

Governor David Y. Ige's 2018 State of the State Address
"Building A Hawai'i for Our Children"
January 22, 2018

Speaker Saiki, President Kouchi, former governors, distinguished justices of the courts, representatives of our congressional delegation, members of the Hawai'i State legislature, elected officials, military leaders, honored guests, family and friends.

Good morning and Aloha!

As a new legislative session opens, I want you to know I am ready to work with you on the issues that affect us all.

The State of our State is strong.

We are a resilient people and the future is bright.

As I stand before you today, I am struck by the beautiful and often challenging complexity that makes Hawai'i our home.

We really are the most beautiful place on earth.

We are of many cultures and faiths, and we live together in greater harmony than any place in the world.

People from all over the planet come here to enjoy our environment, our host culture and their gifts to all of us: gifts of aloha, tolerance and respect, and the celebration of each other and our differences.

We often need to be reminded of what makes us so special.

We are one of the healthiest states in the nation. People here live longer than anywhere else in

the country.

We have led the nation in health insurance for decades, and in the current chaos, we stand firm in caring for each other.

We have the lowest unemployment rate in the nation.

We are strong financially. Our bond rating is the highest it's ever been in our history, making it possible for us to get the most bang for our buck when we borrow money.

This saves the state tens of millions of dollars, allowing us to make critical investments in our schools, housing and highways.

And we have made our voice clear: Hawai'i will not stand for the hateful and hurtful policies of the Trump White House. We are doing more than any other state to stand up for what is right – such as DACA and the Paris Climate Accord – and stop what is wrong, such as the travel ban and stopping transgender members of the military from defending our flag and our freedoms.

And yet. . .

So many of us are living paycheck to paycheck, relying heavily on our extended family to make ends meet.

Owning a home, is out of reach for many families, with housing costs rising faster than wages.

Too much of our time is spent in traffic, affecting our families and quality of life.

The growing gap between those doing well and those who are not should concern all of us.

We depend too heavily on imported food and fuel.

We must find a just place in our relationship with our own history and with the people of the first nation of Hawai'i.

And the challenges to our island environment, such as global climate change, stare us in the face every single day.

I honor my predecessors, former governors, and I have built on what they have done. In doing so, I affirm three truths about Hawai'i and the way we govern.

First, I see Hawai'i as a place and a people that cherish our children, celebrate our diversity, and want a better life for the next generation.

Second, I see Hawai'i as a place and a people where we believe in 'ohana, respect our kūpuna and understand that our 'āina and our ocean are critical to our quality of life.

Finally, I see Hawai'i as a place and a people where we still believe in the promise of Hawai'i and the prospect of limitless opportunities.

This is the legacy of our host culture, the cultures of our immigrant families, and all those who choose to call Hawai'i HOME.

We have put these values and beliefs into action to chart the course to our future.

It is one thing to say our children matter; it is quite another to do something about it.

We have invested more widely in classrooms than in previous years.

We promised to cool 1,000 of Hawai'i's hottest classrooms where soaring temperatures have hindered learning for years. I'm proud to report, that, with the Legislature's support, we exceeded our original goal, and we're at 1,200 classrooms and counting.

I also promised to empower our schools so they can focus on 21st century skills and critical

learning.

In meetings around the state, community members, teachers, staff and principals expressed frustration about top-down mandates and a one-size-fits-all approach to schools.

And so, with more than 3,000 parents, teachers and community members from around the state, we created a new Blueprint for Education.

This blueprint for change is now in the hands of new DOE leadership.

I also recognized that it is not enough just to say to our teachers, “We respect how hard you work.” That’s why, we have given our educators the pay raises they have long deserved.

Now, let's talk about housing.

When we say ‘ohana, we truly mean nobody gets left behind.

For those who want to live in Hawai‘i, probably no issue is more challenging than finding a decent, affordable place to live. And probably no issue challenges us as a society more than the daily sight of those who are now living on our streets and in our parks.

We have dedicated more money to mental health treatment and services, including to our homeless population.

We have initiated the largest annual increase in production of affordable housing with thousands of new units.

We're on track to meet our goal of 10,000 new housing units by 2020, with at least 40 percent affordable.

I’m requesting \$100 million to maintain the momentum and produce more affordable homes across the state.

It has been my firm belief that the state must remain committed to developing and delivering Hawaiian homelands to beneficiaries. In 2016, we provided \$24 million in funding to the Department of Hawaiian Home Lands.

This was the highest level of funding in the department's 95-year history and more than double what had been set aside previously.

For its part, Hawaiian Home Lands has been ramping up development of vacant and turn-key lots. More than 220 lots were awarded in 2017 and that number will more than double in 2018.

We've also worked hard with the department to spend down federal funds and identify alternative sources of revenue that can be used to sustain the agency over time.

Our "Housing First" policy focuses on transitional housing as a way to get people into permanent housing. The New Kaka'ako Family Assessment Center moves families off the streets and into permanent housing in less than 90 days.

A "special team" in public housing reduced the vacant unit turnaround time from 267 days to just 7 days.

And our landlord summits increased the number of landlords willing to rent to families transitioning out of homelessness.

Even in the tragedy that is homelessness, there are significant signs that these policies are starting to work. Homelessness is down 9 percent statewide – the first decline in eight years.

There's more to be done for sure. We continue our efforts to offer services to those who have so far refused to leave the streets to move into a better life.

We have set aside monies in this year's budget to support more progress on the homelessness front. Our budget request also includes \$15 million in additional funding for Housing First initiatives, outreach services and maintaining safety in our public places.

We also know how important community partners have been in tackling this challenge. Take Kahauiki Village, a permanent housing project for homeless families launched by local businessman and philanthropist Duane Kurisu. Duane brought together city, state, nonprofits and businesses to make the village a reality in record time. The first 30 families recently moved in. Duane, please stand and be recognized.

‘Ohana also means that you should be able to put food on the table and be home with your family to eat it. That means jobs that pay well and commutes that work.

Even though tourism is up and unemployment is low, many of our residents are living paycheck to paycheck, one health emergency or car repair away from a crisis.

Some people may have two or three jobs to make ends meet. The challenge is not just creating jobs, it’s about creating QUALITY jobs and the training to go with them.

I understand the frustration of many.

That’s why I’m working to transform our economy to give residents a diversity of employment opportunities that pay higher wages and lead to a better quality of life for all.

We’re tackling another quality of life issue, and that’s traffic congestion.

I have three goals: get projects done quickly, get them done inexpensively, and get them done with minimal impact to the environment. And we are making progress.

From zipper, shoulder lanes and other contraflow lanes, to safety around our public schools and truck-only routes, we are going to where the problems are. We’re reducing back-ups and bottlenecks – in West and Windward O’ahu, Kahului, Lahaina, Līhu‘e, Hilo, Kona and other communities across the state. We want commute times to be shorter.

We must create a better life for the next generation – it is what we all want.

We all dream of our children succeeding here in Hawai'i. With my three children on the mainland, I know firsthand how hard it is to have them an ocean away.

My personal goal – the goal to which I have dedicated my service as governor— is creating a Hawai'i that gives all our children the CHOICE to live here and call Hawai'i home.

My grandparents came to Hawai'i in search of opportunities. It is not acceptable to me that many of our kids are essentially becoming immigrants in other places because we don't have the opportunities here in Hawai'i.

While there is more to do, I am proud of what we have accomplished together. We have more Early College programs so high school students can earn college credits, saving families money and making it easier to graduate with degrees.

We expanded campuses and offer more courses at UH West O'ahu and Pālanui. The creation of Hawai'i's Promise scholarships helps to pay for the costs of attending UH community colleges.

The Entrepreneur's Sandbox in Kaka'ako brings start-ups together in one shared space and helps with loans and grants. We also founded the annual "hackathon" competition, which enlists hundreds of professional and amateur code writers to develop solutions for the state's biggest information technology challenges.

We must prepare our young people for jobs in this sector and that means supporting STEM education, focusing on science, technology, engineering and math. The good news is that it is expanding at all levels.

The University of Hawai'i is one of the leaders in this work, with the Mānoa campus increasing its STEM graduates by more than a third in recent years and the community colleges leading the way -- tripling their numbers.

Also helping to train students in our schools are partners like DevLeague, a computer programming and coding academy, founded by two local software engineers. They are working

with the DOE and private foundations.

Together, they are teaching high school students advanced coding and cyber security skills. We'd like to recognize DevLeague's founders, Jason Sewell and Russel Cheng.

To be sure that workers in Hawai'i's existing industries aren't left behind, we've made available a wide variety of vocational training opportunities through the Department of Labor and Industrial Relations.

These programs match training with current job openings in fields ranging from computer science and shipyard welding to banking and food safety.

And within state government, as we ride the wave of modernization, we remain fully committed to retraining every worker to use the new computer systems and technology tools. Technology helps us be more responsive to the public we serve.

We have always been a state that cares about the elderly. We are making good on that.

I am proud that together we were able to pass Kūpuna Caregiver legislation that provides assistance for full-time family caregivers who also have full-time jobs. This is a win for Hawai'i's families.

We also worked to make sure those who have served our state get to retire with the dignity they were promised and deserve. With the Legislature's support, we took aggressive steps that will save us \$1.6 billion over the next 20 years.

As our kūpuna have taught us, paying our bills, honoring our obligations and saving for the future is how we build a brighter future. And we have done that.

One value that has guided this administration is to not simply pass on our debts to our kids and grandkids.

Together we have made tremendous strides in this task – rebuilding our Rainy Day fund to \$310 million.

We have gone after the tax cheats and collected millions from those who were not paying their fair share.

And we are working to modernize our tax collection system to make it easier and fairer for the people of Hawai'i.

We made needed changes to improve the system so we can collect the tax revenues we rely on for state services. I believe we're on the right track to accomplish this major task.

We're also making great strides in protecting our 'āina and ocean resources.

To date, we have protected over 40,000 acres of watershed forests on Kaua'i, O'ahu, Moloka'i and Hawai'i islands.

We helped preserve and protect Turtle Bay lands from development.

A joint agreement with the US Navy is helping us reach our renewable energy goals. And together, we've established guidelines to use recycled water on food crops.

Working with all of you here in the Legislature, we were able to provide tax credits for organic farmers, which means a healthier people and healthier lands.

You passed and I signed a law to abide by the Paris Climate Accord – the first state in the nation to do so. We understand deeply and fully what the future requires of us.

I also fought to give Native Hawaiians a seat at the table when it comes to the management of Papahānaumokuākea National Marine Monument. The Office of Hawaiian Affairs is now a co-trustee of the monument.

Our goal of increasing local food production is another golden opportunity for Hawai'i. We are blessed with four growing seasons and a land-grant university with a College of Tropical Agriculture that has a long history of cutting-edge work.

With all these factors, Hawai'i can and must become the premier center for new agricultural technologies.

We already have ag tech startups going strong in Hawai'i. One company that comes to mind is Smart Yields.

They help small and medium farmers to increase their production with data analytics and other tools. The company received international attention when it was chosen to be a part of the Vatican's first tech accelerator focused on global food production.

At this time, I'd like to recognize Smart Yields CEO Vincent Kimura and his mentor, Hawai'i Island farmer Richard Ha.

What we now need is the driver to make greater local food production possible. There is no better way than through our schools. I applaud the new leadership in the DOE's Farm to School program, the leadership provided by Lt. Governor Shan Tsutsui, and the great cooperation of the Department of Agriculture and the State's Procurement Office. Lt. Governor, please stand to be recognized.

Clean energy is not only critical to air and water quality, it is important to our economy and our wallets as we work to reduce our reliance on imported fossil fuels.

Working with the Legislature, I was the first governor to sign into law a bill requiring 100% of Hawai'i's electricity to come from renewable sources by 2045. Again, this demonstrates what we can accomplish when we work together.

We want hydropower, sea water air conditioning, solar and wind energy, biomass and the fullest possible use of our waste streams. We celebrate the Hu Honua Power Plant on the Big Island as well as the new solar farms on other islands.

And this week we will join NRG Energy, Hawaiian Electric and Kamehameha Schools in celebrating three utility-scale solar projects on O‘ahu.

As a next step, we will grow a carbon market in Hawai‘i. This way carbon polluters from around the world can invest in restoring Hawai‘i’s koa and ‘ōhi‘a trees to offset their carbon emissions wherever that is.

We want the brainpower and the imagination of the world to continue to come here. They can help us find our way to 100 percent renewable energy sources for electricity, and in doing so, help the world find its way to 100 percent. Let us take the billions we export for fossil fuels, spend it here, and then export the energy systems we develop.

We are dreaming big and creating the promise of limitless opportunities. Anything less means we are letting down the next generation.

Hawai‘i has so much potential in this new globally connected world. We are already viewed as the ideal research base and testing ground for innovative, globally significant technologies such as telemedicine, smart cities, driverless vehicles and aquaculture.

Hawai‘i is a leader in solving the issues of our time. Much of what we do here in Hawai‘i is ground-breaking.

Hawai‘i is home to many talented individuals breaking new ground every day.

Hawai‘i is full of stories of business innovators blazing the trail to create new products and services.

The Big Island’s Tina Fitch turned her start-up Switchfly into a global software platform used by almost every major travel and hospitality company in the world. Now, she’s returned home and started a second company, HobNob. I’d like to recognize Tina, who flew in to be with us this morning.

In our own state government, employees are helping us improve our services to the public every day.

One example is a team of young millennials known as “The Three Amigos” – Jodie Nakamura, Ryan Mercado and Liam Tobin – the wait time for workers’ comp hearings has been cut in half because of their efforts. This 2017 Team of the Year from the Department of Labor and Industrial Relations launched a project to digitize mountains of paperwork from some 20,000 claims a year.

And there are many more dedicated workers just like them across the state. Jodie, Ryan and Liam – please stand to be recognized.

They’re just a sampling of our homegrown talent. We just need to do more to create the supportive environment around them that will launch and sustain their careers here in the islands.

I hope you’ll leave today knowing that we have laid important groundwork and that Hawai’i is on the edge of something exciting.

At the beginning of my speech, I said Hawai’i is a beautiful and complex place.

I believe that is our gift to our children and to our future.

Imagine a future economy for Hawai’i that isn’t reliant solely on tourism and the military. Imagine a future where local entrepreneurs are inventing useful products and services that are sold across the globe.

Imagine that we use our temperate weather and four growing seasons to develop new high-tech agricultural tools that increase yields for farmers from Hawai’i to India.

Imagine that we farm our nearshore ocean waters, too, feeding our own communities and the growing global demand for seafood. And with these new businesses, there’s new demand for

scientists, technicians and marketing professionals.

And what does this mean for the people of Hawai'i? It means a healthier economy with quality jobs that enable us to improve our schools, take care of our kūpuna and provide more affordable housing.

This future Hawai'i isn't as far off as it seems. We've already set things in motion. We've put stakes in the ground and we're making progress.

To face the challenges of the future, Hawai'i must seize opportunities, embrace change and identify the game-changing steps we need to take.

Together, the possibilities are limitless. I believe the qualities we treasure most about Hawai'i are what will draw our children back to us.

When I ran for Governor four years ago I wanted to take my lifetime of public service and fundamentally change the path we were taking.

I have committed my life to the people of the State of Hawai'i.

No matter what challenges we face, no matter what frustrations or issues we have with one another, I find my strength and courage in our shared sense of unity.

We must work together.

Mahalo and Aloha!!