-group would education, as it relates to courses and curriculum, come under. Bill responded that it is addressed in Goal 1 and would fall under the first sub-group, Marketing and Public Awareness, which will be reworded for clarification.

Chair Kokubun continued with discussion on the work group’s recommendation on the dedicated funding source. Chair Kokubun commented that a problem in determining a source of funding was due to the fact that the work group did not know how much money would be needed to carry out the functions of the council. The work group estimated that it would take a couple hundred thousand to initially run the council.

Representative Meyer commented that the Compliance Resolution Fund should not be included as a possible source of funding. Chair Kokubun agreed. David Goode inquired if the plan was passed and a council established but there was no dedicated funding, could the legislature appropriate the necessary funding. Chair Kokubun responded that it

could happen but most likely not. There are many programs established in the statutes that are not functioning due to the fact that there is no source of funding. David commented that from the sources suggested, he favors the Bottle Bill and suggests that the Clean Air Special Fund be removed from the list of possible sources of funding. Millie commented that without dedicated funding, the implementation of the plan would probably not succeed and all possible special funds should be listed because it is easier to eliminate rather than add additional possibilities.

Chair Kokubun commented that the work group first considered having the council administratively attached to the Governor or Lt. Governor's office, but opinions from the Attorney General have stated that neither office can act as an attached administrative agency. The AWG therefore recommended that the Office of the Auditor or the Department of Business, Economic Development, and Tourism (DBEDT) be considered to act as the attached administrative agency. There was concern if the Office of the Auditor would be able to audit this body—the Auditor auditing itself.

Marion Higa informed the task force that currently the State Ethics Commission is administratively attached to the Office of the Auditor, but operates independently and manages its own budget. The Auditor contracts a CPA firm to conduct financial statement audits of the four legislative service agencies—Office of the Auditor, Office of the Ombudsman, Legislative Reference Bureau, and Ethics Commission. The contractor works independently and submits separate reports for each agency. Every three years, the Auditor's office is also audited on its performance by auditors from other states. These audits are conducted under the direction of the National State Auditors Association (NSAA) or the National Conference of State Legislatures (NCSL).

Pamela commented that the work group did look at all options and seem to lean more towards having the council administratively attached to the Auditor's office but had concerns regarding the auditing function. After clarification from Marion, she favors that the council be administratively attached to the Auditor's office.

Representative Meyer clarified that these were only recommendations and that it would still need to go through the legislative process. Chair Kokubun added that this would be part of the draft sustainability plan which the community will have an opportunity to comment on.

Chair Kokubun entertained comments from the audience. Tom Smythe commented that DBEDT has a lot of experience, having nine attached agencies. He believes the council would be a good fit in DBEDT but cautions that it should be a truly attached agency with its own staff and funding. There are some administratively attached agencies that are staffed internally which have created some problems with the funding of these agencies because expenditures such as staffing, travel for board members, etc. are taken from DBEDT's budget. He recommends that if the council is attached to DBEDT, it should be an attached agency with its own budget and the council could use the resources of the other division within DBEDT.

Mahealani Wendt suggested that the task force consider including as a core function of the council the convening of an annual or biannual summit and also suggested renaming the summit with a more appealing name like People's Conference to create more excitement in the community. She also asked that the task force consider their suggestion on having an OHA representative be a (government representative) member on the council.

David commented that he favors having the council administratively attached to DBEDT. He sees the Auditor's office primarily as an internal government function and its core functions are within government. On the other hand, he sees DBEDT as reaching out to the broader community—business, economic development, tourism, energy, etc. He also suggested adding Sustainability to the department's name. Chair Kokubun commented that his dream and hopes are that sustainability will someday warrant its own department. Brad commented that if the intent is to have a sustainability department then it should be stated in the plan. Senator Chun Oakland suggested having a sunset evaluation on where the council would best be attached to.

Senator Chun Oakland suggested that since the council would be a new entity, more frequent reviews should be conducted at first; then after a few years, reviews could be conducted every five years. Chair Kokubun clarified that the council would be under review every year. Senator Tokuda added that if the council is established, it would need to come before the legislature for funding and the council could be asked questions on its performance at that time.

Bill clarified that an audit would be done every five years by an external entity to be determined and the council would update the plan and conduct the periodic plan reviews.

Pamela suggested that if the intent is for the council to report to the legislature, that function should be listed as one of the council's core functions. Senator Chun Oakland commented that she believes that there needs to be some kind of public forum where the council would be obligated to report to the community and also added that a written annual report would not achieve this.

Representative Meyer also had concerns that since the council is a fledgling entity, an audit may be needed sooner than five years. Chair Kokubun asked Marion what is a typical audit schedule. Marion responded that operation audits of her office are done every three years, but financial audits are conducted every year, but added it also depends on what type of audits are being conducted. Chair Kokubun suggested recommending that financial audits be conducted every two years and periodic plan reviews conducted every five years.

Chair Kokubun revisited the issue of OHA and the composition of the council. He recommended that OHA be included as a government representative on the council, but have Kanaka Maoli removed from the list of expertise and interest areas. Marion clarified that there would be six government representatives and nine public member

representatives. Chair Kokubun responded that Marion’s understanding is correct and added that this was his recommendation that is open for discussion.

Senator Chun Oakland suggested keeping the native Hawaiian or Kanaka Maoli as a part of the guidelines. Chair Kokubun agreed and added that the recommendation would be to keep the membership to 15.

Keith Kurahashi asked for clarification on “culture” as an expertise and interest area. Chair Kokubun responded that there is a need to recognize our diverse cultural island and Kanaka Maoli would be recognized as the host culture, but all other ethnic cultures should be recognized as well. Pamela suggested clarifying “culture” so not to be confused with, for example, culture and the arts. She also suggested including language to explain the inclusion of OHA as a government representative.

Bill confirmed the recommended composition of council members—six government representatives (one each designated by the governor, county mayors, and OHA), nine public member representatives (four of which shall be residents of each county and five “at-large”). The following expertise and interest areas shall be added to the AWG’s recommendation: health and human services, education, multi-ethnic culture (replaces culture), science and technology, legal, and land use.

Senator Tokuda suggested including language that the composition of the council membership should reflect the strategic initiatives outlined in the sustainability plan.

Mike Tresler suggested using the council’s advisory sub-groups to address concerns in specific areas. Millie agreed that broader interest areas should be used. If you become more specific, the list would become endless.

Chair Kokubun suggested that the report include details of the membership including but limited to the interest areas specified in the guidelines but the statute would include membership of the nine public members, four of which have residency requirements in each respective county. Bill commented that if the legislation does not include the guidelines, there will be no guidelines. Senator Chun Oakland suggested including the guidelines in the legislation but listing the areas of expertise in the report. Chair Kokubun agreed to include the guidelines in the legislation but added that the report would still go through more public review and when people see that their interest is not included, they will want it included. Where do you draw the line?

Keith Rollman commented that with only 15 seats on the council, members would need to have a multiple range of expertise. Success of this council is dependent on each member’s individual qualities, not the task force’s ability to specify the appropriate areas.

Chair Kokubun entertained a motion to adopt the recommendation from the Accountability Work Group, as amended. Senator Jill Tokuda moved to approve the recommendations as amended; Representative Colleen Meyer seconded the motion. The

task force unanimously approved the Accountability Work Group's recommendations as amended.

- VI. Report on Other Activities.** Marion Higa briefly updated the task force on the Statement of Qualifications being solicited for technical assistance to the State Auditor and the Hawai'i 2050 Task Force. The solicitation is similar to the previous solicitation where firms interested in providing their services to the task force under the new appropriation may submit their statements by August 3, 2007 to the Office of the Auditor.

The Hawai'i Business Breakfast Forum will be held on Friday, July 27, 2007 at the Hawai'i Prince Hotel and the topic for this forum is Water.

As part of Act 211, Marion also informed members that BrandCentrics, Inc. of Los Angeles has been awarded to conduct an assessment of the feasibility and benefits of establishing "Hawai'i" as a brand name. Marion also mentioned that some members may be contacted by BrandCentrics' local affiliate, OmniTrak, for interviews. They will also survey various sectors to assess how Hawai'i as a brand is already being used.

- VII. Next Steps; Plan for Future Meetings.** The next meeting is scheduled for Thursday, August 16, 2007 from 1:00 p.m. to 5:00 p.m. Members will be notified of the location of the meeting when confirmed.
- VIII. Adjourn.** Chair Kokubun thanked task force members and the audience for their participation at the meeting. The meeting was adjourned at 4:47 p.m.