



DISABILITY AND COMMUNICATION ACCESS BOARD

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TESTIMONY TO THE SENATE COMMITTEES ON HEALTH AND INTERGOVERNMENTAL AFFAIRS

Senate Bill 2504 – Relating to Parking for Persons with Disabilities

The Disability and Communication Access Board supports Senate Bill 2504 because it would make the statewide program on parking for persons with disabilities definite and less subject to year-to-year budget uncertainties. The bill would amend Chapter 291, Part III, Hawaii Revised Statutes to (1) require the counties to issue placards on behalf of the State and (2) require the State to reimburse the counties for issuing the placards. The resulting change would remove any discretion on the part of the counties and the State in performing their functions with respect to the parking program. The Board believes that these changes are necessary to ensure the integrity of the program.

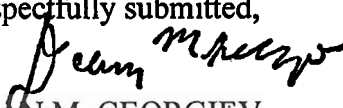
The current rate of reimbursement is \$10 per placard issued (although we note that the state has not reimbursed the counties in this fiscal year 05-06 due to insufficient appropriation). The current fee assessed to an individual for a replacement placard is \$10, set administratively by the Board in its administrative rules. The Board is scheduled to go to public hearing March 16, 2006 to increase the fee from \$10 to \$12 based upon increases in costs. We expect this to be in effect by on or before July 1, 2006. The Board has elected to set the reimbursement rate to the county at the same per unit rate as a replacement fee with the justification that this amount reflects the marginal cost in staff time to issue a placard. However, we are aware that the counties feel that this amount is insufficient.

The Board is concerned about its ability to determine the rate of inflation. The rate of reimbursement should be tied into the costs of issuing the placards and the most significant factor in the cost reimbursement are personnel costs which are more closely related to collective bargaining costs than inflation. In addition, informal discussions with the Board's Deputy Attorney General suggest that the rate might be appropriately set in administrative rules than in statute.

The Board also realizes that, because we are not auditors, that our rate setting analysis may have been very unsophisticated. Therefore, we recommend that the Legislature ask the Legislative Auditor conduct a cost analysis and provide recommendations as to the appropriate rate setting methodology and current rate of reimbursement in lieu of the language on page 1, lines 8 – 12 of the bill.

Thank you for the opportunity to provide testimony on this important matter.

Respectfully submitted,


DEAN M. GEORGIEV
Chairperson
Legislative Committee


FRANCINE WAI
Executive Director