

# Speech to UHPA Sat. Feb. 12\*

I am here to cheer you up. Happy Valentine's Day!

I am tracking 143 bills for you right now. Half of them are "take aways." I expect we'll defeat all of them. You also want me to get you more money. I won't. In fact, we will be damn lucky to keep what we had.

BUT

How long have I been telling you that the revenues to pay for government are inadequate to pay the cost of government?

Ten years?

It has been at least ten years. Ten years, I think. In that time, the economy has gone down, up, and down—but each down has been deeper and has taken a toll, and each up has not been enough to restore funding levels...as a result government has suffered...It is now a Potemkin Village---a shabby Potemkin Village.

The carpeting in the Governor's office has not been replaced in I don't know—10-15 years? The lights don't all work. The air conditioning is stuck at 60. The offices of other departments are often in much worse shape. There are gaping holes in some of the ceilings—By the way, to save money, the air conditioning in all government offices is shut off at 4:30 PM, and of course on all weekends...and on furlough days. But because people need to work, because they are so shorthanded—they work without the air conditioning—And it is pretty clear that the state has not had enough money to buy air conditioning filters for years—so most government buildings are full of mold and virus—and the workers who are left are sick workers.

In terms of manpower, all 16 departments—not counting DOE and UH, are between 60% and 40% undermanned.

Dozens of government programs are gone—teen pregnancy, job training, youth programs in general, etc. all gone....Gone. What are left are food stamps, employment training for adults, some programs for the disabled—child and protective services—the youth jail...Those things for which our government is under court order to provide—things like that. We cannot adequately enforce our laws on food safety, occupational safety, and etc. The questions of the public go unanswered for lack of manpower to answer phones.

The Governor wants to bring our felons back and build new prisons here...not likely. Not soon.

By the way, some of these social service agencies have been coming to me to hire me---to help them regain their state funding...and I am refusing to work for them. It would be taking money under false pretenses. They are done. Toast. Over with. Get it? People out of jobs. Kids out of programs. It is gone. Gone.

Government is a business that enforces laws, provides social services, and shuffles paper...and that is not being done adequately any more.

There is no legislative stomach for increasing taxes either. The soda tax, liquor tax, tobacco tax, pension tax, plastic bag tax, are probably all going to die. Raising the GE Tax is possible—but improbable—but as a last resort—it will happen.

One of the current moves to “balance the budget,” is SB 120...which raids all the special funds....and puts them into the General Fund. This is like ending earmarks---and makes as much sense. It just takes money from the hands of this government staffer in an executive department, and let’s that government staffer, a legislative staffer, decide where to spend money. Forty per cent of the UH Budget is in special funds—but by comparison—78% of the Department of Agriculture’s funds are...There are dozens and hundreds of such funds in all departments. It is nuts. It will fail.

Taking the Medicare Part “B” money from current retirees is also a non-starter. Taxing pensions will fail—sez I.

Yesterday, on his 99<sup>th</sup> day in office, he was not booed—but Neil was roundly condemned by government retirees and government workers in the sort of words that you all know have never crossed my own lips....But he was battling. He was leading. He was down there fighting. He was trying. You and the other public employee groups did not agree with him—and—truth to tell—I told him from the get go that he cannot do this—it ain’t legal...but he is doing what he said he would do. And let me pause here and say this:

This Governor is the most liberal, and I say with the sweetest of ironies, the most like you, of all we have ever had. His government is filled with UH people and it is an administration that truly respects and admires you—but he has choices to make and so do you. Now in New Jersey, we have a fat, mean, loudmouthed, Republican, bully using public employees, and especially teachers—as ragdoll punching bags, as he gleefully tries to beat public unions to death....Our guy wants your support, and you won’t give it. OK...

But notice the difference in approach—OK?

Gambling, the only money making idea out there, will likely fail for the 11<sup>th</sup> year. My bill will create 14,000 new private sector, tax paying jobs—and raise \$143 million a year in taxes each

year—but it will change the ambiance of Hawaii.....Oh, God, no! Not that. Can't have it. We'd rather see pregnant teenagers commit suicide by the carload, or see rats the size of cats in our restaurants, than change our precious ambiance.

Like poverty doesn't change our ambiance.

Like creating a permanent underclass isn't going to change our ambiance.

You can keep your ambiance. Our people need jobs.

Some of you say no to gambling, but you want to legalize marijuana cultivation and sale. There is not much difference in my view. Both activities are illegal now, and both activities, if legal, would provide jobs and benefit Hawaii, in that they are going on now anyway, and regulation and taxation would grow the economy. Well they are different this way: a casino is much more labor intensive.

When he came into office, Neil said that he wanted to cut unemployment in half—and it was, what—seven, eight percent? The Star-Advertiser put unemployment and underemployment at 16.7% last week...and the legislature is trying to pass legislation to stop non-judicial foreclosures..because they see folks are going to lose their homes. The average credit card holder in Hawaii—is over \$8,000 in debt per credit card.

But we are not all in the same canoe?

It's not me, it's you?

I'm OK, you have problems?

Is that the way you see it?

Neil is trying to build things. To get construction going again. But thousands of construction workers are on the bench. Why? Government, even with leaders who want to move, just can't move fast. Permits and meetings and then there are the environmentalists with their concerns and the Hawaiians with theirs—and time drifts on and funding goes elsewhere—and nothing gets done.

The Legislature is beginning its second quarter out of four, with no direction and no plan. The Governor's 100<sup>th</sup> day in office—is today. How's that working out for him—and for us—do you think? Not so hot, sez I. If we are all in a canoe, it is the damndest one I ever saw.

Looks more like the closed hold of a sinking ship to me.

So what's a poor Governor to do now? Easy. Simple.

Road trip.

He's going to Washington to "get money" from the Feds. Yep. Look at me. Listen. We have become a goddamned cargo cult. We think that the great god "Washington" has money, and when we send our chief up there, that Washington is going to rain money down on us. Are you crazy? The nation is broke, and Hawaii is a tiny, eentsy bitsy row of dots afloat far away on a distant ocean. There ain't no more Washington money. Dan Inouye is not Santa Claus or the Tooth Fairy. The game is up. I told you and I told you and I told you. About the economy. About the ERS. About the EUTF. About all of it..and now the day has come—and after ten years you are not ready.

Did I cheer you up? Are you happy?

Is it still someone else's problem?

**\*I give several speeches each year to the UHPA leadership. Each February I am expected to give a talk on what the Lege is doing...and what I expect they'll do...**