

COUNCIL ON REVENUES

Office on Aging Conference Room
No. 1 Capitol District Building
250 S. Hotel Street
Fourth Floor, Room 410
Honolulu, HI 96813

March 13, 2013
2:00 p.m.

PRESENT:

Council Members:

Richard F. Kahle, Jr. (Chair), Jack P. Suyderhoud (Vice-Chair), Carl S. Bonham,
Christopher Grandy, Kristi L. Maynard and, Marilyn M. Niwao

Staff Members:

Department of Taxation (DOTax): Donald Rousslang, Hamid Jahanmir and
Jacquelyn Guitguiten

Department of Budget and Finance (B&F): Terri Ohta, Gregg Hirohata-Goto and
Donovan Chun

Others:

Wayne Yoshioka, KHPR
Paul Harleman, Senate Minority Research Office
Marc Takei, House Minority Research Office
Susan Hirai, Senate Ways and Means
Roderick Becker, Senate Ways and Means
Sharon Kotaka, Budget and Finance
Lowell Kalapa, Tax Foundation of Hawaii
Ben Gutierrez, Hawaii News Now
Titin Sakata, Department of Taxation
Eugene Tian, DBEDT-READ

ABSENT:

Council Member:

Avery Aoki

CALL TO ORDER:

Chair Kahle called the meeting to order at 10:00 a.m. with a quorum present.

COMMUNICATIONS TO THE COUNCIL:

None.

MINUTES OF THE MEETING OF JANUARY 3, 2013:

Chair Kahle asked the members for comments on the minutes of the January 3rd meeting. There were no comments. Chair Kahle asked for a motion to accept the minutes.

It was moved by Ms. Maynard and seconded by Ms. Niwao that the minutes of the January 3, 2013 meeting be accepted. The Chair called for the vote, and the motion passed with the following votes:

Richard F. Kahle, Jr.	Yes
Jack P. Suyderhoud	Yes
Avery A. Aoki	Absent
Carl S. Bonham	Yes
Christopher Grandy	Yes
Kristi L. Maynard	Yes
Marilyn M. Niwao	Yes

GENERAL FUND REVENUE FORECAST:

Chair Kahle asked Dr. Suyderhoud to lead off on the discussion of the general fund forecast. Dr. Suyderhoud noted that his economic forecasts implied, according to the DOTax model, that revenue growth for FY 2013 would be 8% before the below-the-line adjustments. He asked if, after adjusting for anomalies in processing of refunds, the estimate was for 8% growth, based on last year's collections. Dr. Rousslang said that was correct, assuming refunds this year would've been the same as last year, but for the processing lags. Ms. Maynard asked if there were any indication that the refunds might be bigger this year because of tax credits. Dr. Rousslang said we won't know the answer to that question until the end of the fiscal year. Chair Kahle said it seemed that the amount of taxes being paid is higher on a year-to-year comparison. Ms. Maynard said she thought there might be a substantial increase in refunds this year owing to the solar credit.

Ms. Niwao said there were questions about the delay in refund processing and whether they would be paid out by the end of the fiscal year. She said a lot of people were calling her to complain about a delay in refunds. She added that there were also filing delays this year, so with the deposits being made but the refunds not being paid out, the general fund revenue growth is inflated. She said the effect of tax refunds, including those caused by the solar credit, may not be reported until May or June, 2013, causing a need for last minute downward adjustments to the general fund growth forecast. She asked whether the refunds would be processed before the end of this fiscal year. Dr. Rousslang answered that the Department expected to be caught up with processing of returns by the end of the fiscal year. Ms. Sakata noted that this year the Department started Modernized Electronic Filing for taxpayers who filed federal returns with their State returns and that the integration would take a while -- we were not able to process the individual income tax returns, most of which are refunds. In terms of number of returns processed for January and February, 174,000 fewer returns were processed than the same period last year. But as of the end of the week of March 3rd, we have processed 101,000 ahead of March of last year, so we're slowly catching up. Dr. Bonham asked for clarification. Ms. Sakata said that in January and February of last year, the Department processed 213,473 returns total, but that in January and February of this year, we only

processed 39,470 returns, or 174,000 fewer returns than last year. But as of the end of the week of March 3rd we had processed 150,000 returns vs. 48,000 returns last year.

Ms. Niwao asked if most of the refunds were now coming through in March. Ms. Sakata said that usually the early individual income tax returns are for refunds and that people make payments later, in April or May. Ms. Maynard asked if she knew the amount of refunds for returns processed in March. Ms. Sakata said she did not have those figures.

Ms. Niwao asked if the numbers Ms. Sakata had cited were for just electronic filings, or paper filings as well. Ms. Sakata said her figures were for all the returns. Ms. Niwao asked if the Department expected to catch up with paper filings as well. Ms. Sakata said yes, we're catching up with both paper and electronic filings.

Dr. Suyderhoud asked if DBEDT (Department of Business, Economic Development & Tourism) had changed its estimates of the solar credit. Dr. Tian said no, they believe the estimates are still okay, because HECO (Hawaiian Electric Company) connections for 2012 were about 93 megawatts, whereas they were only 39 megawatts last year. He said that the increase was about 2.4 times and that based on tax credit payments for 2011 of \$65.4 million that implied credits of about \$160 million for tax year 2012 to be taken in 2013. Ms. Maynard asked whether the 93 megawatts was as of the end of the year. Dr. Tian said it was for 2012 HECO connections. Dr. Bonham asked if there were additional installations at the end of the year for which credit could be taken in 2012. Dr. Tian said yes. Dr. Suyderhoud asked if that were new connections. Dr. Tian said yes, that's new connections, not a cumulative amount.

Chair Kahle asked Dr. Bonham for his general fund forecast. Dr. Bonham said he thought they should adopt the above-the-line forecast from the DOTax model. Ms. Niwao asked if he meant the below-the-line forecast. Dr. Bonham said no, the below-the-line forecast from the model was way too low and that the above-the-line numbers looks a lot more plausible. He said he understood that part of the reason for the 12% growth in collections over last year at this time was caused by the slow-down in refunds. He said he ran his model under the assumption that the growth rate for the first two months would hold for the quarter to get a full quarterly observation for his model, which uses quarterly data. He then ran the model to get a forecast for the remaining quarter of the fiscal year. Then, he reduced the forecast to account for the delayed refunds, to about 9% and got growth rates for the whole fiscal year of about 9%.

Dr. Suyderhoud asked Dr. Grandy what growth rate he got for the entire fiscal year.

Dr. Grandy said he got 9% for this fiscal year and 6.5% for the next. Dr. Bonham asked if those were above-the-line figures from the Tax Department's models. Dr. Grandy said no, that the Tax Department's model gave him above-the-line forecasts of about 6% to 7% depending on the model. He said he agreed that the model was under-forecasting and that his personal forecast for general fund tax revenue was for growth of 9%. He said his calculations indicated that general fund revenue would have to grow at 3.75% for each of the next 4 months to get the total down to 9%. He said he adjusted his growth estimates to account for both the sequester and the refund story. Ms. Maynard asked what adjustments were made to account for the sequester. Dr. Grandy said he reduced growth in U.S. GDP (Gross Domestic Product) by .3 or .4 percentage points.

Dr. Bonham said there was little additional effect besides that on GDP, some of which will come through the US channel but some of which is direct. Dr. Bonham said his model took into account the effects of the furloughs and took out about \$500 million of activity in civilian federal employee income in the federal fiscal year, which runs through September and a couple hundred million out of construction projects. He said they did not try to estimate the losses to non-profit agencies, but a back of the envelope calculation might provide a number as high as .8% or .9% of GDP as the direct effect of all sequester spending. He said that was about what DBEDT came up with, not counting any multiplier effects which might come later on.

Ms. Maynard asked if that meant the calculations did not count the fact that not only salaries, but also spending would be down.

Dr. Bonham said his models do account for the effects on spending, but he was describing the amount that might be cut from federal spending in Hawaii that would be entered into the model, which was that GDP would be about 1% lower.

Ms. Niwao said the numbers for the cuts in State grants did not include cuts in the National Institutes of Health (NIH) federal research grants, nor did they include competitive grants. NIH cuts would include the cuts to higher education (such as to the University of Hawaii). Also, Department of Interior, National Parks, Fish and Wildlife services provide competitive grants that might be cut. Those cuts were not included in the study that Dr. Bonham had.

Dr. Bonham said the 1% figure he gave was not based on the FFIS (Federal Funds Information for States) study, but was based on looking at total federal spending in the State of Hawaii from the consolidated reports of the Census Bureau. He said total federal spending in 2010 (the last year we had a report) was about \$21 billion and it's broken down by agency, not by grants like the FFIS.

Ms. Niwao asked if that's where Dr. Bonham got figures for defense spending. Dr. Bonham said one could get the defense numbers from there by looking at how much was spent on defense and taking out the salaries and wages of uniformed military personnel, because they are exempt.

Ms. Niwao said she was told by a number of people that information for non-profits and all the agencies is not available. She said she has seen a lot of money coming through because Senator Inouye directed a lot of the agency grants to non-profits in Hawaii. She said she was concerned that Hawaii has been the beneficiary of a lot of federal grants directed to non-profit agencies that is not incorporated in the information that is summarized anywhere.

Dr. Bonham suggested trying to put some boundaries on the issue. He said it is probably safe to say that there wasn't more money going to non-profits through direct grants than was going to the Department of Defense. Ms. Niwao said the competitive grants, the research grants, also were not included anywhere. Dr. Bonham said the University was getting notices from people at the NSF (National Science Foundation), NIH, and others that they would try to lessen the impact on ongoing projects. In other words, they would cut back on new grants and try to protect the funding of existing grants. He said this implied that the impact is likely to be delayed, perhaps even until 2015. He said he expected to see some backing off of the sequestration when we get a new resolution, before March 27. He said there were signs that would happen, such as a House Bill that would basically give the military much more flexibility, and that it would be considered by the

Senate. He said he expected amelioration of the effects of sequestration on the non-profit organizations. He said we don't know how much that would be, but they would be included in their model, which incorporates the effects of federal government spending on personnel and income. Ms. Niwao asked if those effects included the 20% furloughs and the multiplier from that. Dr. Bonham said the multiplier was built into the models, but that most of the effect would show up in FY 2014 not in FY 2013.

Ms. Niwao asked about the effects of people on the mainland facing these cuts and the effect on the visitor industry. Dr. Bonham said that effect would not be very big. He noted that their visitor forecast has increased, their construction forecast has increased and so the end result is that their forecast could actually end up being higher than it was a quarter ago, despite the fact that it would be lowered because of cuts in federal spending.

Ms. Niwao said a lot of spending is starting to come down because the Japanese yen is depreciating vs. US dollar very recently. Dr. Bonham said that effect was built into their forecast also. He said he thought they were forecasting 96 yen per dollar this year. He said their forecast had much lower Japanese visitor arrivals and spending than HTA (Hawaii Tourism Authority) had in their forecast.

Ms. Niwao asked about the memo that Dr. Rousslang sent out, saying the growth rate would drop from 12 to 7.9 if one used last year's refunds. Dr. Bonham asked if that was for January and February. Dr. Rousslang answered that it was the fiscal year-to-date cumulative figure for February. Ms. Niwao said her concern was that starting from 7.9%, the refund processing would further slow growth. Dr. Bonham said that effect of future refunds was already taken into account by Dr. Rousslang's method. Dr. Suyderhoud said we are actually at 12%, and if the refunds come through as they have before, then we will be at 7.9% or 8% growth. Ms. Maynard said we want to be sure we're not double-counting the effect of slow refund processing.

Dr. Suyderhoud noted that in Table 6AA of the workbook, there is a below-the-line adjustment of \$90 million for renewable energy credits. Dr. Bonham noted that was in addition to \$80 million already incorporated in the above-the-line number, so the figure for FY 2013 was about \$170 million. Ms. Maynard asked if the 7.9% growth calculation took the renewable energy credit into account. Dr. Rousslang said the 7.9% figure is just based on collections year-to-date to the end of February. The model takes the adjustment for the renewable credit into account.

Dr. Bonham noted that since the 7.9% figure is historical, it already accounts for some of the effect of the solar energy credit. He said that Dr. Rousslang's calculations show that if you go all the way through February (fiscal year-to-date), and you try and adjust for a slow-down in refunds you get 7.9% growth over the previous year. But that fiscal year-to-date figure already has tax credits that have been paid out for some of the PV (photovoltaic) that was installed in this fiscal year, which means if we then estimate the total for the whole year of \$170 million in solar credits and take out the increment of \$90 million, some of it is being double-counted, if we start with the 7.9%.

Dr. Suyderhoud asked if we start with the figure of 7.9% growth, if that would be the above-the-line forecast. Dr. Bonham said the above-the-line number looked a lot more reasonable to him than the below-the-line numbers. Ms. Maynard asked if the above-the-line number year-to-date was 7.9% after adjusting for the refund delays. Dr. Suyderhoud said making the adjustments makes it a below-the-line figure. Ms. Maynard asked if the figure accounted for the extra \$90 million in solar

credits. Dr. Suyderhoud said some of the adjustment was accounted for and some was not. Ms. Niwao said much of the \$90 million wouldn't be accounted for, because the returns haven't been processed. Dr. Suyderhoud asked if there were almost \$200 million in delayed refunds. Dr. Rousslang said the estimate was \$121 million. Ms. Niwao said that was because only 39,000 returns were processed, where it normally would have been 174,000. Dr. Bonham suggested that they try to avoid spending too much time focusing on refunds rather than on the bigger picture.

Dr. Grandy said an experiment was done a couple of years ago with refunds and that the data on general fund revenue below-the-line showed some swings as we came out of the withholding of refunds and then made up for it in the following fiscal year. But he said the swing was not big enough to lower growth to a 5% rate. He said that would be a swing of roughly 17 percentage points of growth. He said the largest swing was something like 10 percentage points, which would make the growth rate around 8% to 9%. He said that to get 9% growth for the year, we would need to have 3.75 each month for the remainder of the fiscal year. Ms. Maynard said if we have a huge amount of refunds coming out in March, then the March growth would look very bad. She said that although she didn't expect the economy to slow down and growth revenues to slow down, but the refunds were going to have a huge swell.

Dr. Bonham asked how much refunds for the first two months of the year were below what they were in 2011.

Dr. Rousslang said \$121 million is the cumulative figure for fiscal year-to-date, which is basically the last couple of months, because there isn't much in refunds paid out before that.

Ms. Maynard noted that the figure did not include the increase in the solar credit. Dr. Suyderhoud noted that to get a below-the-line number of 8% or 9%, we would have to have growth of about 12% above-the-line for the entire year.

Dr. Bonham noted that the figure of 7.9% accounts for the refund delay, assuming the Department gets completely caught up by the end of the year. He said the 7.9% already has in it a chunk of the annual below-the-line adjustments. Ms. Niwao said it would not include all of the below-the-line adjustments. Dr. Bonham agreed and said a fair amount of the solar credit would probably show up in the latter half of the fiscal year. Ms. Maynard said in March, April, May, and June. Dr. Bonham noted that there were other below-the-line adjustments, such as that for the TAT, which was bigger.

Ms. Niwao noted the TAT adjustment was back-loaded because of the limits on allocations to the special funds. Dr. Suyderhoud said the adjustment was actually front-loaded in terms of the revenue. Dr. Bonham said that is because after the limits are hit, the money goes only to the general fund, yielding a fiscal year-end surprise.

Dr. Rousslang noted that caps caused the TAT allocations to the general fund to be high in the last months of fiscal year 2012, which was one reason why collections really went up at the end of the year. So when comparing year-over-year growth, the growth in months at the end of fiscal year 2013 will be compared with collections in months that were high relative to the rest of the year.

Dr. Bonham suggested focusing on the whole year. Dr. Suyderhoud said that assuming the processing of refunds would be caught up by the end of the fiscal year, the issues to worry about in

the context of forecasting the entire fiscal year were things like the PV credit and the sequestration. Ms. Niwao said the effects of the sequestration would come mainly in the 4th quarter. Dr. Suyderhoud said the effects won't be that big this fiscal year. Ms. Maynard agreed that the effects would come mostly next year. Ms. Niwao said some of the effects may come in April, May, and June of FY 2013.

Chair Kahle said a general fund forecast was needed. Ms. Niwao said people were optimistic about construction on Maui, but that some big projects that were cancelled (such as the Kihei Mega-Mall). She said real estate has done well in this last year, but that there were problems of lack of inventory. Dr. Suyderhoud said the last forecast was made as an above-the-line forecast, accepting the Tax Department's below-the-line numbers. The above-the-line forecasts were 7.7% for fiscal 2013; and 7.5% for fiscal 2014 and, 6% for fiscal 2015. Dr. Bonham suggested that the above-the-line forecasts from the model were too low.

Ms. Maynard noted that we're only 7.9% above the prior year. Ms. Niwao agreed. Dr. Suyderhoud noted that the numbers being cited were for above-the-line forecasts. Dr. Bonham said if the above-the-line forecasts from the model were raised by 2 percentage points, the below-the-line forecast would be close to 7%. Dr. Suyderhoud noted that the results from the model were for below-the-line growth of only about 5%. Ms. Maynard noted that some of the effects of the solar energy credit may not be captured. Dr. Bonham said he thought the bulk of that would be in the 4th quarter, but that a big part of the effect is already captured.

Ms. Niwao said she was concerned about the psychological impact of the sequester on people's spending and on the economy. Dr. Bonham said the private sector is starting to get some real momentum and that the question was whether it could grow fast enough to off-set the drag that's being imposed by the federal government. Dr. Bonham noted that the stock market indicated optimism and that the private sector would grow faster than expected.

Ms. Niwao noted that the effects of tax increases such as those imposed by "Obamacare," as well as increased taxes on high earners, on drug companies, and taxes on insurance companies. She said the 2.3% federal excise tax on medical devices would affect medical care costs and that the increase in healthcare costs would flow through and affect the economy. Dr. Bonham asked about the size of the effect for Hawaii. Ms. Niwao said she wasn't sure about the size of the effects for Hawaii, but she noted that Hawaii has an aging population with medical needs and that the costs of medical services would go up. Dr. Bonham said he thought the Congressional Budget Office (CBO) had concluded that the affordable care act provided a net positive effect on the budget deficit. Ms. Niwao said the CBO concluded that it would be a drag on the economy for the next few years. Dr. Bonham said that an adjustment to the forecast to account for the affordable care act would be needed only if it was not already included in the members' forecasts for US GDP. He said other forecasts, which included such effects, looked close to those of the members. He said to put things into perspective, if visitor's spending grows by 1% more than currently forecast, then that would add tens of millions of dollars every month. He said he didn't think the affordable care act would have such large effects. Ms. Niwao pointed out that the increase in insurance costs could have an important effect on spending.

Dr. Suyderhoud suggested a motion to forecast the above-the-line growth rate of 9.2% for fiscal 2013 and 7.5% for the next fiscal year, primarily because of an expected drop-off in the growth of

tourism. Dr. Bonham said his forecast was for 8.1% growth for FY 2013. Dr. Suyderhoud said he could agree to 8% growth. He asked if the members wanted to keep the same forecast for FY 2015, which was at 6% above-the-line. Ms. Maynard said she would like to be conservative. Chair Kahle suggested 6.5%. Dr. Suyderhoud agreed to 6.5%.

Ms. Maynard asked for clarification that the forecasts would be for above-the-line growth, before adjustments for such things as the solar credit. Dr. Suyderhoud said yes, that was the case. He said the forecast of 9.2% above-the-line growth for FY 2013 would be 1.5% higher than that given in the model.

Chair Kahle asked for a second to the motion. Dr. Bonham seconded the motion. Ms. Niwao asked for clarification of the above-the-line growth forecast numbers. Dr. Suyderhoud said 9.2% for FY 2013, 8.0% for FY 2014 and 6.5% for FY 2015.

Ms. Niwao said she thought the forecasts were too high, especially for FY 2014 when the full brunt of the military sequester took effect and the effects of higher taxes on those with income above \$250,000 and the new requirements for healthcare took effect. Dr. Suyderhoud noted that those were reasons why the forecast declined for the later years. Dr. Grandy said he thought the forecasts might be low. He agreed with the points being made by Ms. Niwao, but that they were already accounted for in the economic forecasts. Dr. Bonham also said he thought the forecasts were low.

Ms. Niwao said she had not seen much positive news since the last forecast (in January), whereas the sequester and healthcare changes would have negative effects on the economy. Dr. Bonham agreed that the sequester and healthcare changes would be drags to the economy, but that his model shows economic improvement despite these drags. He said we have had two years of double-digit visitor spending growth, the hotel rooms are full, the airlines are adding seats, room prices are going to go up, and growth in visitor spending was going to be in the high single-digits (maybe even double-digits again).

Chair Kahle asked Ms. Maynard for her forecast. Ms. Maynard said she agreed with the proposed above-the-line forecasts of 9.2% for FY 2013, 8.0% for FY 2014 and 6.5% for FY 2015, given that we were currently at 7.9% for the current fiscal year-to-date. Ms. Niwao said it would be nice to know the refunds being paid out for March. Chair Kahle asked if the members were ready to vote. Dr. Bonham noted that the below-the-line forecast would be 6.7% for FY 2013, 7.3% for FY 2014, and 6.8% for the remaining years in the budget, subject to confirmation by the Tax Department. Ms. Niwao expressed concerns that slow processing could push some refunds and solar credits into the next fiscal year. She asked the extent of the processing delay and whether the delay would shorten by year-end. Dr. Rousslang said the Department expected to be caught up with processing by the end of the fiscal year. Dr. Suyderhoud said he assumed the refund delay will not be a factor at the end of the fiscal year. Chair Kahle asked again if the members were ready to vote. Dr. Bonham said they were raising the forecast by \$76 million. Dr. Grandy clarified that the above-the-line forecasts were for 9.2%, 8.0%, 6.5%, 3.7%, 4.8%, 4.8%, and 4.5% for fiscal years 2013 through 2019. Chair Kahle said that was correct and asked for a vote. Ms. Niwao agreed to the forecast, but under protest.

Dr. Suyderhoud made a motion that the general fund tax revenues growth rate (above-the-line) be 9.2% for FY 2013; 8.0% for FY 2014; 6.5% for FY 2015; and the remaining fiscal years 2016 through 2019 as indicated on Table 6AA. The Chair called for the vote, and the motion passed with the following votes:

Richard F. Kahle, Jr.	Yes
Jack P. Suyderhoud	Yes
Avery A. Aoki	Absent
Carl S. Bonham	Yes
Christopher Grandy	Yes
Kristi L. Maynard	Yes
Marilyn M. Niwao	Yes

Next, the Council heard the report by Budget and Finance.

Mr. Hirohata-Goto provided the Council with revenue updates for Budget & Finance.

REPORT BY THE DEPARTMENT OF BUDGET & FINANCE ON OTHER REVENUES:

Significant Changes from January 2013 Report

General Fund Non-Tax Revenues

The only significant change is due to moving the reporting of the estimates for the tobacco settlement moneys that are allocated to the general fund from the category, "Revenues from Other Agencies" to the category, "Non-Revenue Receipts" where it is being reported as a transfer from the Hawaii tobacco settlement special fund.

Special Tax Revenues

There are no significant changes to the special fund tax revenue estimates.

Special Fund Non-Tax Revenues

Federal Grants - the increase in FY 12 actuals reflect higher than anticipated amount in federal grants for Medicare payments (Hawaii Health Systems Corporation).

Revenues from Other Agencies - the changes in FYs 13-19 reflect revisions to the method in which Department of Health records the receipt of the Tobacco Settlement revenues from the Master Settlement Agreement.

Charges for Current Services - the net decreases in FYs 12-19 are attributed to a correction in the revenue projections for the University of Hawaii tuition fees for resident and non-resident students. Adjustments included correction of a computational error and utilizing updated student enrollment projections.

Revenue Transfers - the increases in FYs 13-15 are attributed to increased transfers to the Department of Education (DOE) State Educational Facilities Improvement Special Fund to meet construction project funding needs.

Other than Special Fund Non-Tax Revenues

Federal Grants - the net decreases in FYs 14 and 15 reflect decreases in federal funds for the Temporary Assistance to Needy Families Program (Department of Human Services) and lower than projected reimbursements for the School Lunch Program (DOE).

Non-Revenue Receipts - the net increase in FY 13 is reflective of increases in contributions for Other Post Employment Benefit Plans from the City and County of Honolulu, County of Kauai, Honolulu Board of Water Supply, and Kauai Department of Water. The net increases in FYs 14-19 are reflective of recalculated projections for employer/employee contributions into the Employer-Union Health Benefits Trust Fund health benefits plan based on actual contributions made in FY 13 (Department of Budget and Finance).

Chair Kahle asked that the Council move to accept the B&F report. The Council voted an all in favor to accept the B&F report as submitted.

The Council moved to accept the B&F report as submitted. The Chair called for the vote, and the motion passed with the following votes:

Richard F. Kahle, Jr.	Yes
Jack P. Suyderhoud	Yes
Avery A. Aoki	Absent
Carl S. Bonham	Yes
Christopher Grandy	Yes
Kristi L. Maynard	Yes
Marilyn M. Niwao	Yes

NEXT MEETING:

The Council's next meeting is tentatively scheduled for Tuesday, May 28, 2013 at 2:00 pm, but the date and time will be confirmed by e-mail. The Council staff will attempt to secure the DLIR Conference Rooms 310/313 for the meeting.

ADJOURNMENT:

The meeting adjourned at 3:14 p.m.