

44TH DAY

Tuesday, March 21, 1972

The House of Representatives of the Sixth Legislature of the State of Hawaii, Regular Session of 1972, was called to order at 11:00 o'clock a.m.

The Speaker presided.

The Divine Blessing was invoked by Mrs. Kimiko Schwerin of the Baha'I Faith.

Roll call of the members of the House of Representatives showed that all members were present with the exception of Representatives Hansen, Kunimura and Wong, who were excused.

The Clerk proceeded to read the Journal of the House of Representatives of the Forty-Third Day.

On motion by Representative Ushijima, seconded by Representative J. Garcia and carried, reading of the Journal was dispensed with and the Journal of the Forty-Third Day was approved.

SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 47 to 53) were read by the Clerk and were disposed of as follows:

A communication from the Senate (Sen. Com. No. 47) returning House Bill No. 1746-72 which passed Third Reading in the Senate on March 20, 1972 was placed on file.

A communication from the Senate (Sen. Com. No. 48) returning House Bill No. 1747-72 which passed Third Reading in the Senate on March 20, 1972 was placed on file.

A communication from the Senate (Sen. Com. No. 49) returning House Bill No. 1913-72 which passed Third Reading in the Senate on March 20, 1972 was placed on file.

A communication from the Senate (Sen. Com. No. 50) returning House Bill No. 434, HD2, which passed Third Reading in the Senate on March 20, 1972 in an amended form was placed on file.

A communication from the Senate (Sen. Com. No. 51) returning House Bill

No. 1748-72 which passed Third Reading in the Senate on March 20, 1972 in an amended form was placed on file.

By unanimous consent, H. B. Nos. 434 and 1748-72 were placed on the Clerk's desk.

The Chair directed the Clerk to note that printed copies of H. B. No. 434, HD2, SD1 and H. B. No. 1748-72, SD1, were made available to the members of the House at 11:03 o'clock a.m., in accordance with Article III, Section 16, of the Constitution of the State of Hawaii.

A communication from the Senate (Sen. Com. No. 52) transmitting Senate Bill No. 1342-72, SD1, entitled, "A Bill for an Act relating to payment of wages and amending Chapter 388, Hawaii Revised Statutes," which passed Third Reading in the Senate on March 20, 1972 was placed on file.

A communication from the Senate (Sen. Com. No. 53) transmitting Senate Bill No. 1580-72, SD1, entitled, "A Bill for an Act relating to limitations of action for damage based on professional services or licensed construction to improve real property," which passed Third Reading in the Senate on March 20, 1972 was placed on file.

On motion by Representative Ushijima, seconded by Representative J. Garcia and carried, S. B. Nos. 1342-72 and 1580-72 passed First Reading by title and further action was deferred until later in the calendar.

At this time, the following introductions were made to the members of the House:

Representative Akizaki introduced 30 ninth grade students from the Social Studies class at Washington Intermediate School, with their teacher, Mrs. Akizaki.

Representative Wasai introduced 58 fifth grade students from Heeia Elementary School, with their teachers, Miss Aileen Kotsubo, Mrs. Janice Jones and Mrs. Betty Oshima.

Representative Ushijima introduced the wife of the world famous novelist, Mrs. James Michener.

Representative Suwa introduced the Mayor of the County of Hawaii, Shunichi Kimura, the Chairman of the Council's Legislative Committee, Councilman Robert M. Yamada and the Legislative Auditor, Rudy Legaspi, who were present in the audience.

ORDER OF THE DAY

COMMITTEE REFERRALS

The following bills (S. B. Nos. 1342-72 and 1580-72) were disposed of as follows:

S. B. No. 1342-72 was referred to the Committee on Judiciary.

S. B. No. 1580-72 was referred to the Committee on Judiciary.

DEFERRED RESOLUTIONS

The following resolutions (H. R. Nos. 268 to 274) and concurrent resolutions (H. C. R. Nos. 33 to 35) were disposed of as follows:

H. R. No. 268 was referred to the Committee on Finance.

H. R. No. 269 was referred to the Committee on Finance.

H. R. No. 270 was referred to the Committee on Lands.

H. R. No. 271 was referred to the Committee on Transportation and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 272 was referred to the Committee on Education and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 273 was referred to the Committee on Public Employment and after consideration by it, the Committee was instructed to refer the resolution jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives and thereafter to the Committee on Finance.

H. R. No. 274 was referred to the Committee on Finance.

H. C. R. No. 33 was referred to the Committee on Finance.

H. C. R. No. 34 was referred to the Committee on Finance.

H. C. R. No. 35 was referred to the Committee on Finance.

COMMITTEE REASSIGNMENTS

H. B. No. 1772-72 which had been referred to the Committee on Labor and then to the Committee on Lands on January 26, 1972 was referred to the Committee on Labor and after consideration by it, the Committee was instructed to refer the bill to the Committee on Finance.

S. B. No. 1341-72 which had been referred to the Committee on Labor and then to the Committee on Judiciary on March 20, 1972 was referred solely to the Committee on Judiciary.

S. B. No. 1344-72 which had been referred to the Committee on Labor and then to the Committee on Judiciary on March 20, 1972 was referred solely to the Committee on Judiciary.

S. B. No. 1348-72 which had been referred to the Committee on Labor and then to the Committee on Lands on March 17, 1972 was referred to the Committee on Labor and after consideration by it, the Committee was instructed to refer the bill to the Committee on Finance.

S. B. No. 1415-72 which had been referred to the Committee on Labor and then to the Committee on Judiciary on March 20, 1972 was referred solely to the Committee on Judiciary.

STANDING COMMITTEE REPORTS

Representative Akizaki, for the Committee on Legislative Management, presented a report (Stand. Com. Rep. No. 231-72) informing the House that House Resolution Nos. 262 to 274, House Concurrent Resolution Nos. 32 to 35 and Standing Committee Report Nos. 232-72 to 286-72 had been printed and distributed.

On motion by Representative Akizaki, seconded by Representative Kishinami and carried, the report of the Committee

was adopted.

Representative Kihano, for the Select Committee of Oahu Representatives, presented a report (Stand. Com. Rep. No. 232-72) approving the intent and purpose of H. B. No. 2515-72 and recommending its referral to the Committee on Finance.

On motion by Representative Kihano, seconded by Representative Wedemeyer and carried, the report of the Committee was adopted and H. B. No. 2515-72 was referred to the Committee on Finance.

Representative Kihano, for the majority of the Select Committee of Oahu Representatives, presented a report (Stand. Com. Rep. No. 233-72) approving the intent and purpose of H. R. No. 197 and recommending its referral to the Committee on Finance.

On motion by Representative Kihano, seconded by Representative Wedemeyer and carried, the report of the majority of the Committee was adopted and H. R. No. 197 was referred to the Committee on Finance.

Representative Kihano, for the Select Committee of Oahu Representatives, presented a report (Stand. Com. Rep. No. 234-72) approving the intent and purpose of H. B. Nos. 1960-72, 1970-72, 2103-72, 2133-72, 2341-72, 2342-72 and 2367-72 and recommending their passage on Second Reading and their referral to the Committee on Finance.

On motion by Representative Kihano, seconded by Representative Wedemeyer and carried, the report of the Committee was adopted and H. B. Nos. 1960-72, 1970-72, 2103-72, 2133-72, 2341-72, 2342-72 and 2367-72 passed Second Reading and were referred to the Committee on Finance.

Representative Kihano, for the Select Committee of Oahu Representatives, presented a report (Stand. Com. Rep. No. 235-72) approving the intent and purpose of H. B. Nos. 1973-72, 2093-72, 2094-72, 2442-72 and 2443-72 and recommending their passage on Second Reading and their referral to the Committee on Finance.

On motion by Representative Kihano, seconded by Representative Wedemeyer and carried, the report of the Committee

was adopted and H. B. Nos. 1973-72, 2093-72, 2094-72, 2442-72 and 2443-72 passed Second Reading and were referred to the Committee on Finance.

Representative Kihano, for the Select Committee of Oahu Representatives, presented a report (Stand. Com. Rep. No. 236-72) approving the intent and purpose of H. B. Nos. 1853-72, 1854-72, 2397-72, 2398-72, 2401-72, 2407-72, 2408-72, 2409-72, 2410-72, 2411-72 and 2495-72 and recommending their passage on Second Reading and their referral to the Committee on Finance.

On motion by Representative Kihano, seconded by Representative Wedemeyer and carried, the report of the Committee was adopted and H. B. Nos. 1853-72, 1854-72, 2397-72, 2398-72, 2401-72, 2407-72, 2408-72, 2409-72, 2410-72, 2411-72 and 2495-72 passed Second Reading and were referred to the Committee on Finance.

Representative Kihano, for the Select Committee of Oahu Representatives, presented a report (Stand. Com. Rep. No. 237-72) approving the intent and purpose of H. B. Nos. 1681-72, 1682-72, 1683-72, 1684-72, 1685-72, 1686-72, 1687-72, 1688-72, 1689-72, 1782-72, 1833-72, 1834-72, 1849-72, 1850-72, 1851-72, 1914-72, 1915-72, 1992-72, 1993-72, 1994-72, 1995-72, 1996-72, 1997-72, 1998-72, 2014-72, 2015-72, 2016-72, 2017-72, 2018-72, 2072-72, 2090-72, 2143-72, 2155-72, 2181-72, 2182-72, 2183-72, 2184-72, 2185-72, 2273-72, 2274-72, 2275-72, 2276-72, 2277-72, 2278-72, 2362-72, 2363-72 and 2415-72 and recommending their passage on Second Reading and their referral to the Committee on Finance.

On motion by Representative Kihano, seconded by Representative Wedemeyer and carried, the report of the Committee was adopted and H. B. Nos. 1681-72, 1682-72, 1683-72, 1684-72, 1685-72, 1686-72, 1687-72, 1688-72, 1689-72, 1782-72, 1833-72, 1834-72, 1849-72, 1850-72, 1851-72, 1914-72, 1915-72, 1992-72, 1993-72, 1994-72, 1995-72, 1996-72, 1997-72, 1998-72, 2014-72, 2015-72, 2016-72, 2017-72, 2018-72, 2072-72, 2090-72, 2143-72, 2155-72, 2181-72, 2182-72, 2183-72, 2184-72, 2185-72, 2273-72, 2274-72, 2275-72, 2276-72, 2277-72, 2278-72, 2362-72, 2363-72 and 2415-72 passed Second

Reading and were referred to the Committee on Finance.

Representative Kihano, for the Select Committee of Oahu Representatives, presented a report (Stand. Com. Rep. No. 238-72) approving the intent and purpose of H. B. Nos. 2102-72, 2134-72, 2135-72 and 2328-72 and recommending their passage on Second Reading and their referral to the Committee on Finance.

On motion by Representative Kihano, seconded by Representative Wedemeyer and carried, the report of the Committee was adopted and H. B. Nos. 2102-72, 2134-72, 2135-72 and 2328-72 passed Second Reading and were referred to the Committee on Finance.

Representative Kihano, for the Select Committee of Oahu Representatives, presented a report (Stand. Com. Rep. No. 239-72) approving the intent and purpose of H. B. Nos. 2128-72, 2202-72, 2293-72, 2294-72, 2295-72, 2296-72, 2297-72, 2298-72, 2299-72, 2300-72, 2301-72, 2302-72, 2303-72, 2494-72 and 2530-72 and recommending their passage on Second Reading and their referral to the Committee on Finance.

On motion by Representative Kihano, seconded by Representative Wedemeyer and carried, the report of the Committee was adopted and H. B. Nos. 2128-72, 2202-72, 2293-72, 2294-72, 2295-72, 2296-72, 2297-72, 2298-72, 2299-72, 2300-72, 2301-72, 2302-72, 2303-72, 2494-72 and 2530-72 passed Second Reading and were referred to the Committee on Finance.

Representative Kihano, for the Select Committee of Oahu Representatives, presented a report (Stand. Com. Rep. No. 240-72) approving the intent and purpose of H. B. Nos. 1929-72, 1930-72, 1932-72, 1933-72, 2026-72, 2027-72, 2112-72, 2113-72, 2129-72, 2130-72, 2131-72, 2379-72 and 2555-72 and recommending their passage on Second Reading and their referral to the Committee on Finance.

On motion by Representative Kihano, seconded by Representative Wedemeyer and carried, the report of the Committee was adopted and H. B. Nos. 1929-72, 1930-72, 1932-72, 1933-72, 2026-72, 2027-72, 2112-72, 2113-72, 2129-72, 2130-72, 2131-72, 2379-72 and 2555-72

passed Second Reading and were referred to the Committee on Finance.

Representative Kihano, for the Select Committee of Oahu Representatives, presented a report (Stand. Com. Rep. No. 241-72) approving the intent and purpose of H. B. Nos. 957, 2104-72, 2105-72, 2106-72, 2107-72, 2365-72, 2366-72, 2368-72, 2369-72, 2425-72, 2468-72, 2574-72, 2575-72, 2576-72, 2577-72, 2579-72 and 2580-72 and recommending their passage on Second Reading and their referral to the Committee on Finance.

On motion by Representative Kihano, seconded by Representative Wedemeyer and carried, the report of the Committee was adopted and H. B. Nos. 957, 2104-72, 2105-72, 2106-72, 2107-72, 2365-72, 2366-72, 2368-72, 2369-72, 2425-72, 2468-72, 2574-72, 2575-72, 2576-72, 2577-72, 2579-72 and 2580-72 passed Second Reading and were referred to the Committee on Finance.

Representative Kawakami, for the Committee on Lands, presented a report (Stand. Com. Rep. No. 242-72) approving the intent and purpose of H. B. No. 1885-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Kawakami, seconded by Representative Kaneshiro and carried, the report of the Committee was adopted and H. B. No. 1885-72 passed Second Reading and was referred to the Committee on Finance.

Representative Wasai, for the Committee on Public Employment, presented a report (Stand. Com. Rep. No. 243-72) approving the intent and purpose of H. B. No. 1874-72 and recommending its passage on Second Reading and its referral jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives.

On motion by Representative Wasai, seconded by Representative Iha and carried, the report of the Committee was adopted and H. B. No. 1874-72 passed Second Reading and was referred jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives.

Representative Wasai, for the Committee on Public Employment, presented a report (Stand. Com. Rep. No. 244-72) approving the intent and purpose of H. B. No. 2219-72 and recommending its passage on Second Reading and its referral to the Committee on Public Institutions.

On motion by Representative Wasai, seconded by Representative Iha and carried, the report of the Committee was adopted and H. B. No. 2219-72 passed Second Reading and was referred to the Committee on Public Institutions.

Representative Wasai, for the Committee on Public Employment, presented a report (Stand. Com. Rep. No. 245-72) approving the intent and purpose of H. B. No. 2525-72 and recommending its passage on Second Reading and its referral jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives.

On motion by Representative Wasai, seconded by Representative Iha and carried, the report of the Committee was adopted and H. B. No. 2525-72 passed Second Reading and was referred jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives.

Representative Lee, for the Committee on Hawaiian Homes, presented a report (Stand. Com. Rep. No. 246-72) approving the intent and purpose of H. R. No. 59 and recommending its referral to the Committee on Judiciary.

On motion by Representative Lee, seconded by Representative Duponte and carried, the report of the Committee was adopted and H. R. No. 59 was referred to the Committee on Judiciary.

Representative Lee, for the Committee on Hawaiian Homes, presented a report (Stand. Com. Rep. No. 247-72) approving the intent and purpose of H. R. No. 89 and recommending its referral to the Committee on Finance.

On motion by Representative Lee, seconded by Representative Duponte and carried, the report of the Committee was adopted and H. R. No. 89 was referred to the Committee on Finance.

Representative Lee, for the Committee on Hawaiian Homes, presented a report (Stand. Com. Rep. No. 248-72) approving the intent and purpose of H. B. No. 2210-72 and recommending its referral to the Committee on Finance.

On motion by Representative Lee, seconded by Representative Duponte and carried, the report of the Committee was adopted and H. B. No. 2210-72 was referred to the Committee on Finance.

Representative Lee, for the Committee on Hawaiian Homes, presented a report (Stand. Com. Rep. No. 249-72) approving the intent and purpose of H. B. No. 2292-72 and recommending its referral to the Committee on Finance, with certain amendments.

On motion by Representative Lee, seconded by Representative Duponte and carried, the report of the Committee was adopted and H. B. No. 2292-72, as amended, was referred to the Committee on Finance.

Representative Lee, for the Committee on Hawaiian Homes, presented a report (Stand. Com. Rep. No. 250-72) approving the intent and purpose of H. B. No. 2403-72 and recommending its referral to the Committee on Finance, with certain amendments.

On motion by Representative Lee, seconded by Representative Duponte and carried, the report of the Committee was adopted and H. B. No. 2403-72, as amended, was referred to the Committee on Finance.

Representative Lee, for the Committee on Hawaiian Homes, presented a report (Stand. Com. Rep. No. 251-72) approving the intent and purpose of H. B. No. 2496-72 and recommending its referral to the Committee on Finance.

On motion by Representative Lee, seconded by Representative Duponte and carried, the report of the Committee was adopted and H. B. No. 2496-72 was referred to the Committee on Finance.

Representative Lee, for the Committee on Hawaiian Homes, presented a report (Stand. Com. Rep. No. 252-72) approving the intent and purpose of H. B. No. 2497-72 and recommending its referral to the Committee on Finance.

On motion by Representative Lee, seconded by Representative Duponte and carried, the report of the Committee was adopted and H. B. No. 2497-72 was referred to the Committee on Finance.

Representative Lee, for the Committee on Hawaiian Homes, presented a report (Stand. Com. Rep. No. 253-72) approving the intent and purpose of H. B. No. 1801-72 and recommending its referral to the Committee on Finance, with certain amendments.

On motion by Representative Lee, seconded by Representative Duponte and carried, the report of the Committee was adopted and H. B. No. 1801-72, as amended, was referred to the Committee on Finance.

Representative Wasai, for the Committee on Public Employment, presented a report (Stand. Com. Rep. No. 254-72) approving the intent and purpose of H. B. No. 2178-72 and recommending its referral to the Committee on Finance, with certain amendments.

On motion by Representative Wasai, seconded by Representative Iha and carried, the report of the Committee was adopted and H. B. No. 2178-72, as amended, was referred to the Committee on Finance.

Representative Wasai, for the Committee on Public Employment, presented a report (Stand. Com. Rep. No. 255-72) approving the intent and purpose of H. R. No. 161 and recommending its referral to the Committee on Finance.

On motion by Representative Wasai, seconded by Representative Iha and carried, the report of the Committee was adopted and H. R. No. 161 was referred to the Committee on Finance.

Representative Wasai, for the Committee on Public Employment, presented a report (Stand. Com. Rep. No. 256-72) approving the intent and purpose of H. B. No. 1658-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Wasai, seconded by Representative Iha and carried, the report of the Committee was adopted and H. B. No. 1658-72 passed Second Reading and was referred to the

Committee on Finance.

Representative Wasai, for the Committee on Public Employment, presented a report (Stand. Com. Rep. No. 257-72) approving the intent and purpose of H. B. No. 1716-72 and recommending its passage on Second Reading and its referral jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives.

On motion by Representative Wasai, seconded by Representative Iha and carried, the report of the Committee was adopted and H. B. No. 1716-72 passed Second Reading and was referred jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives.

Representative Wasai, for the Committee on Public Employment, presented a report (Stand. Com. Rep. No. 258-72) approving the intent and purpose of H. B. No. 1872-72 and recommending its passage on Second Reading and its referral jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives.

On motion by Representative Wasai, seconded by Representative Iha and carried, the report of the Committee was adopted and H. B. No. 1872-72 passed Second Reading and was referred jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives.

Representative Wasai, for the Committee on Public Employment, presented a report (Stand. Com. Rep. No. 259-72) approving the intent and purpose of H. B. No. 1947-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Wasai, seconded by Representative Iha and carried, the report of the Committee was adopted and H. B. No. 1947-72 passed Second Reading and was referred to the Committee on Finance.

Representative Wasai, for the Committee on Public Employment, presented a report (Stand. Com. Rep. No.

260-72) approving the intent and purpose of H. B. No. 2165-72 and recommending its passage on Second Reading and its referral jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives, with certain amendments.

On motion by Representative Wasai, seconded by Representative Iha and carried, the report of the Committee was adopted and H. B. No. 2165-72, as amended, passed Second Reading and was referred jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives.

Representative Wasai, for the Committee on Public Employment, presented a report (Stand. Com. Rep. No. 261-72) approving the intent and purpose of H. B. No. 2179-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Wasai, seconded by Representative Iha and carried, the report of the Committee was adopted and H. B. No. 2179-72 passed Second Reading and was referred to the Committee on Finance.

Representative Takamine, for the Committee on Labor, presented a report (Stand. Com. Rep. No. 262-72) approving the intent and purpose of S. B. No. 1348-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Takamine, seconded by Representative Wasai and carried, the report of the Committee was adopted and S. B. No. 1348-72 passed Second Reading and was referred to the Committee on Finance.

Representative Takamine, for the Committee on Labor, presented a report (Stand. Com. Rep. No. 263-72) approving the intent and purpose of H. B. No. 2356-72 and recommending its passage on Second Reading and its referral to the Committee on Judiciary.

On motion by Representative Takamine, seconded by Representative Wasai and carried, the report of the Committee was adopted and H. B. No. 2356-72 passed Second Reading and was

referred to the Committee on Judiciary.

The Chair declared a recess at 11:14 o'clock a.m., subject to the call of the Chair.

At 11:23 o'clock a.m., the House of Representatives reconvened and the Chair directed the Clerk to note the presence of Representatives Kunimura and Wong.

Representative Duponte, for the Select Committee of Maui Representatives, presented a report (Stand. Com. Rep. No. 264-72) approving the intent and purpose of H. B. No. 1691-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Duponte, seconded by Representative Kondo and carried, consideration of Stand. Com. Rep. No. 264-72 on H. B. No. 1691-72 was deferred until the end of the calendar.

Representative Wedemeyer, for the Committee on Tourism, presented a report (Stand. Com. Rep. No. 265-72) approving the intent and purpose of H. B. No. 2510-72 and recommending its passage on Second Reading and its referral to the Committee on Judiciary, with certain amendments.

On motion by Representative Wedemeyer, seconded by Representative Kato and carried, the report of the Committee was adopted and H. B. No. 2510-72, as amended, entitled, "A Bill for an Act establishing resort preservation districts," passed Second Reading and was referred to the Committee on Judiciary.

Representative Kimura, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 266-72) approving the intent and purpose of H. B. No. 1672-72 and recommending its passage on Second Reading and its referral to the Committee on Finance, with certain amendments.

On motion by Representative Kimura, seconded by Representative Kishinami and carried, the report of the Committee was adopted and H. B. No. 1672-72, as amended, passed Second Reading and was referred to the Committee on Finance.

Representative Kimura, for the

Committee on Higher Education, presented a report (Stand. Com. Rep. No. 267-72) approving the intent and purpose of H. B. No. 2343-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Kimura, seconded by Representative Kishinami and carried, the report of the Committee was adopted and H. B. No. 2343-72 passed Second Reading and was referred to the Committee on Finance.

Representative Kimura, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 268-72) approving the intent and purpose of H. B. No. 1674-72 and recommending its passage on Second Reading and its referral to the Committee on Education, with certain amendments.

On motion by Representative Kimura, seconded by Representative Kishinami and carried, the report of the Committee was adopted and H. B. No. 1674-72, as amended, passed Second Reading and was referred to the Committee on Education.

Representative Kimura, for the majority of the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 269-72) approving the intent and purpose of H. B. No. 2111-72 and recommending its passage on Second Reading and its referral to the Committee on Finance, with certain amendments.

On motion by Representative Kimura, seconded by Representative Kishinami and carried, the report of the majority of the Committee was adopted and H. B. No. 2111-72, as amended, passed Second Reading and was referred to the Committee on Finance.

Representative Lee, for the Committee on Hawaiian Homes, presented a report (Stand. Com. Rep. No. 270-72) approving the intent and purpose of H. B. No. 2091-72 and recommending its referral to the Committee on Finance, with certain amendments.

On motion by Representative Lee, seconded by Representative Dupont and carried, the report of the Committee was adopted and H. B. No. 2091-72, as amended, was referred to the Committee on Finance.

Representative Wasai, for the Committee on Public Employment, presented a report (Stand. Com. Rep. No. 271-72) approving the intent and purpose of H. B. No. 2137-72 and recommending its passage on Second Reading and its referral to the Committee on Public Health, Youth and General Welfare, with certain amendments.

On motion by Representative Wasai, seconded by Representative Iha and carried, the report of the Committee was adopted and H. B. No. 2137-72, as amended, passed Second Reading and was referred to the Committee on Public Health, Youth and General Welfare.

Representative Kato, for the majority of the Committee on Public Utilities, presented a report (Stand. Com. Rep. No. 272-72) approving the intent and purpose of H. B. No. 1865-72 and recommending its referral to the Committee on Finance.

On motion by Representative Kato, seconded by Representative Lunasco and carried, the report of the majority of the Committee was adopted and H. B. No. 1865-72 was referred to the Committee on Finance.

Representative Kato, for the Committee on Public Utilities, presented a report (Stand. Com. Rep. No. 273-72) approving the intent and purpose of H. B. No. 1902-72 and recommending its passage on Second Reading and its referral to the Committee on Judiciary, with certain amendments.

On motion by Representative Kato, seconded by Representative Lunasco and carried, the report of the Committee was adopted and H. B. No. 1902-72, as amended, passed Second Reading and was referred to the Committee on Judiciary.

Representative Kato, for the Committee on Public Utilities, presented a report (Stand. Com. Rep. No. 274-72) approving the intent and purpose of H. B. No. 2360-72 and recommending its passage on Second Reading and its referral jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives.

On motion by Representative Kato, seconded by Representative Lunasco and

carried, the report of the Committee was adopted and H. B. No. 2360-72 passed Second Reading and was referred jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives.

Representative Kimura, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 275-72) approving the intent and purpose of H. B. No. 2142-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Kimura, seconded by Representative Kishinami and carried, the report of the Committee was adopted and H. B. No. 2142-72 passed Second Reading and was referred to the Committee on Finance.

Representative Kimura, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 276-72) approving the intent and purpose of H. B. No. 2191-72 and recommending its passage on Second Reading and its referral to the Committee on Finance, with certain amendments.

On motion by Representative Kimura, seconded by Representative Kishinami and carried, the report of the Committee was adopted and H. B. No. 2191-72, as amended, passed Second Reading and was referred to the Committee on Finance.

Representative Kimura, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 277-72) approving the intent and purpose of H. B. No. 2344-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Kimura, seconded by Representative Kishinami and carried, the report of the Committee was adopted and H. B. No. 2344-72 passed Second Reading and was referred to the Committee on Finance.

Representative Kimura, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 278-72) approving the intent and purpose of H. B. No. 2358-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Kimura, seconded by Representative Kishinami and carried, the report of the Committee was adopted and H. B. No. 2358-72 passed Second Reading and was referred to the Committee on Finance.

Representative Kimura, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 279-72) approving the intent and purpose of H. B. No. 2438-72 and recommending its passage on Second Reading and its referral to the Committee on Finance, with certain amendments.

On motion by Representative Kimura, seconded by Representative Kishinami and carried, the report of the Committee was adopted and H. B. No. 2438-72, as amended, passed Second Reading and was referred to the Committee on Finance.

Representative Kimura, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 280-72) approving the intent and purpose of H. B. No. 2439-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Kimura, seconded by Representative Kishinami and carried, the report of the Committee was adopted and H. B. No. 2439-72 passed Second Reading and was referred to the Committee on Finance.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 281-72) approving the intent and purpose of H. B. No. 2522-72 and recommending its passage on Second Reading, with certain amendments.

Representative Takamine moved that the report be adopted and that H. B. No. 2522-72, as amended, pass Second Reading, seconded by Representative Suwa.

Representative Suwa then rose and stated that the Council of the County of Hawaii, the Mayor and his administration are in full support of this measure and, as evidence thereof, the County has appropriated 1.8 million dollars toward this project.

The motion was put by the Chair and carried, and the report of the Committee

was adopted and H. B. No. 2522-72, as amended, passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 22, 1972.

The Chair here directed the Clerk to note that H. B. No. 2522-72 had passed Second Reading at 11:25 o'clock a.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 282-72) approving the intent and purpose of H. B. No. 1987-72 and recommending its passage on Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 282-72 on H. B. No. 1987-72 was deferred until tomorrow, March 22, 1972.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 283-72) approving the intent and purpose of H. B. No. 2012-72 and recommending its passage on Third Reading, with certain amendments.

By unanimous consent, consideration of Stand. Com. Rep. No. 283-72 on H. B. No. 2012-72, as amended, was deferred until tomorrow, March 22, 1972.

Representative Wasai, for the Committee on Public Employment, presented a report (Stand. Com. Rep. No. 284-72) approving the intent and purpose of H. B. No. 1814-72 and recommending its passage on Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 284-72 on H. B. No. 1814-72 was deferred until tomorrow, March 22, 1972.

The Chair directed the Clerk to note that printed copies of H. B. Nos. 1987-72, 2012-72, HD2, and 1814-72 were made available to the members of the House at 11:27 o'clock a.m., in accordance with Article III, Section 16 of the Constitution of the State of Hawaii.

Representative Yap, for the Committee on Housing and Consumer Protection, presented a report (Stand. Com. Rep. No. 285-72) approving the intent and purpose of H. R. No. 113 and recommending its adoption.

By unanimous consent, consideration

of Stand. Com. Rep. No. 285-72 on H. R. No. 113 was deferred until the end of the calendar.

Representative Yap, for the Committee on Housing and Consumer Protection, presented a report (Stand. Com. Rep. No. 286-72) approving the intent and purpose of H. R. No. 134 and recommending its adoption.

By unanimous consent, consideration of Stand. Com. Rep. No. 286-72 on H. R. No. 134 was deferred until the end of the calendar.

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolutions (H. R. Nos. 275 to 279) and concurrent resolution (H. C. R. No. 36) were referred to the Committee on Legislative Management and further action was deferred until tomorrow, March 22, 1972:

A resolution (H. R. No. 275) requesting the House Committee on Public Institutions to hold public hearings on the principle of community based correctional programs was jointly offered by Representatives Beppu, Akizaki, de la Cruz, Duponte, Iha, Inaba, Kaneshiro, Kato, Kawakami, Kihano, Kimura, Kishinami, Kondo, Kunimura, Lee, Morioka, Nakama, O'Connor, Roehrig, Sakima, Suwa, Takamine, Uechi, Unemori, Ushijima, Wakatsuki, Wasai, Wedemeyer, Wong, Yap, Yim and Young.

A resolution (H. R. No. 276) requesting the College of Tropical Agriculture of the University of Hawaii to consider alternatives to be more responsive to and to better serve the neighbor island agricultural needs was jointly offered by Representatives Roehrig, Ajifu, Akizaki, Chong, de la Cruz, J. Garcia, R. Garcia, Inaba, Kaneshiro, Kawakami, Kihano, Kimura, Kishinami, Kondo, Lunasco, Morioka, O'Connor, Sakima, Suwa, Takamine, Uechi, Ushijima, Wasai, Wedemeyer, Wong, Yap, Yim and Young.

A resolution (H. R. No. 277) requesting the Department of Education, in cooperation with the Department of Agriculture and the University of Hawaii, College of Tropical Agriculture, to promote awareness and interest in Hawaii's agricultural development

through school education programs was jointly offered by Representatives Roehrig, Aduja, Ajifu, Aki, Akizaki, Chong, de la Cruz, Devereux, Fong, J. Garcia, R. Garcia, Hansen, Iha, Inaba, Kaneshiro, Kato, Kihano, Kimura, Kondo, Lee, Leopold, Lunasco, Medeiros, Morioka, Nakama, Oda, Poepoe, Saiki, Suwa, Takamine, Uechi, Ushijima, Wasai, Wedemeyer, Wong, Yap, Yim and Young.

A resolution (H. R. No. 278) requesting the Department of Education to provide for horizontal grouping of three on two classes in addition to the present vertical grouping was jointly offered by Representative Uechi, Akizaki, Chong, de la Cruz, Duponte, Fong, R. Garcia, Iha, Inaba, Kaneshiro, Kato, Kawakami, Kihano, Kimura, Kishinami, Kondo, Kunimura, Lee, Lunasco, Morioka, Nakama, O'Connor, Poepoe, Roehrig, Sakima, Soares, Suwa, Takamine, Unemori, Ushijima, Wasai, Wedemeyer, Wong, Yamada, Yap, Young and Beppu.

A resolution (H. R. No. 279) requesting the Department of Education to conduct an evaluation of the three on two program based on statistical data and scientific methodology of investigation was jointly offered by Representatives Uechi, Akizaki, Chong, de la Cruz, Duponte, Fong, R. Garcia, Hansen, Iha, Inaba, Kaneshiro, Kato, Kawakami, Kihano, Kimura, Kishinami, Kondo, Kunimura, Lee, Leopold, Lunasco, O'Connor, Poepoe, Roehrig, Saiki, Sakima, Soares, Suwa, Takamine, Unemori, Ushijima, Wasai, Wedemeyer, Wong, Yamada, Yap and Young.

A concurrent resolution (H. C. R. No. 36) relating to the establishment of a temporary visitor industry council was jointly offered by Representatives Wedemeyer, Akizaki, Carroll, de la Cruz, Kato, Kawakami, Kihano, Kondo, Lee, Lunasco, Morioka, Nakama, Roehrig, Unemori, Ushijima, Yap, Young and Beppu.

The Chair declared a recess at 11:29 o'clock a.m., subject to the call of the Chair.

At 12:15 o'clock p.m., the House of Representatives reconvened and the Chair directed the Clerk to note the presence of Representative Hansen.

UNFINISHED BUSINESS

Consideration of H. B. No. 2286-72 on Third Reading which had been deferred to this day.

On motion by Representative Nakama, seconded by Representative Kihano and carried, consideration of H. B. No. 2286-72 on Third Reading was deferred until tomorrow, March 22, 1972.

Consideration of Conf. Com. Rep. No. 3 on S. B. No. 310, as amended, which had been deferred to this day.

Representative O'Connor moved that the report of the Committee on Conference be adopted and that S. B. No. 310, as amended, pass Final Reading, seconded by Representative Roehrig.

Representative O'Connor then rose to speak in favor of the measure as follows:

"Mr. Speaker, I rise to speak in favor of the conference draft of this bill.

I would point out to the Members that the bill is in identical form as it was when we voted on it the last time, with some technical exceptions, which tie it in to Chapter 329 of the Hawaii Revised Statutes, making it replace Chapter 329 and also tying it together with the drug provisions of House Bill No. 20.

Those are the only essential changes in the bill. Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S. B. No. 310, as amended, passed Final Reading by a vote of 50 ayes to 1 no, with Representative Lee voting no.

The Chair directed the Clerk to note that S. B. No. 310 had passed Final Reading at 12:20 o'clock p.m.

Consideration of Stand. Com. Rep. No. 264-72 on H. B. No. 1691-72 which had been deferred to this time.

On motion by Representative Duponte, seconded by Representative Kondo and carried, the report of the Committee was adopted and H. B. No. 1691-72 passed Second Reading and was referred to the Committee on Finance.

Consideration of Stand. Com. Rep. No. 285-72 on H. R. No. 113 which had been deferred to this time.

On motion by Representative Yap, seconded by Representative R. Garcia and carried, the report of the Committee was adopted and H. R. No. 113 was adopted.

Consideration of Stand. Com. Rep. No. 286-72 on H. R. No. 134 which had been deferred to this time.

On motion by Representative Yap, seconded by Representative R. Garcia and carried, the report of the Committee was adopted and H. R. No. 134 was adopted.

**DISPOSITION OF MATTERS
PLACED ON CLERK'S DESK**

By unanimous consent, H. B. No. 490 was taken from the Clerk's desk.

Representative Takamine moved that H. B. No. 490 pass Final Reading, seconded by Representative O'Connor.

Representative Takamine then rose

and spoke as follows:

"Mr. Speaker, this bill passed the House during the last session and passed the Senate this session. The bill relates to employment security and would allow for immediate payment of compensation benefits. This is to conform with the section of the Social Security Act which is the basis for our employment security law.

Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and H. B. No. 490 passed Final Reading by a vote of 51 ayes, in accordance with Article III, Section 16 of the Constitution of the State of Hawaii.

The Chair directed the Clerk to note that H. B. No. 490 had passed Final Reading at 12:25 o'clock p.m.

At 12:27 o'clock p.m., on motion by Representative Ushijima, seconded by Representative J. Garcia and carried, the House of Representatives adjourned to 11:00 o'clock a.m., tomorrow, March 22, 1972.

45TH DAY

Wednesday, March 22, 1972

The House of Representatives of the Sixth Legislature of the State of Hawaii, Regular Session of 1972, was called to order at 11:00 o'clock a.m.

The Speaker presided.

The Divine Blessing was invoked by Mr. Jay Jarman of the Kalihi Union Church.

Roll call of the members of the House of Representatives showed that all members were present with the exception of Representatives Kato, Kimura, O'Connor, Poepoe, Takamine, Wakatsuki and Yap, who were excused.

The Chair declared a recess at 11:03 o'clock a.m., subject to the call of the Chair.

At 11:14 o'clock a.m., the House of Representatives reconvened and the Chair directed the Clerk to note the presence of Representatives Kimura, O'Connor and Takamine.

The Clerk proceeded to read the Journal of the House of Representatives of the Forty-Fourth Day.

On motion by Representative Ushijima, seconded by Representative J. Garcia and carried, reading of the Journal was dispensed with and the Journal of the Forty-Fourth Day was approved.

GOVERNOR'S MESSAGE

A message from the Governor (Gov. Mess. No. 74) transmitting copies of a report entitled, "State of Hawaii Comparative Analysis of Land Use Controls," which was prepared by Eckbo, Dean, Austin & Williams for the Department of Planning and Economic Development was read by the Clerk and was placed on file.

SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 54 to 56) were read by the Clerk and were disposed of as follows:

A communication from the Senate (Sen. Com. No. 54) informing the House of the adoption of the report of the

Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House to S. B. No. 310 and that S. B. No. 310, as amended, passed Final Reading in the Senate on March 21, 1972 was placed on file.

A communication from the Senate (Sen. Com. No. 55) informing the House of the adoption of the report of the Committee on Conference on the disagreeing vote of the House to the amendments proposed by the Senate to H. B. No. 20 and that H. B. No. 20, as amended, passed Final Reading in the Senate on March 21, 1972 was placed on file.

A communication from the Senate (Sen. Com. No. 56) returning H. C. R. No. 32 which was adopted by the Senate on March 21, 1972 was placed on file.

At this time, the following introductions were made to the members of the House:

Representative Kawakami introduced 100 students from the seventh and eighth grades at Waimea Intermediate School, Waimea, Kauai, with their teachers, Mr. Ralph Ishikawa, Mrs. Florence Morinaga and Mrs. Patricia Ono.

Representative Kunimura introduced Mr. Kurt Toma, nephew of Representative Kawakami, who was present in the group from Waimea.

Representative Carroll introduced Mr. and Mrs. Richard Wong, he, a graduate of McKinley High School, who has been away since 1939, and Mr. Wong's brother, Mr. Wallace Wong.

Representative Saiki introduced 23 sixth grade students from Aina Haina Elementary School, with their vice-principal, Mrs. Mann, and teachers, Mrs. Brickner and Mrs. Shigeta.

Representative Nakama introduced 100 seniors from Kaimuki High School, with their teachers, Mrs. Loo and Miss Yamamoto.

Representative Uechi introduced 65 fifth grade students from Hickam Elementary School, with their teacher, Mrs. Sellitts.

ORDER OF THE DAY**DEFERRED RESOLUTIONS**

The following resolutions (H. R. Nos. 275 to 279) and concurrent resolution (H. C. R. No. 36) were disposed of as follows:

H. R. No. 275 was referred to the Committee on Public Institutions.

H. R. No. 276 was referred to the Committee on Agriculture and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 277 was referred to the Committee on Education and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 278 was referred to the Committee on Education and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 279 was referred to the Committee on Education and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. C. R. No. 36 was referred to the Committee on Tourism and after consideration by it, the Committee was instructed to refer the concurrent resolution to the Committee on Finance.

STANDING COMMITTEE REPORTS

Representative Akizaki, for the Committee on Legislative Management, presented a report (Stand. Com. Rep. No. 287-72) informing the House that House Resolution Nos. 275 to 279, House Concurrent Resolution No. 36 and Standing Committee Report Nos. 288-72 to 318-72 had been printed and distributed.

On motion by Representative Akizaki, seconded by Representative Kishinami and carried, the report of the Committee was adopted.

The Chair declared a recess at 11:20 o'clock a.m., subject to the call of the Chair.

At 11:22 o'clock a.m., the House of Representatives reconvened and the Chair directed the Clerk to note the presence of Representative Kato.

Representative Kunimura, for the Joint Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives, presented a report (Stand. Com. Rep. No. 288-72) approving the intent and purpose of H. B. No. 129 and recommending its referral to the Committee on Finance.

On motion by Representative Kunimura, seconded by Representative Kawakami and carried, the report of the Committee was adopted and H. B. No. 129 was referred to the Committee on Finance.

Representative Kunimura, for the Joint Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives, presented a report (Stand. Com. Rep. No. 289-72) approving the intent and purpose of H. B. No. 894 and recommending its referral to the Committee on Finance.

On motion by Representative Kunimura, seconded by Representative Kawakami and carried, the report of the Committee was adopted and H. B. No. 894 was referred to the Committee on Finance.

Representative Kunimura, for the Joint Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives, presented a report (Stand. Com. Rep. No. 290-72) approving the intent and purpose of H. B. No. 1750-72 and recommending its referral to the Committee on Finance.

On motion by Representative Kunimura, seconded by Representative Kawakami and carried, the report of the Committee was adopted and H. B. No. 1750-72 was referred to the Committee on Finance.

Representative Kunimura, for the Joint Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives, presented a report (Stand. Com. Rep. No. 291-72) approving

the intent and purpose of H. B. No. 2336-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Kunimura, seconded by Representative Kawakami and carried, the report of the Committee was adopted and H. B. No. 2336-72 passed Second Reading and was referred to the Committee on Finance.

Representative Sakima, for the Committee on Education, presented a report (Stand. Com. Rep. No. 292-72) approving the intent and purpose of H. B. No. 2208-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Sakima, seconded by Representative Kihano and carried, the report of the Committee was adopted and H. B. No. 2208-72 passed Second Reading and was referred to the Committee on Finance.

Representative Takamine, for the Committee on Labor, presented a report (Stand. Com. Rep. No. 293-72) approving the intent and purpose of H. B. No. 2004-72 and recommending its passage on Second Reading and its referral to the Committee on Judiciary.

On motion by Representative Takamine, seconded by Representative Wasai and carried, the report of the Committee was adopted and H. B. No. 2004-72 passed Second Reading and was referred to the Committee on Judiciary.

Representative R. Garcia, for the Committee on Public Health, Youth and General Welfare, presented a report (Stand. Com. Rep. No. 294-72) approving the intent and purpose of H. B. No. 531 and recommending its passage on Second Reading and its referral to the Committee on Judiciary.

On motion by Representative R. Garcia, seconded by Representative Duponte and carried, the report of the Committee was adopted and H. B. No. 531 passed Second Reading and was referred to the Committee on Judiciary.

Representative R. Garcia, for the majority of the Committee on Public Health, Youth and General Welfare, presented a report (Stand. Com. Rep. No.

295-72) approving the intent and purpose of H. B. No. 1660-72 and recommending its passage on Second Reading and its referral to the Committee on Judiciary, with certain amendments.

On motion by Representative R. Garcia, seconded by Representative Duponte and carried, the report of the majority of the Committee was adopted and H. B. No. 1660-72, as amended, passed Second Reading and was referred to the Committee on Judiciary.

Representative R. Garcia, for the Committee on Public Health, Youth and General Welfare, presented a report (Stand. Com. Rep. No. 296-72) approving the intent and purpose of H. B. No. 1753-72 and recommending its passage on Second Reading and its referral to the Committee on Judiciary.

On motion by Representative R. Garcia, seconded by Representative Duponte and carried, the report of the Committee was adopted and H. B. No. 1753-72 passed Second Reading and was referred to the Committee on Judiciary.

Representative R. Garcia, for the Committee on Public Health, Youth and General Welfare, presented a report (Stand. Com. Rep. No. 297-72) approving the intent and purpose of H. B. No. 1754-72 and recommending its passage on Second Reading and its referral to the Committee on Judiciary.

On motion by Representative R. Garcia, seconded by Representative Duponte and carried, the report of the Committee was adopted and H. B. No. 1754-72 passed Second Reading and was referred to the Committee on Judiciary.

Representative R. Garcia, for the Committee on Public Health, Youth and General Welfare, presented a report (Stand. Com. Rep. No. 298-72) approving the intent and purpose of H. B. No. 1758-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative R. Garcia, seconded by Representative Duponte and carried, the report of the Committee was adopted and H. B. No. 1758-72 passed Second Reading and was referred to the Committee on Finance.

Representative R. Garcia, for the majority of Committee on Public Health, Youth and General Welfare, presented a report (Stand. Com. Rep. No. 299-72) approving the intent and purpose of H. B. No. 1934-72 and recommending its passage on Second Reading and its referral to the Committee on Judiciary, with certain amendments.

On motion by Representative R. Garcia, seconded by Representative Duponte and carried, the report of the majority of the Committee was adopted and H. B. No. 1934-72, as amended, passed Second Reading and was referred to the Committee on Judiciary.

Representative R. Garcia, for the majority of the Committee on Public Health, Youth and General Welfare, presented a report (Stand. Com. Rep. No. 300-72) approving the intent and purpose of H. B. No. 1977-72 and recommending its referral to the Committee on Judiciary.

On motion by Representative R. Garcia, seconded by Representative Duponte and carried, the report of the majority of the Committee was adopted and H. B. No. 1977-72 was referred to the Committee on Judiciary.

Representative R. Garcia, for the Committee on Public Health, Youth and General Welfare, presented a report (Stand. Com. Rep. No. 301-72) approving the intent and purpose of H. B. No. 1978-72 and recommending its passage on Second Reading and its referral to the Committee on Judiciary.

On motion by Representative R. Garcia, seconded by Representative Duponte and carried, the report of the Committee was adopted and H. B. No. 1978-72 passed Second Reading and was referred to the Committee on Judiciary.

Representative R. Garcia, for the Committee on Public Health, Youth and General Welfare, presented a report (Stand. Com. Rep. No. 302-72) approving the intent and purpose of H. B. No. 1979-72 and recommending its passage on Second Reading and its referral to the Committee on Judiciary, with certain amendments.

On motion by Representative R. Garcia, seconded by Representative Uechi

and carried, the report of the Committee was adopted and H. B. No. 1979-72, as amended, passed Second Reading and was referred to the Committee on Judiciary.

Representative R. Garcia, for the Committee on Public Health, Youth and General Welfare, presented a report (Stand. Com. Rep. No. 303-72) approving the intent and purpose of H. B. No. 2556-72 and recommending its passage on Second Reading and its referral to the Committee on Judiciary, with certain amendments.

On motion by Representative R. Garcia, seconded by Representative Uechi and carried, the report of the Committee was adopted and H. B. No. 2556-72, as amended, passed Second Reading and was referred to the Committee on Judiciary.

Representative Lunasco, for the Committee on Public Institutions, presented a report (Stand. Com. Rep. No. 304-72) approving the intent and purpose of H. B. No. 801 and recommending its referral to the Committee on Finance.

On motion by Representative Lunasco, seconded by Representative Nakama and carried, the report of the Committee was adopted and H. B. No. 801 was referred to the Committee on Finance.

Representative Lunasco, for the Committee on Public Institutions, presented a report (Stand. Com. Rep. No. 305-72) approving the intent and purpose of H. B. No. 815 and recommending its passage on Second Reading and its referral to the Select Committee of Oahu Representatives.

On motion by Representative Lunasco, seconded by Representative Nakama and carried, the report of the Committee was adopted and H. B. No. 815 passed Second Reading and was referred to the Select Committee of Oahu Representatives.

Representative Lunasco, for the majority of the Committee on Public Institutions, presented a report (Stand. Com. Rep. No. 306-72) approving the intent and purpose of H. B. No. 2010-72 and recommending its passage on Second Reading and its referral to the Committee on Judiciary.

On motion by Representative Lunasco, seconded by Representative Nakama and carried, the report of the majority of the Committee was adopted and H. B. No. 2010-72 passed Second Reading and was referred to the Committee on Judiciary.

Representative Lunasco, for the Committee on Public Institutions, presented a report (Stand. Com. Rep. No. 307-72) approving the intent and purpose of H. B. No. 2119-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Lunasco, seconded by Representative Nakama and carried, the report of the Committee was adopted and H. B. No. 2119-72 passed Second Reading and was referred to the Committee on Finance.

Representative Lunasco, for the Committee on Public Institutions, presented a report (Stand. Com. Rep. No. 308-72) approving the intent and purpose of H. B. No. 2123-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Lunasco, seconded by Representative Nakama and carried, the report of the Committee was adopted and H. B. No. 2123-72 passed Second Reading and was referred to the Committee on Finance.

Representative Lunasco, for the Committee on Public Institutions, presented a report (Stand. Com. Rep. No. 309-72) approving the intent and purpose of H. B. No. 2124-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Lunasco, seconded by Representative Nakama and carried, the report of the Committee was adopted and H. B. No. 2124-72 passed Second Reading and was referred to the Committee on Finance.

Representative Lunasco, for the Committee on Public Institutions, presented a report (Stand. Com. Rep. No. 310-72) approving the intent and purpose of H. B. No. 2517-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative

Lunasco, seconded by Representative Nakama and carried, the report of the Committee was adopted and H. B. No. 2517-72 passed Second Reading and was referred to the Committee on Finance.

Representative Lunasco, for the Committee on Public Institutions, presented a report (Stand. Com. Rep. No. 311-72) approving the intent and purpose of H. B. No. 2518-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Lunasco, seconded by Representative Nakama and carried, the report of the Committee was adopted and H. B. No. 2518-72 passed Second Reading and was referred to the Committee on Finance.

Representative Lunasco, for the Committee on Public Institutions, presented a report (Stand. Com. Rep. No. 312-72) approving the intent and purpose of H. B. No. 2519-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Lunasco, seconded by Representative Nakama and carried, the report of the Committee was adopted and H. B. No. 2519-72 passed Second Reading and was referred to the Committee on Finance.

Representative Lunasco, for the Committee on Public Institutions, presented a report (Stand. Com. Rep. No. 313-72) approving the intent and purpose of H. B. No. 2567-72 and recommending its passage on Second Reading and its referral to the Committee on Judiciary.

On motion by Representative Lunasco, seconded by Representative Nakama and carried, the report of the Committee was adopted and H. B. No. 2567-72 passed Second Reading and was referred to the Committee on Judiciary.

Representative Lunasco, for the Committee on Public Institutions, presented a report (Stand. Com. Rep. No. 314-72) approving the intent and purpose of H. B. No. 2568-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Lunasco, seconded by Representative Nakama and carried, the report of the

Committee was adopted and H. B. No. 2568-72 passed Second Reading and was referred to the Committee on Finance.

Representative Takamine, for the Committee on Labor, presented a report (Stand. Com. Rep. No. 315-72) approving the intent and purpose of H. B. No. 2255-72 and recommending its passage on Second Reading and its referral to the Committee on Finance, with certain amendments.

On motion by Representative Takamine, seconded by Representative Wasai and carried, the report of the Committee was adopted and H. B. No. 2255-72, as amended, passed Second Reading and was referred to the Committee on Finance.

Representative Lunasco, for the Committee on Public Institutions, presented a report (Stand. Com. Rep. No. 316-72) approving the intent and purpose of S. B. No. 1346-72 and recommending its passage on Second Reading.

On motion by Representative Lunasco, seconded by Representative Nakama and carried, the report of the Committee was adopted and S. B. No. 1346-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 23, 1972.

Representative Lunasco, for the Committee on Public Institutions, presented a report (Stand. Com. Rep. No. 317-72) approving the intent and purpose of H. B. No. 2285-72 and recommending its passage on Second Reading.

On motion by Representative Lunasco, seconded by Representative Nakama and carried, the report of the Committee was adopted and H. B. No. 2285-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 23, 1972.

The Chair here directed the Clerk to note that S. B. No. 1346-72 and H. B. No. 2285-72 had passed Second Reading not earlier than 11:25 o'clock a.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 318-72) approving the intent and purpose of H. C. R. No. 26 and recommending its

adoption, with certain amendments.

By unanimous consent, consideration of Stand. Com. Rep. No. 318-72 on H. C. R. No. 26, as amended, was deferred until the end of the calendar.

INTRODUCTION OF RESOLUTIONS

The following resolutions (H. R. Nos. 280 to 283) were read by the Clerk and were disposed of as follows:

A resolution (H. R. No. 280) welcoming and extending aloha to the singing stars of the East Show of the 20th Annual Cherry Blossom Festival was jointly offered by Representatives Ushijima, Aduja, Ajifu, Aki, Akizaki, Carroll, Chong, de la Cruz, Devereux, Duponte, Fong, J. Garcia, R. Garcia, Hansen, Iha, Inaba, Judd, Kaneshiro, Kato, Kawakami, Kihano, Kimura, Kishinami, Kondo, Kunimura, Lee, Leopold, Lunasco, Medeiros, Morioka, Nakama, O'Connor, Oda, Poepoe, Roehrig, Saiki, Sakima, Soares, Suwa, Takamine, Unemori, Wakatsuki, Wasai, Wedemeyer, Wong, Yamada, Yap, Yim, Young and Beppu.

On motion by Representative Ushijima, seconded by Representative Morioka and carried, H. R. No. 280 was adopted.

A resolution (H. R. No. 281) commending Mrs. Mary Ciacci for her outstanding service as District Administrator for the Sixth District Little League Baseball, State of Hawaii was jointly offered by Representatives Morioka, Aduja, Ajifu, Aki, Akizaki, Carroll, Chong, de la Cruz, Devereux, Duponte, Fong, J. Garcia, R. Garcia, Hansen, Iha, Inaba, Judd, Kaneshiro, Kato, Kawakami, Kihano, Kimura, Kishinami, Kunimura, Lee, Leopold, Lunasco, Medeiros, Nakama, O'Connor, Oda, Poepoe, Roehrig, Saiki, Sakima, Soares, Suwa, Takamine, Uechi, Unemori, Ushijima, Wakatsuki, Wasai, Wedemeyer, Wong, Yap, Yim, Young and Beppu.

On motion by Representative Morioka, seconded by Representative Kihano and carried, H. R. No. 281 was adopted.

A resolution (H. R. No. 282) commending Mrs. Sue Maesaka for her outstanding service as Director of the

Palolo Recreation Center, Honolulu, Hawaii was jointly offered by Representatives Morioka, Aduja, Ajifu, Aki, Akizaki, Carroll, Chong, de la Cruz, Devereux, Dupont, Fong, J. Garcia, R. Garcia, Hansen, Iha, Inaba, Judd, Kaneshiro, Kato, Kawakami, Kihano, Kimura, Kishinami, Kondo, Kunimura, Lee, Leopold, Lunasco, Medeiros, Nakama, O'Connor, Oda, Poepoe, Roehrig, Saiki, Sakima, Soares, Suwa, Takamine, Uechi, Unemori, Ushijima, Wakatsuki, Wasai, Wedemeyer, Wong, Yap, Yim, Young and Beppu.

On motion by Representative Morioka, seconded by Representative Wedemeyer and carried, H. R. No. 282 was adopted.

A resolution (H. R. No. 283) commending certain individuals for their many years of public service to the Palolo Community was jointly offered by Representatives Morioka, Aduja, Ajifu, Aki, Akizaki, Carroll, Chong, de la Cruz, Devereux, Dupont, Fong, J. Garcia, R. Garcia, Hansen, Iha, Inaba, Judd, Kaneshiro, Kato, Kawakami, Kihano, Kimura, Kishinami, Kunimura, Lee, Leopold, Lunasco, Medeiros, Nakama, O'Connor, Oda, Poepoe, Roehrig, Saiki, Sakima, Soares, Suwa, Takamine, Uechi, Unemori, Ushijima, Wakatsuki, Wasai, Wedemeyer, Wong, Yap, Yim, Young and Beppu.

On motion by Representative Morioka, seconded by Representative Lunasco and carried, H. R. No. 283 was adopted.

By unanimous consent, the following resolutions (H. R. Nos. 284 to 286) and concurrent resolutions (H. C. R. Nos. 37 and 38) were referred to the Committee on Legislative Management and further action was deferred until tomorrow, March 23, 1972:

A resolution (H. R. No. 284) relating to the selection of a site for the construction of an artificial shoal was offered by Representative R. Garcia.

A resolution (H. R. No. 285) establishing March 11th as Human Services Day was offered by Representative R. Garcia.

A resolution (H. R. No. 286) relating to the study of air pollution control

devices was offered by Representative R. Garcia.

A concurrent resolution (H. C. R. No. 37) requesting the Legislative Auditor to conduct a comprehensive study of the inner city urban development situation on Oahu was offered by Representative R. Garcia.

A concurrent resolution (H. C. R. No. 38) requesting the Speaker of the House of Representatives and the President of the Senate to recess the Sixth Legislature of the State of Hawaii, Regular Session of 1972 was offered by Representative Uechi.

The Chair declared a recess at 11:29 o'clock a.m., subject to the call of the Chair.

At 12:01 o'clock p.m., the House of Representatives reconvened and the Chair directed the Clerk to note the presence of Representatives Poepoe, Wakatsuki and Yap.

SUSPENSION OF RULES

On motion by Representative Ushijima, seconded by Representative J. Garcia and carried unanimously, the rules were suspended for the purpose of considering bills on Third and Final Readings on the basis of a modified consent calendar.

THIRD READING

Third Reading of H. B. No. 2522-72.

Representative Takamine moved that H. B. No. 2522-72, having been read throughout, pass Third Reading, seconded by Representative Suwa.

Representative Takamine then rose to speak in favor of the measure as follows:

"Mr. Speaker, I rise to speak in favor of House Bill No. 2522-72, HD1.

The Committee Report is clear and detailed and needs no elaboration. Also, an interim and a final report from the Governor's Kohala Task Force has been distributed to each member of this House.

It was on March 1, 1971, when Castle & Cooke made a sudden announcement

to close operations at Kohala Sugar Company. The announcement read in part, 'half of the company will cease operations in 1972 and the remaining half closing with the end of the grinding in 1973.'

To say that there was shock in the Kohala community is an understatement.

Five hundred (500) employees and the community of 3,500, solely dependent on Kohala Sugar operation for their employment and livelihood felt the gloom and helplessness that only those facing job termination without any prospect of other jobs can feel. There was much bitterness, frustration and anger in the community.

Let me say here for the record that the ILWU, representing the workers at Kohala, offered wage adjustment. The history of ILWU's relations with the sugar companies need not be repeated here.

ILWU members have taken wage cuts and worked 48 hours without overtime payment at many plantations. They have also taken delayed wage increases at certain plantations struck by drought.

The question facing us that March 1, 1972 was, What can we do? What should we do? Fortunately, the Legislature was in session. The House, with the Senate concurring, passed a resolution requesting the Governor to create an action task force to save Kohala Sugar Company and the Kohala community.

Governor Burns appointed a Committee of top-notch, knowledgeable members representing the public, State, County, ILWU and Castle & Cooke. The best talents in this State worked on this particular problem.

The Task Force, headed by Lt. Governor Ariyoshi, included: Mr. John D. Bellinger, President, First Hawaiian Bank; Mr. Richard Frazier, Manager, Honokaa Sugar Company; Mr. Eddie Tangen and Mrs. Ah Quon McElrath, ILWU; Dr. Robert L. Cushing, Vice-President and Secretary, Hawaiian Sugar Planters Association; Mr. Robert Gordon, Vice-President, Castle & Cooke, later replaced by Mr. Christopher Cobb; Mayor Shunichi Kimura and Mr. John Farias, Director, Department of Research and Development, County of Hawaii; Dr.

Shelley M. Mark, Director, State Department of Planning and Economic Development; Mr. Sunao Kido, Director, State Department of Land and Natural Resources; and Mr. Fred Erskine, Chairman, State Department of Agriculture. They were organized in June, 1971 and held a hearing at Kohala in July of 1971.

What would closing of the Kohala Sugar Company mean to the people of Kohala and to the State of Hawaii? The Task Force uncovered the following:

First, unemployment compensation payments for Kohala Sugar workers only would amount to \$1,186,380 for the first 26 weeks if the entire work force was laid off.

Second, based on the present figures of case-load costs in the Kohala area, after unemployment compensation has terminated, and assuming that Kohala Sugar Company employees would require public welfare assistance, the costs for the next 26 weeks would be \$2,514,480. Although these projections presumed that all Kohala Sugar workers would be on unemployment compensation and on welfare in any one given year, they do not reflect similar costs for other individuals who would be equally affected by the closing down of Kohala Sugar Company. All of the small businesses in Kohala depend on the sugar workers to stay alive. These figures do not include food stamps, child welfare services or medical care.

Third, Bank of Hawaii and Federal Credit Union debts, exclusive of home mortgages, amount to \$894,500, of which \$250,000 is wholly or partially secured, leaving a net indebtedness of \$644,500 for these employees.

Fourth, in response to a questionnaire, 359 home owners, have total mortgages payments due in the amount of \$1,123,800.

The Task Force issued an Interim Report on February 2, 1972 and then a final report on March 6, 1972. If it is agreeable with the Speaker, I would like to have these two reports be made part of the record and inserted in the Journal of this House.*

*Report - See Page 311

Together with the Committee Report on House Bill No. 2522-72, HD1, these reports give you a clear picture of what can be accomplished for the Kohala area and the State of Hawaii by passing this bill and those listed in the Committee Report.

May I conclude by saying and I quote, 'the members of the Kohala Task Force believe that the implementation of the foregoing recommendations will assure the economic viability of Kohala, preserve the area as a basically agricultural community, and greatly contribute to the preservation and enhancement of one of the most culturally and historically important areas of the State of Hawaii.' I agree.

I would like to take this opportunity to thank each and every member of this Task Force for carrying out the intent and the purpose of House Concurrent Resolution No. 60. They also deserve the thanks of the Kohala community.

While much has been said about saving and assisting agriculture here in the State of Hawaii in the past, I believe we are taking a giant step forward today in acting towards that end by passing this bill.

I urge every member of this House to vote for this bill.

Thank you, Mr. Speaker."

Representative Suwa then rose to speak in favor of the measure and expressed his thanks to the members of the Kohala Task Force and his appreciation to the members of the House for their support of the recommendations of the Kohala Task Force.

The motion was put by the Chair and carried, and H. B. No. 2522-72 passed Third Reading by a vote of 49 ayes, which is not less than two-thirds of the vote to which the House is entitled, with Representatives Poepoe and Wakatsuki being excused.

The Chair directed the Clerk to note that H. B. No. 2522-72 had passed Third Reading at 12:07 o'clock p.m.

SENATE COMMUNICATION

A communication from the Senate

(Sen. Com. No. 57) transmitting Senate Concurrent Resolution No. 39 ratifying a proposed amendment to the Constitution of the United States providing for equal rights under the law without discrimination on account of sex which was adopted by the Senate on March 22, 1972 was placed on file.

Representative Ushijima moved that S. C. R. No. 39 be adopted, seconded by Representative J. Garcia.

Representative Saiki then rose to speak in favor of the adoption of the concurrent resolution as follows:

"Mr. Speaker, I am very delighted that the equal rights amendment has finally passed the United States Congress and with the ratification of this amendment by thirty-eight of our United States, that it will be then an integral part of our Constitution. I ask the members of this body to vote in favor of S. C. R. No. 39.

If I can take a little time, Mr. Speaker, to explain a little history on this amendment.

The struggle for equality in our world is age old. It was in the minds of our founding fathers when they first drafted the Constitution almost 200 years ago. It was in the minds of our people when they adopted the 14th Amendment over 100 years ago. The struggle over this specific amendment, the equal rights amendment, has taken over 48 years.

Adoption of this amendment will mean that, at least, women and men must be treated equally under the law. Women could no longer be required to meet higher standards than men for admission to state educational institutions. Nor could they be denied, by so-called protective labor laws, their rights to choose jobs according to their qualifications. And the amendment works both ways. Approval of the equal rights amendment will result in greater equity for men in alimony and disputes over the custody of children.

I earnestly request that this body act at once to ratify the 27th Amendment to the United States Constitution. Let Hawaii be one of the very first states to voice her conviction that all the people of this nation — regardless of race; regardless of sex; regardless of national origin — are

equal under the law of the land.

Thank you, Mr. Speaker.”

The motion was put by the Chair and carried, and S. C. R. No. 39 was adopted by a rising vote.

The Chair directed the Clerk to note that S. C. R. No. 39 was adopted at 12:10 o'clock p.m.

UNFINISHED BUSINESS

Consideration of H. B. No. 2286-72 on Third Reading, which had been deferred to this day.

On motion by Representative Nakama, seconded by Representative Kihano and carried, consideration of H. B. No. 2286-72 on Third Reading was deferred until Friday, March 24, 1972.

Consideration of H. B. No. 1654-72 on Third Reading, which had been deferred to this day.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, H. B. No. 1654-72 was recommitted to the Committee on Judiciary.

Consideration of Stand. Com. Rep. No. 282-72 on H. B. No. 1987-72, which had been deferred to this day.

Representative J. Garcia moved that the report of the Committee be adopted and that H. B. No. 1987-72, having been read throughout, pass Third Reading, seconded by Representative Suwa.

Representative J. Garcia then rose to speak for the motion as follows:

“Mr. Speaker, I rise to speak in favor of this bill.

I will make my discussion very, very short and, I hope, very much to the point. This measure requests an appropriation out of the general obligation bonds of the State for the sum of 1.2 million dollars for the Farm Loan Program.

This amount is geared primarily for the independent cane planters along the Hilo-Hamakua coast and it concerns the district in which I live.

Right now, we have 452 cane planters who reside there, individuals cultivating 8,000 acres of land, whose untiring efforts bring in about \$6,000 of cash money every year to the coffers of the cane planters and of the State and County.

On the island of Hawaii, there's no getting away from the fact that sugar is the basic industry, and those of us who live in the Third District recognize that, unless this appropriation is made possible, we are in the throes and struggles of what might be called in a baseball game, the last inning.

We very humbly ask for your support in this measure because this amount of money is required for the modernization of two factories so that they can meet air and water quality standards of this State.

Your favorable vote will be a morale boost for 452 independent cane planters. More importantly still, for 5,200 people of the Third Representative District, who depend directly upon sugar for their livelihood and it will also be a 'shot in the arm' for the island of Hawaii, for agriculture is the number one industry.

Thank you, Mr. Speaker.”

The motion was put by the Chair and carried, and the report of the Committee was adopted and H. B. No. 1987-72 passed Third Reading by a vote of 49 ayes, which is not less than two-thirds of the vote to which the House is entitled, with Representatives Poepoe and Wakatsuki being excused.

The Chair directed the Clerk to note that H. B. No. 1987-72 had passed Third Reading at 12:15 o'clock p.m.

Consideration of Stand. Com. Rep. No. 283-72 on H. B. No. 2012-72, as amended, which had been deferred to this day.

Representative Roehrig moved that the report of the Committee be adopted and that H. B. No. 2012-72, as amended, having been read throughout, pass Third Reading, seconded by Representative Suwa.

Representative Roehrig then rose to speak in favor of the measure as follows:

“Mr. Speaker, I rise to speak in favor of this measure.

Mr. Speaker, one of the most pressing problems that we are facing in the long range future of diversified agriculture in the State of Hawaii is the traditional problem of attracting young people and new farmers to the industry. One of the deterrents into farming today has been the lack of farm credit available to those who would like to enter into the farming industry, which include our young people, those potentially displaced because of other businesses going out of business.

If we intend to enhance farming as a way of life, Mr. Speaker, we must attract new blood. I believe that this measure is one piece of the foundation which we must lay if we are going to do so. We will now be able to attract to farming, as I mentioned, those people displaced from employment in other agricultural enterprises, college graduates in agriculture, those participating in the Hawaii Young Farmers Association and the Future Farmers of America.

Mr. Speaker, looking at the larger picture of the future of agriculture, looking beyond this session in our day to day trials and tribulations, I would like to say that the three measures relating to agriculture, which were proposed to you by your Committee on Finance for final passage today, offer a substantial impetus, the future of farming in this State, about which we can be justly proud.

Thank you, Mr. Speaker.”

Representative Ajifu then rose to speak in favor of the measure as follows:

“Mr. Speaker, I rise to speak in favor of House Bill No. 2012-72, HD2.

The objective of this bill is to expand the economic base in agriculture by encouraging more young people into farming.

This bill provides for persons who are displaced from employment in an agricultural production enterprise, college graduates in agriculture, Future Farmers of America boys with farming projects and members of the Hawaii Young Farmers Association as qualified farmers

who would qualify for initial loans.

Mr. Speaker, to keep agriculture a viable industry, we must revitalize Hawaii's farm population. According to the 1964 census, the average age of farmers was 51. We need more farmers, particularly younger farmers in our community. Farming is not attracting young people as are other sectors of our economy.

Under existing Farm Loan programs, persons without proven farming ability would not qualify for credit. Commercial lenders are reluctant to finance new farm ventures. This 'new farmer' program is designed to specifically encourage new people or young people into farming.

Several factors such as the availability of good agricultural land and the lack of credit may have been a contributing point for the decline of our farm population.

The situation today is somewhat reversed and it has become imperative upon us, as legislators, to consider inducements and incentives to utilize the large tract of agricultural land that have and will become available.

This bill which makes credit available may give the incentive to attract capable young men into farming, thereby enabling them to contribute to the economy and the well being of our State.

Thank you, Mr. Speaker.”

The motion was put by the Chair and carried, and the report of the Committee was adopted and H. B. No. 2012-72, as amended, passed Third Reading by a vote of 49 ayes, which is not less than two-thirds of the vote to which the House is entitled, with Representatives Poepoe and Wakatsuki being excused.

The Chair directed the Clerk to note that H. B. No. 2012-72 had passed Third Reading at 12:18 o'clock p.m.

Consideration of Stand. Com. Rep. 284-72 on H. B. No. 1814-72, which had been deferred to this day.

Representative Wasai moved that the report of the Committee be adopted and that H. B. No. 1814-72, having been read throughout, pass Third Reading,

seconded by Representative Iha.

Representative Young then rose to speak in support of the bill as follows:

“Mr. Speaker, I rise to speak in favor of this bill.

Mr. Speaker, the purpose of this bill is to amend Section 367-3, Hawaii Revised Statutes, to enlarge the duties and powers of the State Commission on the Status of Women. This bill proposes to provide for the cooperation by the Commission with other State departments and agencies, as well as the Department of Labor and Industrial Relations and the federal offices and agencies in correcting unlawful employment practices. It also proposes to explicitly state the area of concern of the Commission as both public and private employment.

I urge the members of this body to vote for this measure.

Thank you, Mr. Speaker.”

The motion was put by the Chair and carried, and the report of the Committee was adopted and H. B. No. 1814-72 passed Third Reading by a vote of 49 ayes, with Representatives Poepoe and Wakatsuki being excused.

The Chair directed the Clerk to note that H. B. No. 1814-72 passed Third Reading at 12:22 o'clock p.m.

Consideration of Stand. Com. Rep. No. 318-72 on H. C. R. No. 26, as amended, which had been deferred to this time.

On motion by Representative Suwa, seconded by Representative Akizaki and carried, the report of the Committee was adopted and H. C. R. No. 26, as amended, entitled, “House Concurrent Resolution requesting the Economic Development Administration, U. S. Department of Commerce, for federal assistance which would benefit the State's neighbor island counties and particularly the area of North Kohala, Hawaii,” was adopted.

DISPOSITION OF MATTERS PLACED ON CLERK'S DESK

By unanimous consent, H. B. No. 1748-72, as amended by the Senate, was

taken from the Clerk's desk.

Representative Suwa moved that the House agree to the amendments proposed by the Senate to H. B. No. 1748-72, and that H. B. No. 1748-72, as amended by the Senate, pass Final Reading, seconded by Representative Akizaki.

Representative Suwa then explained the changes made by the Senate.

The motion was put by the Chair and carried, and H. B. No. 1748-72, as amended, passed Final Reading by a vote of 49 ayes, with Representatives Poepoe and Wakatsuki being excused.

The Chair directed the Clerk to note that H. B. No. 1748-72 had passed Final Reading at 12:24 o'clock p.m.

The Chair declared a recess at 12:25 o'clock p.m., subject to the call of the Chair.

At 12:28 o'clock p.m., the House of Representatives reconvened.

By unanimous consent, H. B. No. 434, as amended by the Senate, was taken from the Clerk's desk.

Representative Takamine moved that the House agree to the amendments proposed by the Senate to H. B. No. 434 and that H. B. No. 434, as amended by the Senate, pass Final Reading, seconded by Representative O'Connor.

Representative Takamine then explained the changes made by the Senate.

The motion was put by the Chair and carried, and H. B. No. 434, as amended, passed Final Reading by a vote of 49 ayes, with Representatives Poepoe and Wakatsuki being excused.

The Chair directed the Clerk to note that H. B. No. 434 had passed Final Reading at 12:29 o'clock p.m.

At 12:32 o'clock p.m., on motion by Representative Ushijima, seconded by Representative J. Garcia and carried, the House of Representatives adjourned to 11:00 o'clock a.m., tomorrow, March 23, 1972.

INTERIM REPORT
KOHALA TASK FORCE
FEBRUARY, 1972

I. BACKGROUND ON NORTH KOHALA

A. Geography

The North Kohala Judicial District, the smallest of all Big Island judicial districts, takes up most of the peninsula formed by the Kohala Mountains in the northernmost area of the Big Island. This peninsula was formed by the Kohala volcano and is the oldest by far of the five volcanic systems that built the Big Island. The boundary of the North Kohala Judicial District begins approximately two miles north of Kawaihae and runs up toward the summit of the Kohala Mountains, then curves northeastward to the windward coast below Honokane Valley.

Kohala Sugar Company occupies the northeastern part of the peninsula and has an area of 20,647 acres, of which 13,600 acres are in sugar cane and approximately 300 acres in macadamia nut. The plantation runs along the coast for 15 miles from Pololu Valley on the windward coast to a few miles past Upolu Point, the northern tip of the island. The cane lands stretch inland as far as five miles up to the 2,000-foot elevation. Actually, the cane lands stretch across the northern and northeastern slopes of the Kohala Mountains, which rise to a height of 5,500 feet.

The Kohala Mountains intercept the prevailing northeast tradewinds and the windward side receives from 150 to 275 inches of rain a year. But the rainfall diminishes rapidly as you go westward and the leeward side gets as little as 10 inches or less annually. At Upolu Point, the rainfall is only 40 inches a year. The windward side of the Peninsula has soft soils, consequently it has been deeply carved into several steep-sided valleys. Even in the Kohala Sugar Company area, the land has been dissected by numerous gulches. Average annual rainfall on the plantation ranges from approximately 75 inches down to around 30 inches at the lee end of the fields. It should be noted, however, that year-to-year variation in

rainfall is very great. For example, at the Hawi gauge, over a 70-year period, there was one year with as little as 27 inches of rain and another with as much as 101 inches. For this reason, part of the cane land must be irrigated. Water from the wet windward side is brought northward by the now famous Kohala Ditch.

With a rising terrain exposed completely to the tradewinds, much of Kohala's lands are in the paths of strong and gusty winds, one of the main reasons given for the difficulty faced in the cultivation of sugar cane. Another cause of high winds in Kohala is the venturi effect as the tradewinds barrel through the saddles formed by the Kohala Mountains and Mauna Kea, and the Kohala Mountains and Haleakala Masses, which generate wind velocities up to 40 miles per hour.

B. Land Ownership and Use

Land use in the North Kohala District is almost entirely agricultural, taking up approximately 70 per cent of the total land area. Another 26 per cent is in forest reserve (conservation). The small remaining area is divided mainly for residential, highway, and industrial uses.

The agricultural area of approximately 62,000 acres is divided mainly between ranching and sugar cane cultivation. Parker Ranch and Kahua Ranch are by far the largest ranching operations in North Kohala, where 47,000 acres are used for grazing. Kohala Sugar Company, as already noted, owns 20,647 acres of which approximately 13,600 acres are in sugar cane. Small parcels of sugar cane are also cultivated by independent growers. There are approximately 400 acres (300 acres Kohala Sugar Company, 100 acres others) in macadamia nut trees, the largest orchard being mauka of Kiulii. A small dairy heifer replacement herd and small truck crop operations make up the remainder of agriculture in the area.

In 1968, the State Land Use Commission had 746 acres set aside for urban use in North Kohala of which 321 acres were vacant. The State Land Use Commission has jurisdiction over zone boundaries, but zoning changes within an urban district are under the County Planning Department.

Similarly, agriculturally zoned land

cannot be used for any other purpose unless the Land Use Commission changes the zoning. However, special permits for unusual use within the agricultural district may be granted by the County Planning Department.

The conservation district is under the jurisdiction of the State Board of Land and Natural Resources. The board may grant permits for certain uses, such as logging, or the Land Use Commission may change the zoning of such land for other uses.

During the 1969 review, the State Land Use Commission approved some minor changes in the land use district boundaries in North Kohala.

An almost fully developed subdivision mauka of Hawi was changed from agricultural to urban zone. At Kohala, the urban district was expanded to enable expansion of employee housing. At Halaula, a portion of the urban district in the vicinity of Kohala Mill was returned to agricultural zone.

Ownership of land in North Kohala is in large tracts. The State of Hawaii is the largest owner, counting the forest reserve on the windward side of the Kohala Mountains, followed by Kohala Sugar Company, Parker Ranch, Kahua Ranch, and the Bishop Estate. Most of the remaining land is owned by independent sugar cane planters.

C. Access

There are two roads to North Kohala. One is the old Kohala Mountain road between Waimea and Hawi which at places runs at the 3,000- to 4,000-foot elevation. In 1970, a second route was opened by the State with the completion of the Kawaihae to Mahukona highway along the leeward coastline. A road exists between Mahukona and Hawi which is scheduled to be rebuilt. From Hawi, the road runs east to Pololu Valley through Kohala Sugar Company fields, connecting the plantation communities.

Upolu Airport, a small landing strip at the northern tip of the island, is used mainly for air taxis and other smaller aircraft. The two primary interisland carriers do not land at Upolu. The closest commercial airport is at Kamuela which is served by Hawaiian Airlines.

Mahukona Harbor, approximately 12 miles up the coast from Kawaihae, was at one time an export point for sugar and cattle. It has been virtually abandoned as a port with the development of Kawaihae Harbor.

Communication is through the U. S. mails and the Hawaiian Telephone System as in most other areas of the State.

The State has begun to build a coastal highway from Kailua to Kawaihae, and when this is completed, North Kohala will have a considerably better and shorter route to Kailua. The highway is now under construction from Mauna Kea Beach Hotel to the Boise-Cascade Development at Waikoloa.

D. Economy -- Past and Present

When the brig Thaddeus brought the first missionaries to Hawaii in 1820, Kohala was the first landfall sighted. The missionaries are said to have wept at the appearance of destitution and barbarism among the natives.

Archeologists, however, have noted that the early Hawaiians in Kohala planted windbreaks and successfully cultivated sweet potatoes to feed to pigs. They built ingenious irrigation systems to supply water for taro patches, and they built launching ramps for their fishing canoes. In 1823, William Ellis journeyed through North Kohala and found some well-cultivated fields of potatoes and other vegetables, taro, pigs, and poultry.

The Rev. Elias Bond arrived in Kohala in 1841, and he became a major force in developing the economy of that area. For 20 years he struggled to make Kohala a prosperous and self-supporting mission. "We are a miserably poor people," he wrote. "Beyond any other district on the Island we are destitute of all resources." He encouraged agriculture of every feasible sort but the population fell each year for lack of profitable employment. There were 3,395 people in North Kohala in 1853 but by 1860 the number had dropped to 2,632, "Every schooner went crowded to Honolulu and very few ever returned therefrom," he wrote.

Sugar was becoming a major crop in other parts of the Island chain and in 1860, Father Bond concluded that sugar

would be the savior of the area's economy. He interested Samuel Northrup Castle in such an enterprise and in 1863 the Kohala Sugar Company was incorporated with 3,282 acres of land—owned by Father Bond and his neighbor, Dr. James Wight—for the plantation. This is how Castle & Cooke was involved from the beginning.

The first crop was harvested in 1864, and when milling was completed in January, 1865, 488 tons of sugar had been produced. There was great rejoicing.

The first profitable year was 1872, but all of the returns were immediately reinvested for needed improvements. Sugar was shipped from Kohala Landing, but when the Hawaiian Railroad Company was formed in 1880, and built a railroad spur from the Kohala Mill area to Mahukona, ship loadings were transferred to the more sheltered Mahukona Harbor.

By 1906, the Kohala Ditch was supplying water from the windward streams of the Kohala Mountains, and by 1910 the plantation had 1,350 acres under irrigation. In 1920 the following companies were operating in North Kohala:

	Tons Sugar 1920
Kohala Sugar Company	4,374
Halawa Plantation	2,129
Hawi Mill & Plantation	5,769
Union Mill Company	1,819
Niulii Mill & Plantation	1,502
	15,593

Expanded irrigation, better cane varieties, improved fertilization, and development of additional water for irrigation increased production at Kohala Sugar Company to around 7,000 tons annually by the mid-1920's using the original acreage. In 1929 the plantation entered a period of rapid expansion; the Halawa lands were leased by Kohala and Niulii; in 1931 Hawi merged with Kohala; in 1932 Niulii and Union Mill merged; and in 1937, Union was purchased by Kohala. By 1941, Kohala Sugar Company had increased its sugar cane acreage to 14,385 acres. Kohala produced a record crop of 52,118 tons raw sugar in 1968. Two other years, 1965 and 1967 also had

totals exceeding 50,000 tons. However, as a result of severe drought, production in 1962 and 1963 was only 38,072 and 36,417 tons respectively.

The 1970 Census showed a population of 3,326 for the North Kohala Judicial District, a decrease of 60 persons or 1.8 per cent from 1960. Of today's population, 1,746 are male and 1,580 female. The age distribution is as follows:

Under 5 years	10.0 Per cent
5 to 14 years	22.7
15 to 24 years	14.4
25 to 44 years	22.6
45 to 64 years	20.8
65 years and over	9.5

Today, most of the population of North Kohala is concentrated at Kohala Sugar Company, the major source of income and employment for this area.

The population distribution by ethnic groups, as shown by the June, 1969, Community Action Program Survey was:

Hawaiians and part-Hawaiians	33 Per cent
Japanese	28
Filipino	21
Portuguese	6
Caucasian	5
Puerto Rican	4
Chinese	1
Other races	2

Educational levels achieved for those aged 20 and above revealed the following:

Up to 6th grade	23 Per cent
7th to 9th grades	13
10th to 11th grades	14
Completed high school	36
Beyond high school	14

Sugar, cattle, and macadamia nuts are the major agricultural crops of North Kohala. Truck crops are grown on a small scale. With this strictly agricultural base of its economy, it is easy to see why Kohala Sugar Company is the major source of employment and income for the district. During 1968, the company had 564 employees and an annual payroll of \$3.9 million. Today, the number of workers has decreased to 516.

Next to sugar workers, hotel workers make up the second largest occupational group although they are employed in

hotels away from North Kohala, mainly in the South Kohala district. This new area of employment is the major reason for the small decline in population of North Kohala in the last decade.

Although grazing takes up almost all of the arid and semiarid leeward side of the district, employment is not as high as in sugar because cattle raising requires only a fraction of the human labor required by sugar.

Macadamia nuts are grown mainly by Castle & Cooke and are transported to its plant south of Hilo for processing. Mainly marginal land is used.

The 1970 Census showed 864 males and 456 females of North Kohala gainfully employed. Most of the females were working for hotels and most of the males for Kohala Sugar Company. Male unemployment was listed as negligible.

Household income was concentrated between \$5,000 and \$15,000, with the following distribution:

Below \$2,000	3 Per cent
\$2,000 to \$2,999	4
\$3,000 to \$3,999	6
\$4,000 to \$4,999	8
\$5,000 to \$6,999	29
\$7,000 to \$9,999	18
\$10,000 to \$14,999	25
\$15,000 or more	3
Don't know/Refused	4

Of the 941 housing units counted in the district, 585 were owner-occupied and 294 were renter-occupied. The high incidence of owner-occupied homes is the result of Kohala Sugar Company's program encouraging home ownership among its employees. The company gave 15,000 square feet of land in fee to each employee who would put a house on the lot. Some employees, instead of building new homes, moved older plantation houses to their lots. The company sold them the houses at book value.

E. The Announced Closing of Kohala Sugar Company

Castle & Cooke, Inc. announced on March 1, 1971, that Kohala Sugar Company, an almost 100 per cent-owned subsidiary, will terminate operations after completion of the 1973 harvest.

The decision to terminate operations came 108 years after Kohala Sugar Company was incorporated and made sugar cane the strong economic base of that desolate area. The company had decided after lengthy deliberations that the production of sugar in 20th century Kohala was uneconomical, and that their "projections for the next five years show no reasonable possibility of profitable operations."

On April 28, 1971 Castle and Cooke announced that it was going to develop a long-range program of diversified activities to provide new job opportunities for the North Kohala area. As a first step, Kohala Sugar Company was renamed Kohala Corp.

Henry B. Clark, Jr., executive vice president of Castle & Cooke and president of Kohala Sugar Company, would continue as president of Kohala Corp. Alvan C. Stearns, vice-president and manager of Kohala Sugar Company, would continue as vice-president of Kohala Corp. and manager of the sugar division. Christopher Cobb, a partner in the law firm of Jenks, Kidwell, Goodsell & Anderson, would give up his practice of law to join Kohala Corp. as a vice president to assist with the new program. He would be headquartered at Hawi where Kohala Sugar Company offices are located.

II. APPOINTMENT OF KOHALA TASK FORCE

During the 1971 Session of the Hawaii State Legislature, the House of Representatives, with the Senate concurring, passed House Concurrent Resolution No. 60 requesting Governor John A. Burns "to appoint an action task force to recommend a plan of action to save the Kohala Sugar Company and the community and to stimulate the growth and prosperity of the Kohala Sugar Company and the community..." By mid-June the Governor had completed his appointments and the members of the Task Force were: Lieutenant Governor George R. Ariyoshi, Chairman; Mr. John D. Bellinger, President, First Hawaiian Bank; Mr. Richard Frazier, Manager, Honokaa Sugar Company; Mr. Eddie Tangen, ILWU; Mrs. Ah Quon McElrath, ILWU; Dr. Robert L. Cushing, Vice-President and Secretary, Hawaiian

Sugar Planters Association; Mr. Robert Gordon, Vice-President, Castle & Cooke; Honorable Shunichi Kimura, Mayor of Hawaii; Mr. John Farias, Director, Department of Research and Development, County of Hawaii; Dr. Shelley M. Mark, Director, State Department of Planning and Economic Development; Mr. Sunao Kido, Director, State Department of Land and Natural Resources; and Mr. Frederick Erskine, Director, State Department of Agriculture. In October of 1971, at Castle & Cooke's request, Mr. Christopher Cobb replaced Mr. Gordon on the Task Force.

III. TASK FORCE METHODOLOGY

At the initial meeting of July 2, 1971, the Task Force agreed to organize into the following subcommittees:

Sugar: Richard Frazier (chairman), Robert L. Cushing, Robert Gordon, Shunichi Kimura, Eddie Tangen

Other agricultural: Frederick Erskine (chairman), Cushing, John Farias, Gordon, Tangen

Non-agricultural: Shelley M. Mark (chairman), John D. Bellinger, Farias, Gordon, Tangen

Land and Natural Resources: Sunao Kido (chairman), Erskine, Frazier, Gordon, Mark, Tangen

Social and Human Resources: Ah Quon McElrath (chairwoman), Kido, Kimura

Planning, Financing and other resources: John D. Bellinger (chairman), Farias, Mark

The meeting also produced consensus that there should be two major and simultaneous thrusts to the Task Force activities. One thrust would center on the comprehensive study of every alternative which might lead to the continued production of sugar in Kohala. Responsibility for this effort rested with the Sugar subcommittee. Resolution of the question of continued sugar production in Kohala was expected to be both complex and time consuming. The Task Force realized it could not afford the luxury of waiting for decision on its sugar production recommendations before proceeding on other fronts. Thus,

it was agreed, the second and simultaneous area of concentration would be the development of alternate agricultural and non-agricultural enterprises that could either act as a complement to continued sugar production or could replace sugar if no means were found to keep it in production. This work fell primarily to the Other-agricultural and Non-agricultural subcommittees.

The remaining subcommittees were asked to work closely with the Sugar, Other-agricultural, and Non-agricultural subcommittees as they began developing the projects determined feasible for Kohala. The Task Force has been meeting regularly, both as a committee of the whole and as various subcommittees.

IV. STATUS OF TASK FORCE ACTIVITIES

To date, the Task Force has not determined its final recommendations regarding the Kohala area. The following is a report of the progress which has been made in both major areas of concentration.

Preliminarily, the following list of non-sugar activities appear to have every reasonable opportunity for success. This includes a 3,000 acre area planted in sorghum on former pasture land at the Kawaihae end of the Plantation which is not now planted in sugar. Portions of this plot are owned by the Kohala Corporation, the State, and Parker Ranch. Parker Ranch has indicated a willingness to participate in the project. Should a means be found to continue sugar production on a reduced acreage of only unirrigated land, an additional 4,000 acres of presently irrigated lands could also be released for sorghum production. The Kohala Corporation is currently working with Metcalf Farms on the development of this project and is encouraged by the test yields to date.

The success of sorghum production in Kohala will generate other, more labor-intensive, activities. Feed grain production would support a 10,000 to 15,000 head feedlot, a slaughterhouse, packing plant, and rendering plant. A feed lot of this size would be similar in concept to the feed lot at Barber's Point. The Barber's Point feed lot, which houses approximately 15,000 head of cattle at

any one time, supplies two slaughterhouses on Oahu; the Kahua slaughterhouse in Ewa and the Hawaii Meat Slaughterhouse on Middle Street and various meat cutting operations in other scattered locations. Local production accounts for less than one-half of the annual consumption of beef and veal in Hawaii. There would be a definite market for the products produced by a slaughterhouse and packing plant in Kohala. The Kohala Corporation in cooperation with several beef cattle ranches is actively pursuing the development of these enterprises at this time.

The development of a strong dairy cow replacement program is urgently needed in Hawaii. Oahu has a critical need for 1,500 heifer replacements immediately. At present, heifer replacements are brought in from the West Coast by air freight at high cost. This expense has contributed to an improperly low cull rate within the dairy industry on Oahu of only 17 per cent; the preferred annual cull rate for dairy cows is 35 per cent. Recently the dairy industry has agreed to participate in such a replacement program. It is estimated a 10,000 head herd will be necessary to provide the 4,000 Oahu replacements needed annually. This herd could be located in Kohala and the pasturing phase of the project could be contracted out to local ranchers in the area.

It has been determined there would be a market for 50 acres of watercress to be grown in Kohala. A number of years ago, the State had 78 acres of watercress; urban encroachment has reduced that acreage to 28 at the present time. It is feasible to assume that an additional fifty acres of watercress will recapture the market that has been lost to other, presumably imported, vegetables. In addition to watercress, there is an undetermined market for such aqua-cultural products as prawns, catfish, and trout. One interesting possibility is the development of fish ponds (or prawn ponds) at high elevations which will permit the re-use of the pond water at lower elevations for irrigation. A nursery project which could develop into a major enterprise of unknown proportions also is being examined. The nursery would not only cater to future developments in the area but also would produce potted plants, greenery, and flowers for export

to the mainland.

Local production accounts for only one-third of the pork consumed in Hawaii annually. The success of grain crops in Kohala would make it possible to triple Hawaii's production of pork. The project would commence with 100 sows and rapidly expand to a 1,000 sow level.

It is estimated the above projects would provide employment for approximately 480 persons when developed to full potential. This estimation does not include employment opportunities which would be generated by such support activities as trucking, equipment maintenance, and farm support services. These projects would not interfere with continued sugar production on the 10,000 acres of prime, unirrigated lands if means are found to keep sugar in production.

It is important to note, however, that there is strong concern among the Task Force members that the above-described non-sugar activities may not be implemented by December, 1973—the scheduled date for termination of sugar operations at Kohala. Present estimates indicate it will take three to five years for complete development of these diversified activities. Phasing out of sugar production before these non-sugar projects are developed would cause serious problems such as unemployment, retraining, job suitability, etc. Timing of the phase-in of the jobs created by the new ventures will be critical.

For this reason, the Task Force is exploring every possibility of keeping sugar in production beyond the 1973 deadline. At present, the Task Force is concentrating its efforts on an extensive economic feasibility study based on an integrated package of diversified activities and continued sugar production on a reduced acreage of prime sugar lands. The study will examine the economies that may result from the sharing of overhead with other ventures, the lower cost of production on only unirrigated sugar lands, the possibility of increasing yields by correcting deficiencies in some cultural practices, and the possibility of financing or other governmental aid in a modified operation.

Realizing the time constraints imposed by the present legislative session as well as

sugar production decisions that must be made, the Task Force is working with dispatch and does anticipate submittal to the Legislature, for consideration during the present session, a package of legislative proposals designed to alleviate the spectre of unemployment threatening Kohala. Basic to the package will be the belief that Kohala should retain its essentially agricultural character. Important will be a strong Task Force recommendation that the Legislature consider the Kohala package as an integrated, highly interrelated set of programs. Early in the deliberations it became apparent that a piecemeal approach to the problems of Kohala would not result in solution. The scattered communities of the North Kohala area represent an integrated region; alleviation of the region's problems must be on an integrated, area-wide basis.

V. SUMMARY

The Task Force is confident that with the cooperation of persons at all levels of government, industry, and labor, a solution to the problems facing Kohala can be found. The work of the Task Force has been characterized by cooperative give-and-take. Castle and Cooke's active and willing participation on the Task Force has provided adequate evidence that the company has no intention of shrinking from its moral obligations to the people of Kohala. Of equal importance has been the willingness of the ILWU to understand the

company's problems and work cooperatively towards a solution to save Kohala Sugar Company and the Kohala Community.

The Task Force foresees for the North Kohala area a much brighter future than it faced a decade ago. Kohala was losing its young people at an unhealthy rate. Sugar production alone, was not attracting new people to the area nor did it hold an attraction for many of the young people born in Kohala. The diversification of enterprise should be welcomed; it offers a choice to the young people of Kohala and a guarantee of a more viable future.

The success of the Kohala effort has ramifications which reach far beyond the boundaries of the North Kohala District. Successful implementation of the planned projects will be a major step towards the goal of greater agricultural self-sufficiency for the State of Hawaii. The Kohala effort will prove the viability and potential of agriculture in Hawaii.

The vision of a bright future for the Kohala District, however, cannot be the only concern of the Task Force. Of equal and more immediate importance is the necessity of insuring continued and uninterrupted employment for the present Kohala Sugar Company workers. This concern of providing the present plantation employees continued employment opportunities will bear heavily on the final Task Force recommendations.

**RECOMMENDATIONS
OF THE
KOHALA TASK FORCE**

March 6, 1972

"Office of the
Lieutenant Governor
State Capitol
Honolulu, Hawaii 96813

March 6, 1972

The Honorable John A. Burns
Governor, State of Hawaii
Executive Chambers
State Capitol
Honolulu, Hawaii 96813

Dear Governor Burns:

I am pleased to transmit to you a report containing the recommendations of the Kohala Task Force. This report addresses itself to the problem of keeping Kohala in sugar production as long as necessary until other diversified activities, which were mentioned in some detail in the Task Force Interim Report, can be phased in.

As you know, our primary concern has been the threat of unemployment in Kohala. We have identified a number of non-sugar ventures that we believe will provide more than enough employment for the Kohala Sugar Company employees. The problem, however, was one of timing the phase in of the new ventures with the phase-out of sugar. We feel adoption of our recommendations will provide sufficient flexibility to overcome this problem.

With warm personal regards, I remain,

Very truly yours,

/s/ GEORGE R. ARIYOSHI

George R. Ariyoshi"

I. THE KOHALA TASK FORCE

During the 1971 Session of the Hawaii State Legislature, the House of

Representatives, with the Senate concurring, passed House Concurrent Resolution No. 60 requesting Governor John A. Burns "to appoint an action task force to recommend a plan of action to save the Kohala Sugar Company and the community and to stimulate the growth and prosperity of the Kohala Sugar Company and the community..." By mid-June the Governor had completed his appointments and the members of the Task Force were: Lieutenant Governor George R. Ariyoshi, Chairman; Mr. John D. Bellinger, President, First Hawaiian Bank; Mr. Richard Frazier, Manager, Honokaa Sugar Company; Mr. Eddie Tangen, ILWU; Mrs. Ah Quon McElrath, ILWU; Dr. Robert L. Cushing, Vice-President and Secretary, Hawaiian Sugar Planters Association; Mr. Robert Gordon, Vice-President, Castle and Cooke; Honorable Shunichi Kimura, Mayor of Hawaii; Mr. John Farias, Director, Department of Research and Development, County of Hawaii; Dr. Shelley M. Mark, Director, State Department of Planning and Economic Development; Mr. Sunao Kido, Director, State Department of Land and Natural Resources; and Mr. Frederick Erskine, Chairman, State Department of Agriculture. In October of 1971, at Castle and Cooke's request, Mr. Christopher Cobb replaced Mr. Gordon on the Task Force. In February, 1972, Mr. Richard Frazier resigned from the Task Force due to his retirement from the Honokaa Sugar Company.

In February, 1972, the Task Force submitted an Interim Report to the Legislature. The report indicated: (1) the Task Force belief that the Kohala area should retain its essentially agricultural character, (2) a number of non-sugar ventures which appeared feasible for the area, and (3) a second report on recommendations would be submitted to the Legislature during the present session. In the Interim Report the Task Force reserved its recommendation on the future of sugar in Kohala pending receipt of a final "economic feasibility study based on an integrated package of diversified activities and continued sugar production on a reduced acreage of prime sugar lands." This study has now been completed.

In submitting this final report, the Task Force wishes to emphasize that the prevention of unemployment with its

attendant problems and costs has been its primary motivation and aim.

II. RECOMMENDATIONS

After thorough and continued deliberations, the members of the Kohala Task Force unanimously recommend that:

1. Sugar production be continued in North Kohala as long as necessary to prevent unemployment;
2. Monies be appropriated to provide flexible authorization to the Governor to expend such sums as may be necessary to prevent unemployment in North Kohala by maintaining sugar operations and/or assisting in the development of diversified ventures;
3. The County of Hawaii appropriate \$1.8 million to be expended, in consultation with the Governor, for the purpose of preventing unemployment; and that,
4. The Kohala Task Force continue in existence to advise the Governor on the best means of preventing unemployment.

To accomplish these objectives, the Task Force further recommends the enactment of the following by the Legislature:

1. A BILL FOR AN ACT Relating to Feasibility Studies of Potential Industries in North Kohala.
2. A BILL FOR AN ACT Relating to Planning and Development of North Kohala.
3. A BILL FOR AN ACT Making an Appropriation for the Development of an Irrigation Water System in North Kohala.
4. A BILL FOR AN ACT Relating to the Farm Loan Program (previously introduced as Administration Proposal, D-2; H. B. No. 2012-72, S. B. No. 1682-72).
5. A BILL FOR AN ACT Relating to General Public Improvements and the Financing Thereof, Making Appropriations for Public

Improvements and Plans Related Thereto Out of General Revenues, Special Funds, General Obligation and Revenue Bond Funds and Grants; and Providing for the Issuance of Bonds (commonly referred to as the Governor's Supplemental C.I.P. Bill; previously introduced as Administration Proposal, N-5; S. B. No. 1594-72, H. B. No. 1972-72), particularly: Item B-3 North Kohala Historic Preservation and Restoration, Hawaii -- Research, plans acquisition, preservation, restoration, development and interpretation of North Kohala's historic places, structures and objects, \$500,000; Item C-10 Kailua-Kawaihae Road, Hawaii -- Incremental construction of 2-lane highway. To supplement prior appropriations, \$5,700,000; Item C-12 Hawi-Mahukona Road, North Kohala, Hawaii -- Construction of 2-lane highway. To supplement prior appropriations, \$349,000 (a) and \$473,000 (f); Item I-5 North Kohala Civic Center, Hawaii -- Plans and construction of civic center, \$175,000.

6. A Resolution Requesting the Economic Development Administration, U. S. Department of Commerce, for Federal Assistance Which Would Benefit the North Kohala area.
7. A BILL FOR AN ACT Relating to the Acquisition of Private Personal Property for Public Use (previously introduced as H. B. No. 1969-72, S. B. No. 1601-72).

In addition to Legislative action, the Task Force believes that certain administrative actions will assist materially in alleviating unemployment in Kohala and recommends that:

1. High priority be given to the State Demonstration Farm Program.
2. High priority be given to the State Aquaculture Loan Program.
3. High priority be given to water development in North and South Kohala District.

4. State land be made available for ventures which will provide employment in North Kohala.
5. The State Department of Health and the Federal Environmental Protection Agency be asked for assistance on solving pollution control problems.
6. Kohala Corporation employees be given preference when legally possible for employment in State and County projects and programs in the area.
7. The Statewide Committee on New Communities be asked to consider

developments in North and South Kohala.

8. The State Department of Labor and Industrial Relations be asked to assist with retraining programs.

CONCLUSION

The members of the Kohala Task Force believe that the implementation of the foregoing recommendations will assure the economic viability of Kohala, preserve the area as a basically agricultural community, and greatly contribute to the preservation and enhancement of one of the most culturally and historically important areas of the State of Hawaii.

46TH DAY

Thursday, March 23, 1972

The House of Representatives of the Sixth Legislature of the State of Hawaii, Regular Session of 1972, was called to order at 11:00 o'clock a.m.

The Speaker presided.

The Divine Blessing was invoked by Pastor Richard Among of the Waianae Seventh-Day Adventist Church.

Roll call of the members of the House of Representatives showed that all members were present with the exception of Representatives Iha, Kimura, Kunimura and Wakatsuki, who were excused.

The Clerk proceeded to read the Journal of the House of Representatives of the Forty-Fifth Day.

On motion by Representative Ushijima, seconded by Representative J. Garcia and carried, reading of the Journal was dispensed with and the Journal of the Forty-Fifth Day was approved.

SENATE COMMUNICATION

A communication from the Senate (Sen. Com. No. 58) informing the House that the Senate had agreed to the amendments proposed by the House to Senate Bill No. 1014 and that Senate Bill No. 1014, as amended, passed Final Reading in the Senate on March 22, 1972, was read by the Clerk and was placed on file.

At this time, the following introductions were made to the members of the House:

Representative Morioka introduced 52 fourth grade students from Anuenue Elementary School, with their teachers, Mrs. Kamahoahoa and Mrs. Sano.

Representative Aduja introduced 20 students from the Political Science class at Kapiolani Community College, with their teacher, Mrs. Jean Fukunaga.

At 11:05 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 11:08 o'clock a.m. and the

Chair directed the Clerk to note the presence of Representatives Iha, Kimura, Kunimura and Wakatsuki.

Representative Wakatsuki then introduced to the members of the House 158 fifth grade students from Moanalua Elementary School, with their teachers, Mrs. Judith Kaya, Mrs. Joan Acoba, Miss Mildred Chun, Miss Lillian Okamura, Miss Sandra Whittenberg and Mrs. Sodetani and parents, Mrs. Choy, Mrs. Aoki and Mrs. Gordon.

ORDER OF THE DAY

DEFERRED RESOLUTIONS

The following resolutions (H. R. Nos. 284 to 286) and concurrent resolutions (H.C.R. Nos. 37 and 38) were disposed of as follows:

H. R. No. 284 was referred to the Committee on Higher Education and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 285 was referred to the Committee on Public Health, Youth and General Welfare.

H. R. No. 286 was referred to the Committee on Public Health, Youth and General Welfare and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H.C.R. No. 37 was referred to the Committee on Housing and Consumer Protection and after consideration by it, the Committee was instructed to refer the concurrent resolution to the Committee on Finance.

H.C.R. No. 38 was referred to the Committee on Finance.

STANDING COMMITTEE REPORTS

Representative Akizaki, for the Committee on Legislative Management, presented a report (Stand. Com. Rep. No. 319-72) informing the House that House Resolution Nos. 280 to 286, House Concurrent Resolution Nos. 37 and 38, and Standing Committee Report Nos. 320-72 to 357-72, had been printed and distributed.

On motion by Representative Akizaki, seconded by Representative Kishinami and carried, the report of the Committee was adopted.

Representative Kawakami, for the Committee on Lands, presented a report (Stand. Com. Rep. No. 320-72) approving the intent and purpose of H. R. No. 158 and recommending its referral to the Committee on Finance.

On motion by Representative Kawakami, seconded by Representative Kaneshiro and carried, the report of the Committee was adopted and H. R. No. 158 was referred to the Committee on Finance.

Representative Kawakami, for the Committee on Lands, presented a report (Stand. Com. Rep. No. 321-72) approving the intent and purpose of H. R. No. 178 and recommending its referral to the Committee on Finance.

On motion by Representative Kawakami, seconded by Representative Kaneshiro and carried, the report of the Committee was adopted and H. R. No. 178 was referred to the Committee on Finance.

Representative Kawakami, for the Committee on Lands, presented a report (Stand. Com. Rep. No. 322-72) approving the intent and purpose of H. R. No. 184 and recommending its referral to the Committee on Finance.

On motion by Representative Kawakami, seconded by Representative Kaneshiro and carried, the report of the Committee was adopted and H. R. No. 184 was referred to the Committee on Finance.

Representative Kawakami, for the Committee on Lands, presented a report (Stand. Com. Rep. No. 323-72) approving the intent and purpose of H. R. No. 211 and recommending its referral to the Committee on Finance.

On motion by Representative Kawakami, seconded by Representative Kaneshiro and carried, the report of the Committee and H. R. No. 211 were recommitted to the Committee on Lands.

Representative Kawakami, for the Committee on Lands, presented a report

(Stand. Com. Rep. No. 324-72) approving the intent and purpose of H. C. R. No. 28 and recommending its referral to the Committee on Finance.

On motion by Representative Kawakami, seconded by Representative Kaneshiro and carried, the report of the Committee was adopted and H. C. R. No. 28 was referred to the Committee on Finance.

Representative Kawakami, for the Committee on Lands, presented a report (Stand. Com. Rep. No. 325-72) approving the intent and purpose of H. B. No. 2337-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Kawakami, seconded by Representative Kaneshiro and carried, the report of the Committee was adopted and H. B. No. 2337-72 passed Second Reading and was referred to the Committee on Finance.

Representative Kawakami, for the Committee on Lands, presented a report (Stand. Com. Rep. No. 326-72) approving the intent and purpose of H. B. No. 2528-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Kawakami, seconded by Representative Kaneshiro and carried, the report of the Committee was adopted and H. B. No. 2528-72 passed Second Reading and was referred to the Committee on Finance.

Representative Kihano, for the Select Committee of Oahu Representatives, presented a report (Stand. Com. Rep. No. 327-72) approving the intent and purpose of H. B. No. 2392-72 and recommending its passage on Second Reading and its referral to the Committee on Judiciary.

On motion by Representative Kihano, seconded by Representative Wedemeyer and carried, the report of the Committee was adopted and H. B. No. 2392-72 passed Second Reading and was referred to the Committee on Judiciary.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 328-72) approving the intent and purpose of H. B. No. 2040-72 and recommending its

passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2040-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 329-72) approving the intent and purpose of H. B. No. 2041-72 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2041-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 330-72) approving the intent and purpose of H. B. No. 2042-72 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2042-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 331-72) approving the intent and purpose of H. B. No. 2043-72 and recommending its passage on Second Reading with certain amendments.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2043-72, as amended, passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 332-72) approving the intent and purpose of H. B. No. 2044-72 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2044-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 333-72) approving the intent and purpose of H. B. No. 2045-72 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2045-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 334-72) approving the intent and purpose of H. B. No. 2046-72 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2046-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 335-72) approving the intent and purpose of H. B. No. 2047-72 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2047-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 336-72) approving the intent and purpose of H. B. No. 2048-72 and recommending its passage on Second Reading with certain amendments.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2048-72, as amended, passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 337-72) approving the intent and purpose of H. B. No. 2049-72 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2049-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 338-72) approving the intent and purpose of H. B. No. 2050-72 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2050-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 339-72) approving the intent and purpose of H. B. No. 2051-72 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2051-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 340-72) approving the intent and purpose of H. B. No. 2052-72 and recommending its passage on Second Reading.

On motion by Representative

O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2052-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 341-72) approving the intent and purpose of H. B. No. 2053-72 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2053-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 342-72) approving the intent and purpose of H. B. No. 2054-72 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2054-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 343-72) approving the intent and purpose of H. B. No. 2055-72 and recommending its passage on Second Reading with certain amendments.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2055-72, as amended, passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 344-72) approving the intent and purpose of H. B. No. 2056-72 and recommending its passage on Second Reading with certain amendments.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2056-72, as amended, entitled: "A Bill for an Act relating to juries," passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 345-72) approving the intent and purpose of H. B. No. 2057-72 and recommending its passage on Second Reading with certain amendments.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2057-72, as amended, passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 346-72) approving the intent and purpose of H. B. No. 2058-72 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2058-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 347-72) approving the intent and purpose of H. B. No. 2059-72 and recommending its passage on Second Reading with certain amendments.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2059-72, as amended, passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 348-72)

approving the intent and purpose of H. B. No. 2060-72 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2060-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 349-72) approving the intent and purpose of H. B. No. 2061-72 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2061-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 350-72) approving the intent and purpose of H. B. No. 2062-72 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2062-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 351-72) approving the intent and purpose of H. B. No. 2063-72 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2063-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 352-72) approving the intent and purpose of H. B. No. 2064-72 and recommending its

passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2064-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 353-72) approving the intent and purpose of H. B. No. 2065-72 and recommending its passage on Second Reading with certain amendments.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2065-72, as amended, passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 354-72) approving the intent and purpose of H. B. No. 2066-72 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2066-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 24, 1972.

The Chair here directed the Clerk to note that H. B. Nos. 2040-72, 2041-72, 2042-72, 2043-72, 2044-72, 2045-72, 2046-72, 2047-72, 2048-72, 2049-72, 2050-72, 2051-72, 2052-72, 2053-72, 2054-72, 2055-72, 2056-72, 2057-72, 2058-72, 2059-72, 2060-72, 2061-72, 2062-72, 2063-72, 2064-72, 2065-72 and 2066-72 had passed Second Reading not earlier than 11:15 o'clock a.m.

At 11:16 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 11:21 o'clock a.m. and resumed the order of Standing Committee Reports.

Representative Kihano, for the Select Committee of Oahu Representatives, presented a report (Stand. Com. Rep. No. 355-72) approving the intent and purpose of H. R. No. 131 and recommending its adoption.

By unanimous consent, consideration of Stand. Com. Rep. No. 355-72 on H. R. No. 131 was deferred until the end of the calendar.

Representative Kihano, for the Select Committee of Oahu Representatives, presented a report (Stand. Com. Rep. No. 356-72) approving the intent and purpose of H. R. No. 159 and recommending its adoption.

By unanimous consent, consideration of Stand. Com. Rep. No. 356-72 on H. R. No. 159 was deferred until the end of the calendar.

Representative Kihano, for the Select Committee of Oahu Representatives, presented a report (Stand. Com. Rep. No. 357-72) approving the intent and purpose of H. C. R. No. 21 and recommending its adoption.

By unanimous consent, consideration of Stand. Com. Rep. No. 357-72 on H. C. R. No. 21 was deferred until the end of the calendar.

INTRODUCTION OF RESOLUTIONS

A resolution (H. R. No. 287) expressing sincerest appreciation to Rene Paulo for performing at the Sixth Legislature, Regular Session of 1972 and commending him for his contributions to Hawaii's culture was jointly offered by Representatives Kihano, Ajifu, Aki, Akizaki, Carroll, de la Cruz, Devereux, Duponte, Fong, R. Garcia, Iha, Inaba, Kaneshiro, Kawakami, Kimura, Kishinami, Kondo, Kunimura, Lee, Leopold, Lunasco, Morioka, Nakama, O'Connor, Poepoe, Roehrig, Saiki, Sakima, Soares, Suwa, Takamine, Uechi, Unemori, Ushijima, Wakatsuki, Wasai, Wedemeyer, Wong, Yamada, Yap, Yim, Young and Beppu and was read by the Clerk.

On motion by Representative Kihano, seconded by Representative Ushijima and carried, H. R. No. 287 was adopted.

By unanimous consent, the following resolutions (H. R. Nos. 288 to 293) were referred to the Committee on Legislative Management and further action was deferred until tomorrow, March 24, 1972:

A resolution (H. R. No. 288) requesting the Speaker of the House of Representatives to appoint an interim committee to study the organization and procedures of the Hawaii House of Representatives was jointly offered by Representatives Leopold, Ajifu, Aki, Devereux, J. Garcia, Oda, Poepoe, Saiki and Soares.

A resolution (H. R. No. 289) requesting the Honorable Speaker of the House of Representatives to appoint an interim joint house committee composed of members of the Committee on Education and the Committee on Higher Education to review the status of curriculum research development and instruction in the public schools of Hawaii was jointly offered by Representatives Saiki, Aduja, Ajifu, Aki, Carroll, Chong, Devereux, Fong, Hansen, Judd, Kimura, Leopold, Medeiros, Oda, Poepoe, Roehrig, Sakima and Takamine.

A resolution (H. R. No. 290) requesting the City and County of Honolulu and the Department of Land and Natural Resources to require certain stipulations before any licenses or permits for quarry mining are issued was offered by Representative Hansen.

A resolution (H. R. No. 291) relating to interim study of unit pricing was jointly offered by Representatives Yap, de la Cruz, R. Garcia, Inaba, Kishinami, Kunimura, Morioka, Nakama, Sakima, Suwa, Uechi, Unemori, Yim and Young.

A resolution (H. R. No. 292) requesting the establishment of a temporary commission to evaluate use of federal funds made available to the State was jointly offered by Representatives Yap, de la Cruz, Duponte, R. Garcia, Inaba, Kishinami, Kunimura, Morioka, Sakima, Suwa, Uechi, Unemori, Yim and Young.

A resolution (H. R. No. 293) requesting the Speaker to appoint a committee to conduct interim study relating to motor vehicle repair shops and dealers was jointly offered by

Representatives Yap, de la Cruz, Duponte, R. Garcia, Inaba, Kishinami, Kunimura, Morioka, Nakama, Sakima, Suwa, Uechi, Unemori, Yim and Young.

At this time, Representative Ushijima introduced to the members of the House the members of the East Show who will perform at the 20th Annual Cherry Blossom Festival, as follows: Miki Nakasone, a vocalist from Okinawa; Bob Sakate from Hokkaido, Japan and Kenichi Mikawa from Tokyo, Japan. They were accompanied by Mr. Ronald Nagano, President of the Honolulu Japanese Chamber of Commerce, Mr. Glen Shigemura, General Chairman of the Cherry Blossom Festival and Mr. Don Nagano, father of Ronald Nagano.

At 11:25 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 11:28 o'clock a.m.

Representative Kihano then introduced to the members of the House Mr. Rene Paulo, Akemi, vocalist, Mr. Ed. Shonk, bassist, and Mr. Cal Robertson, vocalist. They are all performers at the Keone's Lounge.

At 11:33 o'clock a.m., the Chair declared a recess, subject to the call of the Chair for the purpose of having Rene Paulo and his group perform for the members of the House.

At 1:05 o'clock p.m., the House of Representatives reconvened.

SUSPENSION OF RULES

On motion by Representative Ushijima, seconded by Representative J. Garcia and carried unanimously, the rules were suspended for the purpose of considering bills on Third Reading on the basis of a modified consent calendar.

THIRD READING

The following bills, which were on the calendar for Third Reading, were read throughout and the following actions taken:

Third Reading of S. B. No. 1346-72.

On motion by Representative Lunasco, seconded by Representative Nakama and carried, S. B. No. 1346-72 was recommitted to the Committee on Public Institutions.

Third Reading of H. B. No. 2285-72.

On motion by Representative Lunasco, seconded by Representative Nakama, H. B. No. 2285-72 passed Third Reading by a vote of 47 ayes, with Representatives Kato, Morioka, Soares and Takamine being excused.

The Chair here directed the Clerk to note that H. B. No. 2285-72 had passed Third Reading at 1:06 o'clock p.m.

STANDING COMMITTEE REPORTS

Representative Wedemeyer, for the Committee on Tourism, presented a report (Stand. Com. Rep. No. 358-72) approving the intent and purpose of H. R. No. 214 and recommending its referral to the Committee on Finance.

On motion by Representative Wedemeyer, seconded by Representative Akizaki and carried, the report of the Committee was adopted and H. R. No. 214 was referred to the Committee on Finance.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 359-72) approving the intent and purpose of H. B. No. 1654-72 and recommending its passage on Third Reading with certain amendments.

By unanimous consent, consideration of Stand. Com. Rep. No. 359-72 on H. B. No. 1654-72, as amended, was deferred until tomorrow, March 24, 1972.

The Chair directed the Clerk to note that printed copies of H. B. No. 1654-72, HD 2, were made available to the members of the House at 1:07 o'clock p.m., in accordance with Article III, Section 16, of the Constitution of the State of Hawaii.

Representative Wedemeyer, for the Committee on Tourism, presented a report (Stand. Com. Rep. No. 360-72) approving the intent and purpose of H. C. R. No. 27 and recommending its adoption.

On motion by Representative Wedemeyer, seconded by Representative Akizaki and carried, the report of the Committee was adopted and H.C.R. No. 27 was adopted.

Representative Sakima, for the Committee on Education, presented a report (Stand. Com. Rep. No. 361-72) approving the intent and purpose of H. R. No. 98 and recommending its adoption with certain amendments.

On motion by Representative Sakima, seconded by Representative Yap and carried, the report of the Committee was adopted and H. R. No. 98, as amended, entitled: "House Resolution requesting the Legislative Auditor to study and analyze the procedures and practises of the Hawaii State Library System," was adopted.

SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 59 to 63) were read by the Clerk and were disposed of as follows:

A communication from the Senate (Sen. Com. No. 59) returning H. B. No. 1912-72 which passed Third Reading in the Senate on March 23, 1972 in an amended form, was placed on file.

By unanimous consent, H. B. No. 1912-72, as amended by the Senate, was placed on the Clerk's desk.

The Chair directed the Clerk to note that printed copies of H. B. No. 1912-72, SD 1, were made available to the members of the House at 1:07 o'clock p.m., in accordance with Article III, Section 16, of the Constitution of the State of Hawaii.

A communication from the Senate (Sen. Com. No. 60) transmitting Senate Concurrent Resolution No. 28 requesting the Governor of the State of Hawaii to proclaim April 28, 1972 as "World Peace Day" in the public schools of the State of Hawaii which was adopted by the Senate on March 23, 1972, was placed on file.

A communication from the Senate (Sen. Com. No. 61) transmitting Senate Concurrent Resolution No. 31 requesting the Governor to proclaim annually a "Safe Boating Week" which was adopted

by the Senate on March 23, 1972, was placed on file.

A communication from the Senate (Sen. Com. No. 62) transmitting Senate Bill No. 1343-72, SD 1, entitled: "A Bill for an Act relating to payment of wages and other compensation and amending Chapter 388, Hawaii Revised Statutes," which passed Third Reading in the Senate on March 23, 1972, was placed on file.

A communication from the Senate (Sen. Com. No. 63) transmitting Senate Bill No. 1498-72 entitled: "A Bill for an Act relating to wild birds," which passed Third Reading in the Senate on March 23, 1972, was placed on file.

On motion by Representative Ushijima, seconded by Representative J. Garcia and carried, S. B. Nos. 1343-72, SD 1, and 1498-72 passed First Reading by title and further action was deferred until tomorrow, March 24, 1972.

DEFERRED MATTERS

Consideration of Stand. Com. Rep. No. 355-72 on H. R. No. 131 which had been deferred to this time.

Representative Kihano moved that the report of the Committee and H. R. No. 131 be adopted, seconded by Representative Wedemeyer.

Representative Kihano, in speaking for the adoption of the resolution, stated that the resolution removes the restrictions now set on the bussing hours for senior citizens and gives them the opportunity to use the bus system in the city at all hours of the day.

The motion was put by the Chair and carried, and the report of the Committee was adopted and H. R. No. 131 was adopted.

Consideration of Stand. Com. Rep. No. 356-72 on H. R. No. 159 which had been deferred to this time.

Representative Kihano moved that the report of the Committee and H. R. No. 159 be adopted, seconded by Representative Wedemeyer.

Representative Wedemeyer, in speaking for the adoption of the resolution, stated that because of the lack

of action in the past to restructure Waikiki's land use pattern to set an ultimate limit on the size and to reduce development density, this resolution is designed to help get action and to indicate that the State is interested in a comprehensive approach to Waikiki's problems.

The motion was put by the Chair and carried, and the report of the Committee was adopted and H. R. No. 159 was adopted.

Consideration of Stand. Com. Rep. No. 357-72 on H.C.R. No. 21 which had been deferred to this time.

On motion by Representative Kihano, seconded by Representative Wedemeyer and carried, the report of the Committee was adopted and H. C. R. No. 21 was adopted.

At this time, Representative Uechi, on a point of personal privilege, spoke on the matter of consideration of a recess of the current session as called for in a resolution offered by him.

Representative Ushijima, on a point of personal privilege, replied to the remarks of the previous speaker.

Representative Suwa then rose and stated that although a recess has been mentioned and mention has been made of the lack of leadership and program, the Finance Committee has a program which is geared for a 60 day session and noted a word of caution for the members to continue their work and get the bills to the Finance Committee in order that the Committee can complete its work.

The Chair, in answer to a statement made by a previous speaker, stated that the House of Representatives has a two-year budget program that was started last year and in order to pursue our program, it is incumbent upon all of us to do our job, to put our weight behind the wheel and to help each other.

The Chair then made reference to a bill under consideration being taken out of Committee by a member over the objection of the Committee Chairman.

Representative Wasai then rose and stated:

“It’s a matter of record that at that particular meeting of the Housing and Consumer Protection Committee, no instruction was made as to whether any bill can or cannot be taken out.”

The Chair then stated:

“If Representative Wasai was at the meeting, it was brought to the attention of the Chairman that the bill should be returned. The Chairman requested this particular person to return the bill and he refused to return the bill. I think this is a disservice to you and to the members of the Committee.”

Representative Kunimura then stated for the record:

“I was at the meeting and very early and it was I who recommended that the bill be kept in the Committee because it was only a preliminary draft and it was

up for discussion. A member, Mr. Uechi, came in, picked up the bill and said he was going to pick up his children. When he was requested to leave the bill behind, he refused.”

Representative R. Garcia then stated:

“For the record, I would like to state that at the beginning of the session, we formulated Committee Rules and one of the Committee Rules is that any person taking out any material from the Committee has to get clearance from the Chairman.”

At 1:23 o’clock p.m., on motion by Representative Ushijima, seconded by Representative J. Garcia and carried, the House of Representatives adjourned to 11:00 o’clock a.m. tomorrow, March 24, 1972.

47TH DAY

Friday, March 24, 1972

The House of Representatives of the Sixth Legislature of the State of Hawaii, Regular Session of 1972, was called to order at 11:00 o'clock a.m.

The Speaker presided.

The Divine Blessing was invoked by Reverend Gary Colton, Associate, of St. John Vianney Church.

Roll call of the members of the House of Representatives showed that all members were present with the exception of Representatives Chong, Iha, Kato, Lee, O'Connor, Takamine, Wakatsuki and Yamada, who were excused.

The Clerk proceeded to read the Journal of the House of Representatives of the Forty-Sixth Day.

On motion by Representative Ushijima, seconded by Representative J. Garcia and carried, reading of the Journal was dispensed with and the Journal of the Forty-Sixth Day was approved.

At this time, the following introductions were made to the members of the House:

Representative Sakima introduced 100 students from Farrington High School with their teachers, Mrs. Ethel Ward, Mrs. Betty Kala, Mr. Elvis Kawahara and Mr. Larry Williams.

Representative Saiki introduced 101 fifth grade students from Wilson Elementary School with their teachers, Mrs. Hamada, Mrs. Mau, Mrs. Lee and Mrs. Tom.

Representative Kunimura introduced 27 sixth grade students from Kaumakani School on Kauai, with their chaperones, Mrs. Nakamoto, Mrs. Mine and Mrs. Kanahele.

At 11:06 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

At 11:25 o'clock a.m., the House of Representatives reconvened and the Chair directed the Clerk to note the presence of Representatives Iha, Kato, Lee, O'Connor, Wakatsuki and Yamada.

ORDER OF THE DAY

COMMITTEE REFERRALS

The following bills (S. B. Nos. 1343-72 and 1498-72) were disposed of as follows:

S. B. No. 1343-72 was referred to the Committee on Judiciary.

S. B. No. 1498-72 was referred to the Committee on Lands.

DEFERRED RESOLUTIONS

The following resolutions (H. R. Nos. 288 to 293) and concurrent resolutions (S.C.R. Nos. 28 and 31) were disposed of as follows:

H. R. No. 288 was referred to the Committee on Finance.

H. R. No. 289 was referred to the Committee on Education and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Higher Education.

H. R. No. 290 was referred to the Committee on Lands and after consideration by it, the Committee was instructed to refer the resolution to the Select Committee of Oahu Representatives.

H. R. No. 291 was referred to the Committee on Housing and Consumer Protection.

H. R. No. 292 was referred to the Committee on Finance.

H. R. No. 293 was referred to the Committee on Housing and Consumer Protection.

S.C.R. No. 28 was referred to the Committee on Education.

S.C.R. No. 31 was referred to the Committee on Tourism.

STANDING COMMITTEE REPORTS

Representative Akizaki, for the Committee on Legislative Management, presented a report (Stand. Com. Rep. No. 362-72) informing the House that Standing Committee Report Nos. 358-72

to 361-72, House Resolution Nos. 287 to 293, and Standing Committee Report Nos. 363-72 to 371-72, had been printed and distributed.

On motion by Representative Akizaki, seconded by Representative Kishinami and carried, the report of the Committee was adopted.

Representative Nakama, for the Committee on Transportation, presented a report (Stand. Com. Rep. No. 363-72) approving the intent and purpose of H. B. No. 1698-72 and recommending its referral to the Committee on Finance with certain amendments.

On motion by Representative Nakama, seconded by Representative Kihano and carried, the report of the Committee was adopted and H. B. No. 1698-72, as amended, was referred to the Committee on Finance.

Representative Nakama, for the Committee on Transportation, presented a report (Stand. Com. Rep. No. 364-72) approving the intent and purpose of H. R. No. 212 and recommending its referral to the Committee on Finance with certain amendments.

On motion by Representative Nakama, seconded by Representative Kihano and carried, the report of the Committee was adopted and H. R. No. 212, as amended, was referred to the Committee on Finance.

Representative Yap, for the Committee on Housing and Consumer Protection, presented a report (Stand. Com. Rep. No. 365-72) approving the intent and purpose of H. B. No. 2317-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Yap, seconded by Representative R. Garcia and carried, the report of the Committee was adopted and H. B. No. 2317-72 passed Second Reading and was referred to the Committee on Finance.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 366-72) approving the intent and purpose of S. B. No. 307 and recommending its passage on Second Reading and its referral to the

Committee on Finance.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and S. B. No. 307 passed Second Reading and was referred to the Committee on Finance.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 367-72) approving the intent and purpose of H. B. No. 1656-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 1656-72 passed Second Reading and was referred to the Committee on Finance.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 368-72) approving the intent and purpose of H. B. No. 1721-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 1721-72 passed Second Reading and was referred to the Committee on Finance.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 369-72) approving the intent and purpose of H. B. No. 2378-72 and recommending its passage on Second Reading and its referral to the Committee on Finance with certain amendments.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2378-72, as amended, passed Second Reading and was referred to the Committee on Finance.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 370-72) approving the intent and purpose of H. B. No. 1676-72 and recommending its referral to the Committee on Finance.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 1676-72 was referred to the Committee on Finance.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 371-72) approving the intent and purpose of H. B. No. 1922-72 and recommending its referral to the Committee on Finance.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 1922-72 was referred to the Committee on Finance.

INTRODUCTION OF RESOLUTIONS

The following resolutions (H. R. Nos. 294 to 298) were read by the Clerk and were disposed of as follows:

A resolution (H. R. No. 294) extending aloha and best wishes to Charles M. Kaneyama on his retirement and expressing gratitude for his community service was jointly offered by Representatives Kawakami, Aduja, Ajifu, Aki, Akizaki, Carroll, Chong, de la Cruz, Devereux, Duponte, Fong, J. Garcia, R. Garcia, Hansen, Iha, Inaba, Judd, Kaneshiro, Kato, Kihano, Kimura, Kishinami, Kondo, Kunimura, Lee, Leopold, Lunasco, Medeiros, Morioka, Nakama, O'Connor, Oda, Poepoe, Roehrig, Saiki, Sakima, Soares, Suwa, Takamine, Uechi, Unemori, Ushijima, Wakatsuki, Wasai, Wedemeyer, Wong, Yamada, Yap, Yim, Young and Beppu.

On motion by Representative Kawakami, seconded by Representative Kunimura and carried, H. R. No. 294 was adopted.

A resolution (H. R. No. 295) commending and congratulating Aloha Week Hawaii, Inc., for the successful observance of "Aloha Friday" and endorsing "Aloha Friday" as a year-round institution was jointly offered by Representatives de la Cruz, Aduja, Aki, Akizaki, Carroll, Chong, Devereux, Duponte, Fong, R. Garcia, Hansen, Iha, Inaba, Judd, Kaneshiro, Kato, Kawakami, Kihano, Kimura, Kishinami, Kondo, Kunimura, Lee, Leopold, Lunasco,

Medeiros, Morioka, Nakama, O'Connor, Oda, Roehrig, Sakima, Suwa, Takamine, Uechi, Unemori, Ushijima, Wakatsuki, Wasai, Wedemeyer, Wong, Yap, Yim, Young and Beppu.

On motion by Representative de la Cruz, seconded by Representative Kihano and carried, H. R. No. 295 was adopted.

A resolution (H. R. No. 296) extending birthday congratulations and warmest aloha to Nolle R. Smith, Sr. was jointly offered by Representatives Devereux, Ushijima, Fong, Aduja, Ajifu, Aki, Akizaki, Carroll, Chong, de la Cruz, Duponte, J. Garcia, R. Garcia, Hansen, Iha, Inaba, Judd, Kaneshiro, Kato, Kawakami, Kihano, Kimura, Kishinami, Kondo, Kunimura, Lee, Leopold, Lunasco, Medeiros, Morioka, Nakama, O'Connor, Oda, Poepoe, Roehrig, Saiki, Sakima, Soares, Suwa, Takamine, Uechi, Wakatsuki, Wasai, Wedemeyer, Wong, Yamada, Yap, Yim, Young and Beppu.

On motion by Representative Devereux, seconded by Representative Fong and carried, H. R. No. 296 was adopted.

At this time, Representative Ushijima introduced to the members of the House Mr. Nolle R. Smith, Sr. and Mr. Marques Chalmes of Maui, who accompanied him.

Representative Devereux then presented Mr. Smith with a red carnation lei and a certified copy of the Resolution.

A resolution (H. R. No. 297) celebrating Public Schools Week April 24 through 28, 1972 and commending the teachers and administrators of all public schools for their tireless and dedication to the education and training of the youth of this State was jointly offered by Representatives Kihano, Aki, Akizaki, de la Cruz, Devereux, Duponte, Fong, R. Garcia, Iha, Inaba, Kaneshiro, Kato, Kimura, Kishinami, Kondo, Lee, Lunasco, Nakama, O'Connor, Oda, Roehrig, Sakima, Suwa, Takamine, Unemori, Wakatsuki, Wasai, Wedemeyer, Yap, Yim and Young.

On motion by Representative Kihano, seconded by Representative Sakima and carried, H. R. No. 297 was adopted.

A resolution (H. R. No. 298) congratulating Charles Napuaikawekiu

Keliioomaluu and Barbara Leinaala Kamana, the reigning Mo'i and Mo'i Wahine of Aloha Week was jointly offered by Representatives Wedemeyer, Aduja, Ajifu, Aki, Akizaki, de la Cruz, Devereux, Duponte, Fong, J. Garcia, R. Garcia, Iha, Inaba, Judd, Kaneshiro, Kato, Kawakami, Kihano, Kimura, Kishinami, Kondo, Kunimura, Lee, Leopold, Lunasco, Medeiros, Morioka, Nakama, O'Connor, Oda, Poepoe, Roehrig, Saiki, Sakima, Soares, Suwa, Uechi, Unemori, Ushijima, Wakatsuki, Wasai, Wong, Yamada, Yap, Yim, Young and Beppu.

On motion by Representative Wedemeyer, seconded by Representative Yap and carried, H. R. No. 298 was adopted.

At this time, Representative Wedemeyer introduced to the members of the House King Charles Napuaikawekiu Keliioomaluu and Queen Barbara Leinaala Kamana and Mr. Charles Gonsalves, First Vice President of Aloha Week, who accompanied them.

At 11:45 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

At 12:34 o'clock p.m., the House of Representatives reconvened.

By unanimous consent, the following resolutions (H. R. Nos. 299 to 313) and concurrent resolutions (H.C.R. Nos. 39 and 40) were referred to the Committee on Legislative Management and further action was deferred until Tuesday, March 28, 1972:

A resolution (H. R. No. 299) requesting the Mayor of the City and County of Honolulu and the Department of Land and Natural Resources to adopt certain policies relating to the implementation of the Waikiki Beach Erosion Control Project was jointly offered by Representatives Wedemeyer, Akizaki, Kato, Kawakami, Kihano, Kimura, Kishinami, Morioka, Roehrig and Suwa.

A resolution (H. R. No. 300) requesting the Department of Land and Natural Resources to conduct a feasibility study on creating a park in the Pearl City area was jointly offered by Representatives Kishinami, Akizaki, de la

Cruz, Duponte, R. Garcia, Inaba, Kaneshiro, Kawakami, Kihano, Kimura, Kondo, Lee, Suwa, Yap, Yim and Young.

A resolution (H. R. No. 301) requesting the University of Hawaii to require all educational administrator and teacher candidates to take an introductory course in special education and the Department of Education to include an introductory course in special education as a requirement for certification was offered by Representative Sakima.

A resolution (H. R. No. 302) requesting the Department of Education to establish a district placement committee in each school district for the proper placement of handicapped children was offered by Representative Sakima.

A resolution (H. R. No. 303) requesting the Department of Education to establish a statewide orientation program on the proper identification of exceptional children to be planned and administered by the Special Education Branch for all new teachers was offered by Representative Sakima.

A resolution (H. R. No. 304) requesting the Department of Education to prepare a formal policy statement and a compatible plan regarding the State's role and responsibilities in providing educational services to handicapped children in Hawaii was offered by Representative Sakima.

A resolution (H. R. No. 305) requesting the Department of Education to appoint the Director of Special Education immediately was offered by Representative Sakima.

A resolution (H. R. No. 306) requesting the Department of Education to provide in-service training programs that meet each school district's general education and special education needs which shall be an aggregation of the training needs reported by the principals of each school district was offered by Representative Sakima.

A resolution (H. R. No. 307) requesting the Department of Education to actively seek to identify the number of handicapped school age children in the State was offered by Representative

Sakima.

A resolution (H. R. No. 308) relating to the Master Plan for special education was offered by Representative Sakima.

A resolution (H. R. No. 309) relating to the establishment of a State Goals Institute was offered by Representative R. Garcia.

A resolution (H. R. No. 310) requesting the House of Representatives Committee on Public Health, Youth and General Welfare to hold a hearing on the matter of legal rights of minors was offered by Representative R. Garcia.

A resolution (H. R. No. 311) in support of ethnic studies was jointly offered by Representatives R. Garcia, Ajifu, Akizaki, Carroll, de la Cruz, Duponte, Fong, Hansen, Iha, Inaba, Judd, Kaneshiro, Kawakami, Kihano, Kimura, Kishinami, Kondo, Leopold, Lunasco, Morioka, Roehrig, Sakima, Suwa, Ushijima, Wedemeyer, Wong, Yamada, Yap and Yim.

A resolution (H. R. No. 312) requesting an evaluation of nutritional status in the State of Hawaii by the Legislative Reference Bureau and establishing a Temporary Advisory Council on Nutritional Status to assist in this evaluation was offered by Representative R. Garcia.

A resolution (H. R. No. 313) requesting the Department of Social Services and Housing to establish a departmental policy with respect to life insurance policies held by applicants for public assistance was jointly offered by Representatives Devereux, Aduja, Ajifu, Aki, Akizaki, Carroll, de la Cruz, Duponte, Fong, J. Garcia, R. Garcia, Hansen, Iha, Inaba, Judd, Kato, Kawakami, Kihano, Kimura, Kishinami, Kondo, Kunimura, Lee, Leopold, Lunasco, Medeiros, Morioka, Nakama, O'Connor, Oda, Poepoe, Roehrig, Saiki, Sakima, Soares, Suwa, Uechi, Unemori, Ushijima, Wakatsuki, Wasai, Wedemeyer, Wong, Yamada, Yap and Beppu.

A concurrent resolution (H.C.R. No. 39) relating to the limitation of importation of vehicles to the Hawaiian Islands was offered by Representative R. Garcia.

A concurrent resolution (H.C.R. No. 40) requesting the Mayor of the City and County of Honolulu and the Department of Land and Natural Resources to adopt certain policies relating to the implementation of the Waikiki Beach Erosion Control Project was jointly offered by Representatives Wedemeyer, Akizaki, de la Cruz, Iha, Inaba, Kato, Kawakami, Kihano, Kimura, Kishinami, Morioka, Roehrig, Suwa and Yim.

SUSPENSION OF RULES

On motion by Representative Ushijima, seconded by Representative J. Garcia and carried unanimously, the rules were suspended for the purpose of considering bills on Third and Final Readings on the basis of a modified consent calendar.

THIRD READING

The following bills, which were on the calendar for Third Reading, were read throughout and the following actions taken:

Third Reading of H. B. No. 2040-72.

Representative O'Connor moved that H. B. No. 2040-72 pass Third Reading, seconded by Representative Kimura.

Representative O'Connor then rose and spoke in favor of the bill as follows:

"Mr. Speaker, I rise to speak in favor of H. B. No. 2040-72 and in speaking for this bill, I shall be speaking for all the other bills on Third Reading on the agenda today.

About two years ago, a group was established called the Committee on Coordination of Rules and Statutes. This Committee was established by the Judicial Council. In that Committee, the Chairman was Justice Masaji Marumoto of the Supreme Court, Judge Yasutaka Fukushima of the Circuit Court, Mr. Clinton Ashford, Mr. Daniel Case, Mr. Robert Franklin, Mr. Walter Chuck and Mr. Uyenoyama, all whom are attorneys. They worked through our statutory material, through all of the volumes of the Hawaii Revised Statutes in an effort to weed out from those volumes those statutory sections that were antiquated and archaic and no longer of use in an

effort to clean up the language of the remaining statutory sections which are of use and vital to our community and in an effort further, to transpose from statutory language and statutory material, to rule the court or to rule the regulatory bodies those matters which are better handled by those rules. Their efforts were long and diligent. The reporter for that Committee was retired Justice Rhoda Lewis. Her hours spent on this project are best attested by the four-volume material which I have under my left hand which were distributed to every member of this body which contain the revisions and revised material.

When that Committee had completed its work, it submitted to the legislature this report of four volume, suggesting the changes which should be made to the statutes. An interim committee was created including this body and the Senate to work during the interim period from the last session to this session. The report of that Committee has already been submitted to this body. That Committee has gone through every one of the suggested changes, worked over some, made additional changes and its product was reported back to us and that product has been worked on by your Judiciary Committee.

The bills which are reported out today, Mr. Speaker, thoroughly revises the Hawaii Revised Statutes. They revise them in all particulars and when our statutes are revised in a manner that are described in these bills, hopefully, Hawaii's antiquated and out-of-date laws, the ones that we don't need anymore, will be taken from the books and our statutes will be up to date.

I ask that all members of this body vote aye on these bills.

Thank you."

The motion was put by the Chair and carried, and H. B. No. 2040-72 passed Third Reading by a vote of 47 ayes, with Representatives Carroll, Chong, Hansen and Takamine being excused.

Third Reading of H. B. No. 2041-72.

On motion by Representative O'Connor, seconded by Representative Kimura, H. B. No. 2041-72 passed Third Reading by a vote of 47 ayes, with

Representatives Carroll, Chong, Hansen and Takamine being excused.

Third Reading of H. B. No. 2042-72.

On motion by Representative O'Connor, seconded by Representative Kimura, H. B. No. 2042-72 passed Third Reading by a vote of 47 ayes, with Representatives Carroll, Chong, Hansen and Takamine being excused.

Third Reading of H. B. No. 2043-72.

On motion by Representative O'Connor, seconded by Representative Kimura, H. B. No. 2043-72 passed Third Reading by a vote of 47 ayes, with Representatives Carroll, Chong, Hansen and Takamine being excused.

Third Reading of H. B. No. 2044-72.

On motion by Representative O'Connor, seconded by Representative Kimura, H. B. No. 2044-72 passed Third Reading by a vote of 47 ayes, with Representatives Carroll, Chong, Hansen and Takamine being excused.

Third Reading of H. B. No. 2045-72.

On motion by Representative O'Connor, seconded by Representative Kimura, H. B. No. 2045-72 passed Third Reading by a vote of 47 ayes, with Representatives Carroll, Chong, Hansen and Takamine being excused.

Third Reading of H. B. No. 2046-72.

On motion by Representative O'Connor, seconded by Representative Kimura, H. B. No. 2046-72 passed Third Reading by a vote of 47 ayes, with Representatives Carroll, Chong, Hansen and Takamine being excused.

Third Reading of H. B. No. 2047-72.

On motion by Representative O'Connor, seconded by Representative Kimura, H. B. No. 2047-72 passed Third Reading by a vote of 47 ayes, with Representatives Carroll, Chong, Hansen and Takamine being excused.

Third Reading of H. B. No. 2048-72.

On motion by Representative O'Connor, seconded by Representative Kimura, H. B. No. 2048-72 passed Third

O'Connor, seconded by Representative Kimura, H. B. No. 2062-72 passed Third Reading by a vote of 47 ayes, with Representatives Carroll, Chong, Hansen and Takamine being excused.

Third Reading of H. B. No. 2063-72.

On motion by Representative O'Connor, seconded by Representative Kimura, H. B. No. 2063-72 passed Third Reading by a vote of 47 ayes, with Representatives Carroll, Chong, Hansen and Takamine being excused.

Third Reading of H. B. No. 2064-72.

On motion by Representative O'Connor, seconded by Representative Kimura, H. B. No. 2064-72 passed Third Reading by a vote of 47 ayes, with Representatives Carroll, Chong, Hansen and Takamine being excused.

Third Reading of H. B. No. 2065-72.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, H. B. No. 2065-72 was recommitted to the Committee on Judiciary.

Third Reading of H. B. No. 2066-72.

On motion by Representative O'Connor, seconded by Representative Kimura, H. B. No. 2066-72 passed Third Reading by a vote of 47 ayes, with Representatives Carroll, Chong, Hansen and Takamine being excused.

The Chair directed the Clerk to note that H. B. Nos. 2040-72, 2041-72, 2042-72, 2043-72, 2044-72, 2045-72, 2046-72, 2047-72, 2048-72, 2049-72, 2050-72, 2051-72, 2052-72, 2053-72, 2054-72, 2055-72, 2056-72, 2057-72, 2058-72, 2059-72, 2060-72, 2061-72, 2062-72, 2063-72, 2064-72 and 2066-72 had passed Third Reading not earlier than 12:50 o'clock p.m.

At 12:50 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

At 12:52 o'clock p.m., the House of Representatives reconvened.

STANDING COMMITTEE REPORTS

Representative Suwa, for the

Committee on Finance, presented a report (Stand. Com. Rep. No. 372-72) approving the intent and purpose of H. B. No. 1988-72 and recommending its passage on Third Reading with certain amendments.

By unanimous consent, consideration of Stand. Com. Rep. No. 372-72 on H. B. No. 1988-72, as amended, was deferred until Tuesday, March 28, 1972.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 373-72) approving the intent and purpose of H. B. No. 2517-72 and recommending its passage on Third Reading with certain amendments.

By unanimous consent, consideration of Stand. Com. Rep. No. 373-72 on H. B. No. 2517-72, as amended, was deferred until Tuesday, March 28, 1972.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 374-72) approving the intent and purpose of H. B. No. 2519-72 and recommending its passage on Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 374-72 on H. B. No. 2519-72 was deferred until Tuesday, March 28, 1972.

The Chair directed the Clerk to note that printed copies of H. B. Nos. 1988-72, HD 1, 2517-72, HD 1 and 2519-72 were made available to the members of the House at 12:53 o'clock p.m., in accordance with Article III, Section 16, of the Constitution of the State of Hawaii.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 375-72) approving the intent and purpose of H. R. No. 104 and recommending its adoption.

On motion by Representative Suwa, seconded by Representative Akizaki and carried, the report of the Committee was adopted and H. R. No. 104 was adopted.

At 12:54 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

At 1:07 o'clock p.m., the House of

Representatives reconvened.

UNFINISHED BUSINESS

Consideration of H. B. No. 2286-72 on Third Reading which had been deferred to this day.

By unanimous consent, consideration of H. B. No. 2286-72 on Third Reading was deferred until Wednesday, March 29, 1972.

Consideration of Stand. Com. Rep. No. 359-72 on H. B. No. 1654-72, as amended, which had been deferred to this day.

Representative O'Connor moved that the report of the Committee be adopted and that H. B. No. 1654-72, as amended, having been read throughout, pass Third Reading, seconded by Representative Kimura.

Representative O'Connor then rose to speak in favor of the bill, as follows:

“Mr. Speaker, we have had much discussion in our community over the past few weeks concerning organized crime. A bill of this nature is mandatory in a community which is concerned about organized crime and desires to curb or fight against them.

The provisions of this bill, Mr. Speaker, as they relate to criminal penalties which are included in the bill, come from the 1971 Suggested State Legislation of the Council of State Government. These provisions of the bill which contain the civil language, the injunctive measure, come from that portion of the Federal law relating to racketeering, influence and corrupt organizations and are found in Chapter 96 of the United States Code.

The purpose of this legislation, Mr. Speaker, is to strike at the heart of organized crime, and that is the utilization of the monies which are obtained from criminalized activities.

With the passage of this bill, we will be able to terminate organized crime hiding behind legitimate businesses and acquisition of legitimate businesses. With the passage of this bill, we will be able to ensure that the fruits of organized crime

are not utilized in the furthering of organized crime activities.

I strongly recommend that the members of this body vote in favor of this bill to provide criminal penalties and civil injunctive relief to our prosecutorial staff to eliminate the fruits of organized crime.

Thank you, Mr. Speaker.”

Representative Soares then rose and spoke in support of the bill.

The motion was put by the Chair and carried, and the report of the Committee was adopted and H. B. No. 1654-72, as amended, passed Third Reading by a vote of 47 ayes, with Representatives Carroll, Chong, Hansen and Takamine being excused.

The Chair directed the Clerk to note that H. B. No. 1654-72 had passed Third Reading at 1:11 o'clock p.m.

DISPOSITION OF MATTER PLACED ON THE CLERK'S DESK

By unanimous consent, H. B. No. 1912-72, as amended by the Senate, was taken from the Clerk's desk.

Representative Suwa moved that the House agree to the amendments proposed by the Senate to H. B. No. 1912-72, and that H. B. No. 1912-72, as amended by the Senate, pass Final Reading, seconded by Representative Akizaki.

Representative Suwa then explained the changes made by the Senate.

The motion was put by the Chair and carried, and H. B. No. 1912-72, as amended, passed Final Reading by a vote of 48 ayes, with Representatives Chong, Hansen and Takamine being excused.

The Chair directed the Clerk to note that H. B. No. 1912-72 had passed Final Reading at 1:13 o'clock p.m.

At 1:15 o'clock p.m., on motion by Representative Ushijima, seconded by Representative J. Garcia and carried, the House of Representatives adjourned to 11:00 o'clock a.m. Tuesday, March 28, 1972.

48TH DAY

Tuesday, March 28, 1972

The House of Representatives of the Sixth Legislature of the State of Hawaii, Regular Session of 1972, was called to order at 11:00 o'clock a.m.

The Speaker presided.

The Divine Blessing was invoked by Reverend Eugene L. Harshman of the Calvary Episcopal Church.

Roll call of the members of the House of Representatives showed that all members were present with the exception of Representatives Kawakami and O'Connor, who were excused.

The Clerk proceeded to read the Journal of the House of Representatives of the Forty-Seventh Day.

On motion by Representative Ushijima, seconded by Representative J. Garcia and carried, reading of the Journal was dispensed with and the Journal of the Forty-Seventh Day was approved.

GOVERNOR'S MESSAGE

A message from the Governor (Gov. Mess. No. 75) transmitting copies of an erratum sheet which should be substituted for the final sheet of the original report of the "Disposition to Public Utilities" section of the Report to the 1972 Legislature on Dispositions of Public Lands, was read by the Clerk and was placed on file.

SENATE COMMUNICATION

A communication from the Senate (Sen. Com. No. 64) transmitting Senate Concurrent Resolution No. 40 honoring Owen Kazuo Konishi, public servant, which was adopted by the Senate on March 24, 1972, was read by the Clerk and was placed on file.

On motion by Representative Ushijima, seconded by Representative J. Garcia and carried, S. C. R. No. 40 was adopted.

At this time, the following introductions were made to the members of the House:

Representative Morioka introduced two gentlemen from Tokyo, Japan--Mr.

Shigeru Saito, President, and Mr. Machida, Manager, of the Matsudaya Toy Manufacturing Company. They were accompanied by Mr. Masato Kamisato.

Representative Saiki introduced 13 Girl Scouts of Troop 274 from Waialae-Kahala and Troop Leaders, Mrs. Gladys Gerlich, Mrs. Richard Griffith and Mrs. George Hunt, who accompanied them.

Representative Oda introduced 4 Boy Scouts of Troop 172 from Wahiawa who are doing research for a report to earn their Merit Badge and Mr. Tracey, who accompanied them.

Representative Oda then introduced Mr. Eric Kibler from Ohio who is a senior at Ohio State University and is now vacationing in Hawaii.

Representative Aki introduced 4 students from Waianae Intermediate School, Greg Fujii, Dennis Fujii, Pam Fujii and Peter Oshiro and Mrs. Fujii who accompanied them.

Representative Poeopoe introduced Mr. Gayer Domminick from Washington, D. C. He is employed by the Attorney General's Office there.

Representative Kimura introduced the following teachers from Nuuanu Elementary School: Nora Hayashi, Bernice Chong, Joslyn Wong, Karen Ichikawa, Pat Wong, Lanette Ching, Ann Hamane, Jerry Okawa, Jean Wyss and Audrey Chin.

Representative Devereux introduced Miss Barbara Trapido who was assigned to her office as a student observer during Student Observer Week.

ORDER OF THE DAY

DEFERRED RESOLUTIONS

The following resolutions (H. R. Nos. 299 to 313) and concurrent resolutions (H.C.R. Nos. 39 and 40) were disposed of as follows:

H. R. No. 299 was referred to the Select Committee of Oahu Representatives and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 300 was referred to the Committee on Lands and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 301 was referred to the Committee on Education and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 302 was referred to the Committee on Education and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 303 was referred to the Committee on Education and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 304 was referred to the Committee on Education and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 305 was referred to the Committee on Education.

H. R. No. 306 was referred to the Committee on Education and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 307 was referred to the Committee on Education and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 308 was referred to the Committee on Education and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 309 was referred to the Committee on Higher Education and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 310 was referred to the Committee on Public Health, Youth and General Welfare.

H. R. No. 311 was referred to the

Committee on Higher Education and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 312 was referred to the Committee on Public Health, Youth and General Welfare and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 313 was referred to the Committee on Public Institutions and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H.C.R. No. 39 was referred to the Committee on Finance.

H.C.R. No. 40 was referred to the Select Committee of Oahu Representatives and after consideration by it, the Committee was instructed to refer the concurrent resolution to the Committee on Finance.

COMMITTEE REASSIGNMENT

H. R. No. 160 which had been referred to the Committee on Military and Civil Defense and to the Committee on Federal-State-County and to the Committee on Finance on March 1, 1972, was referred to the Committee on Military and Civil Defense and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

The Chair directed the Clerk to note the presence of Representatives Kawakami and O'Connor.

STANDING COMMITTEE REPORTS

Representative Akizaki, for the Committee on Legislative Management, presented a report (Stand. Com. Rep. No. 376-72) informing the House that House Resolution Nos. 294 to 313, House Concurrent Resolution Nos. 39 and 40, and Standing Committee Report Nos. 377-72 to 398-72 had been printed and distributed.

On motion by Representative Akizaki, seconded by Representative Kishinami and carried, the report of the Committee was adopted.

Representative Nakama, for the Committee on Transportation, presented a report (Stand. Com. Rep. No. 377-72) approving the intent and purpose of H. B. No. 2603-72 and recommending its referral to the Committee on Lands.

On motion by Representative Nakama, seconded by Representative Kihano and carried, the report of the Committee was adopted and H. B. No. 2603-72 was referred to the Committee on Lands.

Representative Yap, for the majority of the Committee on Housing and Consumer Protection, presented a report (Stand. Com. Rep. No. 378-72) approving the intent and purpose of H. B. No. 1579-72 and recommending its referral to the Committee on Judiciary with certain amendments.

On motion by Representative Yap, seconded by Representative R. Garcia and carried, the report of the majority of the Committee was adopted and H. B. No. 1579-72, as amended, was referred to the Committee on Judiciary.

Representative Kawakami, for the Committee on Lands, presented a report (Stand. Com. Rep. No. 379-72) approving the intent and purpose of H. R. No. 73 and recommending its referral to the Committee on Finance.

On motion by Representative Kawakami, seconded by Representative Kaneshiro and carried, the report of the Committee was adopted and H. R. No. 73 was referred to the Committee on Finance.

Representative Kawakami, for the Committee on Lands, presented a report (Stand. Com. Rep. No. 380-72) approving the intent and purpose of H. B. No. 1043 and recommending its passage on Second Reading and its referral to the Committee on Finance with certain amendments.

On motion by Representative Kawakami, seconded by Representative Kaneshiro and carried, the report of the Committee was adopted and H. B. No. 1043, as amended, passed Second Reading and was referred to the Committee on Finance.

Representative Kawakami, for the Committee on Lands, presented a report (Stand. Com. Rep. No. 381-72) approving

the intent and purpose of H. B. No. 2249-72 and recommending its passage on Second Reading and its referral to the Committee on Judiciary.

On motion by Representative Kawakami, seconded by Representative Kaneshiro and carried, the report of the Committee was adopted and H. B. No. 2249-72 passed Second Reading and was referred to the Committee on Judiciary.

Representative Kawakami, for the Committee on Lands, presented a report (Stand. Com. Rep. No. 382-72) approving the intent and purpose of H. B. No. 2602-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Kawakami, seconded by Representative Kaneshiro and carried, the report of the Committee was adopted and H. B. No. 2602-72 passed Second Reading and was referred to the Committee on Finance.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 383-72) approving the intent and purpose of H. B. No. 1844-72 and recommending its passage on Second Reading and its referral to the Committee on Finance with certain amendments.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 1844-72, as amended, passed Second Reading and was referred to the Committee on Finance.

Representative Lunasco, for the Committee on Public Institutions, presented a report (Stand. Com. Rep. No. 384-72) approving the intent and purpose of H. R. No. 135 and recommending its referral to the Committee on Finance.

On motion by Representative Lunasco, seconded by Representative Nakama and carried, the report of the Committee was adopted and H. R. No. 135 was referred to the Committee on Finance.

Representative Lunasco, for the Committee on Public Institutions, presented a report (Stand. Com. Rep. No. 385-72) approving the intent and purpose

of H. C. R. No. 24 and recommending its referral to the Committee on Finance.

On motion by Representative Lunasco, seconded by Representative Nakama and carried, the report of the Committee was adopted and H. C. R. No. 24 was referred to the Committee on Finance.

Representative Kihano, for the Select Committee of Oahu Representatives, presented a report (Stand. Com. Rep. No. 386-72) approving the intent and purpose of H. B. No. 1999-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Kihano, seconded by Representative Wedemeyer and carried, the report of the Committee was adopted and H. B. No. 1999-72 passed Second Reading and was referred to the Committee on Finance.

Representative Kawakami, for the Committee on Lands, presented a report (Stand. Com. Rep. No. 387-72) approving the intent and purpose of H. B. No. 2436-72 and recommending its passage on Second Reading with certain amendments.

On motion by Representative Kawakami, seconded by Representative Kaneshiro and carried, the report of the Committee was adopted and H. B. No. 2436-72, as amended, passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 29, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 388-72) approving the intent and purpose of H. B. No. 1838-72 and recommending its passage on Second Reading with certain amendments.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 1838-72, as amended, passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 29, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 389-72)

approving the intent and purpose of H. B. No. 1895-72 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 1895-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 29, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 390-72) approving the intent and purpose of S. B. No. 308 and recommending its passage on Second Reading with certain amendments.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and S. B. No. 308, as amended, passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 29, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 391-72) approving the intent and purpose of S. B. No. 452 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and S. B. No. 452 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 29, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 392-72) approving the intent and purpose of S. B. No. 744 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and S. B. No. 744 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 29, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 393-72)

approving the intent and purpose of S. B. No. 1060 and recommending its passage on Second Reading with certain amendments.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and S. B. No. 1060, as amended, passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 29, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 394-72) approving the intent and purpose of S. B. No. 1408-72 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and S. B. No. 1408-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 29, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 395-72) approving the intent and purpose of S. B. No. 1413-72 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and S. B. No. 1413-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 29, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 396-72) approving the intent and purpose of S. B. No. 1419-72 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and S. B. No. 1419-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 29, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 397-72)

approving the intent and purpose of S. B. No. 1429-72 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and S. B. No. 1429-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 29, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 398-72) approving the intent and purpose of S. B. No. 1430-72 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and S. B. No. 1430-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 29, 1972.

The Chair directed the Clerk to note that H. B. Nos. 2436-72, 1838-72 and 1895-72 and S. B. Nos. 308, 452, 744, 1060, 1408-72, 1413-72, 1419-72, 1429-72 and 1430-72 had passed Second Reading not earlier than 11:14 o'clock a.m.

At 11:15 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

At 11:16 o'clock a.m., the House of Representatives reconvened.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 399-72) approving the intent and purpose of H. B. No. 1645-72 and recommending its passage on Second Reading with certain amendments.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 1645-72, as amended, passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 29, 1972.

Representative O'Connor, for the majority of the Committee on Judiciary, presented a report (Stand. Com. Rep. No.

400-72) approving the intent and purpose of H. B. No. 1804-72 and recommending its passage on Second Reading with certain amendments.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the majority of the Committee was adopted and H. B. No. 1804-72, as amended, passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 29, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 401-72) approving the intent and purpose of S. B. No. 1193 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and S. B. No. 1193 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 29, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 402-72) approving the intent and purpose of H. B. No. 1650-72 and recommending its passage on Second Reading with certain amendments.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 1650-72, as amended, passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 29, 1972.

The Chair directed the Clerk to note that H. B. Nos. 1645-72, 1804-72 and 1650-72 and S. B. No. 1193 had passed Second Reading not earlier than 11:17 o'clock a.m.

At 11:19 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

At 11:33 o'clock a.m., the House of Representatives reconvened.

Representative Yap, for the Committee on Housing and Consumer Protection, presented a report (Stand.

Com. Rep. No. 403-72) approving the intent and purpose of H. R. No. 192 and recommending its adoption.

On motion by Representative Yap, seconded by Representative R. Garcia and carried, the report of the Committee was adopted and H. R. No. 192 was adopted.

INTRODUCTION OF RESOLUTIONS

A resolution (H. R. No. 314) congratulating the Hawaii State Teachers Association was jointly offered by Representatives Sakima, Aduja, Ajifu, Akizaki, Carroll, Chong, de la Cruz, Devereux, Duponte, J. Garcia, R. Garcia, Hansen, Iha, Inaba, Judd, Kaneshiro, Kato, Kawakami, Kihano, Kimura, Kishinami, Kondo, Kunimura, Lee, Lunasco, Morioka, Nakama, O'Connor, Poepoe, Roehrig, Saiki, Soares, Suwa, Takamine, Ushijima, Wakatsuki, Wasai, Wedemeyer, Wong, Yamada, Yap, Yim, Young and Beppu and was read by the Clerk.

On motion by Representative Sakima, seconded by Representative Kunimura and carried, H. R. No. 314 was adopted.

By unanimous consent, the following resolutions (H. R. Nos. 315 to 318) were referred to the Committee on Legislative Management and further action was deferred until tomorrow, March 29, 1972:

A resolution (H. R. No. 315) requesting an interim committee to study the feasibility of establishing a system of providing to the general public information about the Hawaii State government was offered by Representative Wasai.

A resolution (H. R. No. 316) requesting the Department of Agriculture and the County Boards of Water Supply to study water rates and to submit any plans for proposed changes in water rates for agricultural users was jointly offered by Representatives Roehrig, Akizaki, Chong, de la Cruz, Duponte, J. Garcia, R. Garcia, Iha, Inaba, Kaneshiro, Kato, Kihano, Kimura, Kishinami, Kunimura, Lee, Lunasco, Nakama, O'Connor, Sakima, Suwa, Takamine, Uechi, Ushijima, Wasai, Wong, Yap, Yim and Young.

A resolution (H. R. No. 317) requesting the House Committee on Education to hold a public hearing on the future plans for certain intermediate schools in the Honolulu District was jointly offered by Representatives Ushijima, Ajifu, Akizaki, Chong, de la Cruz, Devereux, Fong, J. Garcia, R. Garcia, Kawakami, Kihano, Kishinami, Kondo, Kunimura, Lee, Leopold, Lunasco, Medeiros, Nakama, Oda, Soares, Suwa, Wedemeyer, Wong, Yap and Yim.

A resolution (H. R. No. 318) requesting the Commission on Aging to sponsor a Senior Citizens Fair was jointly offered by Representatives Ushijima, Ajifu, Akizaki, Chong, de la Cruz, Devereux, Fong, J. Garcia, R. Garcia, Kawakami, Kihano, Kishinami, Kondo, Kunimura, Lee, Leopold, Lunasco, Medeiros, Nakama, Oda, Soares, Suwa, Wedemeyer, Wong, Yap and Yim.

SUSPENSION OF RULES

On motion by Representative Ushijima, seconded by Representative J. Garcia and carried unanimously, the rules were suspended for the purpose of considering bills on Third Reading on the basis of a modified consent calendar.

UNFINISHED BUSINESS

Consideration of Stand. Com. Rep. No. 372-72 on H. B. No. 1988-72, as amended, which had been deferred to this day.

On motion by Representative Suwa, seconded by Representative Akizaki and carried, the report of the Committee was adopted and H. B. No. 1988-72, as

amended, having been read throughout, passed Third Reading by a vote of 51 ayes.

Consideration of Stand. Com. Rep. No. 373-72 on H. B. No. 2517-72, as amended, which had been deferred to this day.

On motion by Representative Suwa, seconded by Representative Akizaki and carried, the report of the Committee was adopted and H. B. No. 2517-72, as amended, having been read throughout, passed Third Reading by a vote of 51 ayes.

Consideration of Stand. Com. Rep. No. 374-72 on H. B. No. 2519-72 which had been deferred to this day.

On motion by Representative Suwa, seconded by Representative Akizaki and carried, the report of the Committee was adopted and H. B. No. 2519-72, having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H. B. Nos. 1988-72, 2517-72 and 2519-72 had passed Third Reading not earlier than 11:35 o'clock a.m.

At this time, the members of the House extended congratulations to Representative Wasai on becoming the proud father of a baby girl.

At 11:38 o'clock a.m., on motion by Representative Ushijima, seconded by Representative J. Garcia and carried, the House of Representatives adjourned to 11:00 o'clock a.m. tomorrow, March 29, 1972.

49TH DAY

Wednesday, March 29, 1972

The House of Representatives of the Sixth Legislature of the State of Hawaii, Regular Session of 1972, was called to order at 11:00 o'clock a.m.

The Speaker presided.

The Divine Blessing was invoked by Reverend Phil Iofi of the Aldersgate United Methodist Church.

Roll call of the members of the House of Representatives showed that all members were present with the exception of Representatives Kimura and Kunimura, who were excused.

The Clerk proceeded to read the Journal of the House of Representatives of the Forty-Eighth Day.

On motion by Representative Ushijima, seconded by Representative J. Garcia and carried, reading of the Journal was dispensed with and the Journal of the Forty-Eighth Day was approved.

GOVERNOR'S MESSAGE

A message from the Governor (Gov. Mess. No. 76) transmitting copies of the 1972 Annual Manpower Report with Recommendations was read by the Clerk and was placed on file.

SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 65 and 66) were read by the Clerk and were disposed of as follows:

A communication from the Senate (Sen. Com. No. 65) transmitting Senate Bill No. 1368-72, SD1, entitled, "A Bill for an Act relating to requirements for temporary license to practice pharmacy," which passed Third Reading in the Senate on March 28, 1972 was placed on file.

A communication from the Senate (Sen. Com. No. 66) transmitting Senate Bill No. 1611-72, entitled, "A Bill for an Act relating to licensing of nurses," which passed Third Reading in the Senate on March 28, 1972 was placed on file.

On motion by Representative Ushijima, seconded by Representative J. Garcia and carried, S. B. Nos. 1368-72

and 1611-72 passed First Reading by title and further action was deferred until later in the calendar.

MISCELLANEOUS COMMUNICATIONS

The following communications (Misc. Com. Nos. 34 to 37) were read by the Clerk and were disposed of as follows:

A communication from the Honorable Richard M. Nixon, President of the United States, (Misc. Com. No. 34) acknowledging receipt of House Resolution No. 183 adopted during the Regular Session of 1972 was placed on file.

A communication from the Honorable Hiram L. Fong, United States Senator, (Misc. Com. No. 35) acknowledging receipt of House Resolution No. 145 adopted during the Regular Session of 1972 was placed on file.

A communication from Eiler Ravnholt, Administrative Assistant to the Honorable Daniel K. Inouye, United States Senator, (Misc. Com. No. 36) acknowledging receipt of House Resolution No. 145 adopted during the Regular Session of 1972 was placed on file.

A communication from the Honorable Carl Albert, Speaker of the United States House of Representatives, (Misc. Com. No. 37) acknowledging receipt of House Resolution No. 145 adopted during the Regular Session of 1972 was placed on file.

The Chair declared a recess at 11:05 o'clock a.m., subject to the call of the Chair.

At 11:12 o'clock a.m., the House of Representatives reconvened and the Chair directed the Clerk to note the presence of Representative Kimura.

At this time, the following introductions were made to the members of the House:

Representative Roehrig introduced the delegates participating in the 23rd Annual YMCA Youth Legislature; the Governor, Baron Gushiken; Speaker of the House, Brian De Lima; House Attorney, Alan Matsunami; House Clerk, Miss Nancy Yorita; Sergeant at Arms, Miss Ramona

Chow and House Chaplain, Rudy Iranon.

Representative Wasai introduced fourteen members of the junior class at Castle High School and two visitors from Oregon, Mr. and Mrs. Tom Garrett and their island hostess, Mrs. Ed Shackley.

Representative Saiki introduced Mrs. Marilyn Lockwood, member of the Mayor's Committee on the Status of Women, Mrs. Marian Saunders, member of the State Commission on the Status of Women, Ann Uesato, Margaret McCathern and Thelma McLachlin of the YWCA, and Patricia Putnam from the Legislative Reference Bureau, who are interested in various measures which will be considered today.

Representative Chong introduced the parents of Representative Saiki, Mr. and Mrs. Kazuo Fukuda, and her son, Stanley.

Representative Lunasco introduced three students from Leilehua High School, with their teacher, Mr. Yoshida.

Representative O'Connor introduced nine students from Holy Nativity School, with their teacher, Miss Patty Drake.

The Chair directed the Clerk to note the presence of Representative Kunimura.

ORDER OF THE DAY

COMMITTEE REFERRALS

The following bills (S. B. Nos. 1368-72 and 1611-72) were disposed of as follows:

S. B. No. 1368-72 was referred to the Committee on Public Health, Youth and General Welfare.

S. B. No. 1611-72 was referred to the Committee on Judiciary.

DEFERRED RESOLUTIONS

The following resolutions (H. R. Nos. 315 to 318) were disposed of as follows:

H. R. No. 315 was referred to the Committee on Judiciary and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 316 was referred to the

Committee on Agriculture and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 317 was referred to the Committee on Education.

H. R. No. 318 was referred to the Committee on Public Health, Youth and General Welfare and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

COMMITTEE REASSIGNMENTS

H. B. No. 1945-72 which had been referred jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives and to the Committee on Judiciary on February 8, 1972 was referred jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives.

H. B. No. 1950-72 which had been referred jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives and to the Committee on Judiciary on February 8, 1972 was referred jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives.

H. B. No. 2376-72 which had been referred jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives and to the Committee on Judiciary on March 7, 1972 was referred jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives.

H. B. No. 2382-72 which had been referred jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives and to the Committee on Judiciary on March 7, 1972 was referred jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu

Representatives and Hawaii Representatives.

H. B. No. 2383-72 which had been referred jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives and to the Committee on Judiciary on March 7, 1972 was referred jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives.

H. B. No. 2400-72 which had been referred to the Committee on Housing and Consumer Protection and then to the Committee on Judiciary and then to the Committee on Finance on March 7, 1972 was referred solely to the Committee on Housing and Consumer Protection.

At this time, Representative Kato moved to appeal the Chair's re-referral of H. B. No. 2400-72 to the Committee on Housing and Consumer Protection, seconded by Representative Uechi.

The Chair declared a recess at 11:22 o'clock a.m., subject to the call of the Chair.

At 12:15 o'clock p.m., the House of Representatives reconvened and the Chair recognized Representative Kato.

Representative Kato then spoke in favor of the motion to which Representative Ushijima responded.

The motion to appeal the Chair's re-referral of H. B. No. 2400-72 to the Committee on Housing and Consumer Protection was put by the Chair and by a voice vote was lost.

The Chair declared a recess at 12:29 o'clock p.m., subject to the call of the Chair.

At 12:31 o'clock p.m., the House of Representatives reconvened.

STANDING COMMITTEE REPORTS

Representative Akizaki, for the Committee on Legislative Management, presented a report (Stand. Com. Rep. No. 404-72) informing the House that House Resolution Nos. 314 to 318, Standing Committee Report Nos. 399-72 to

403-72 and Standing Committee Report Nos. 405-72 to 418-72 had been printed and distributed.

On motion by Representative Akizaki, seconded by Representative Kishinami and carried, the report of the Committee was adopted.

Representative Kimura, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 405-72) approving the intent and purpose of H. R. No. 23 and recommending its referral to the Committee on Finance.

On motion by Representative Kimura, seconded by Representative Kishinami and carried, the report of the Committee was adopted and H. R. No. 23 was referred to the Committee on Finance.

Representative Kimura, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 406-72) approving the intent and purpose of H. R. No. 141 and recommending its referral to the Committee on Finance.

On motion by Representative Kimura, seconded by Representative Kishinami and carried, the report of the Committee was adopted and H. R. No. 141 was referred to the Committee on Finance.

Representative Nakama, for the Committee on Transportation, presented a report (Stand. Com. Rep. No. 407-72) approving the intent and purpose of H. B. No. 2426-72 and recommending its referral to the Select Committee of Oahu Representatives, with certain amendments.

On motion by Representative Nakama, seconded by Representative Kihano and carried, the report of the Committee was adopted and H. B. No. 2426-72, as amended, was referred to the Select Committee of Oahu Representatives.

Representative Uechi, for the Committee on Federal-State-County, presented a report (Stand. Com. Rep. No. 408-72) approving the intent and purpose of S. B. No. 44 and recommending its passage on Second Reading and its referral to the Committee on Judiciary, with certain amendments.

On motion by Representative Uechi, seconded by Representative Inaba and

carried, the report of the Committee was adopted and S. B. No. 44, as amended, passed Second Reading and was referred to the Committee on Judiciary.

Representative R. Garcia, for the majority of the Committee on Public Health, Youth and General Welfare, presented a report (Stand. Com. Rep. No. 409-72) approving the intent and purpose of H. B. No. 323 and recommending its passage on Second Reading, with certain amendments.

On motion by Representative R. Garcia, seconded by Representative Iha and carried, the report of the majority of the Committee was adopted and H. B. No. 323, as amended, passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 30, 1972.

Representative Kunimura, for the Joint Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives, presented a report (Stand. Com. Rep. No. 410-72) approving the intent and purpose of H. B. No. 239 and recommending its referral to the Committee on Finance.

On motion by Representative Kunimura, seconded by Representative Kawakami and carried, the report of the Committee was adopted and H. B. No. 239 was referred to the Committee on Finance.

Representative Kunimura, for the Joint Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives, presented a report (Stand. Com. Rep. No. 411-72) approving the intent and purpose of H. B. No. 2525-72 and recommending its referral to the Committee on Finance.

On motion by Representative Kunimura, seconded by Representative Kawakami and carried, the report of the Committee was adopted and H. B. No. 2525-72 was referred to the Committee on Finance.

Representative Kawakami, for the Committee on Lands, presented a report (Stand. Com. Rep. No. 412-72) approving the intent and purpose of H. B. No. 2311-72 and recommending its passage

on Second Reading, with certain amendments.

On motion by Representative Kawakami, seconded by Representative Kaneshiro and carried, the report of the Committee was adopted and H. B. No. 2311-72, as amended, passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 30, 1972.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 413-72) approving the intent and purpose of H. B. No. 1878-72 and recommending its passage on Second Reading, with certain amendments.

On motion by Representative Suwa, seconded by Representative Akizaki and carried, the report of the Committee was adopted and H. B. No. 1878-72, as amended, passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 30, 1972.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 414-72) approving the intent and purpose of H. B. No. 2279-72 and recommending its passage on Second Reading, with certain amendments.

On motion by Representative Suwa, seconded by Representative Akizaki and carried, the report of the Committee was adopted and H. B. No. 2279-72, as amended, passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 30, 1972.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 415-72) approving the intent and purpose of S. B. No. 173 and recommending its passage on Second Reading.

On motion by Representative Suwa, seconded by Representative Akizaki and carried, the report of the Committee was adopted and S. B. No. 173 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 30, 1972.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 416-72)

approving the intent and purpose of H. B. No. 819 and recommending its passage on Third Reading, with certain amendments.

By unanimous consent, consideration of Stand. Com. Rep. No. 416-72 on H. B. No. 819, as amended, was deferred until tomorrow, March 30, 1972.

The Chair directed the Clerk to note that printed copies of H. B. No. 819, HD1, were made available to the members of the House at 12:35 o'clock p.m., in accordance with Article III, Section 16, of the Constitution of the State of Hawaii.

The Chair directed the Clerk to note that H. B. Nos. 323, 2311-72, 1878-72, 2279-72 and S. B. No. 173 had passed Second Reading not earlier than 12:35 o'clock p.m.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 417-72) approving the intent and purpose of H. B. No. 2536-72 and recommending its passage on Second Reading and its referral to the Committee on Finance, with certain amendments.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 2536-72, as amended, passed Second Reading and was referred to the Committee on Finance.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 418-72) approving the intent and purpose of H. R. No. 7 and recommending its adoption, with certain amendments.

By unanimous consent, consideration of Stand. Com. Rep. No. 418-72 on H. R. No. 7, as amended, was deferred to the end of the calendar.

INTRODUCTION OF RESOLUTIONS

A resolution (H. R. No. 319) congratulating Ben Villaflor on his fine boxing career and wishing him every success in his upcoming world Junior Lightweight Title bout was jointly offered by Representatives Aduja, Ajifu, Aki, Akizaki, Carroll, Chong, de la Cruz, Devereux, Duponte, Fong, J. Garcia, R.

Garcia, Hansen, Iha, Inaba, Judd, Kaneshiro, Kato, Kawakami, Kihano, Kimura, Kishinami, Kondo, Kunimura, Lee, Leopold, Lunasco, Medeiros, Morioka, Nakama, O'Connor, Oda, Poepoe, Roehrig, Saiki, Sakima, Soares, Suwa, Takamine, Uechi, Unemori, Ushijima, Wakatsuki, Wasai, Wedemeyer, Wong, Yamada, Yap, Yim, Young and Beppu and was read by the Clerk.

On motion by Representative Aduja, seconded by Representative Kihano and carried, H. R. No. 319 was adopted.

Representative Aduja then introduced to the members of the House Mr. Ben Villaflor and presented him with a certified copy of the resolution. He then introduced Mr. Antonio Pojas, the Manager and Mr. Armando Erida, who accompanied him.

By unanimous consent, the following resolutions (H. R. Nos. 320 to 329) and concurrent resolutions (H. C. R. Nos. 41 to 43) were referred to the Committee on Legislative Management and further action was deferred until tomorrow, March 30, 1972:

A resolution (H. R. No. 320) requesting the House Committee on Labor to investigate the handling of civilian contract work at the Pacific Missile Range Facility at Barking Sands, Kauai, and to recommend appropriate action to be taken by the Legislature was jointly offered by Representatives Kunimura, Akizaki, de la Cruz, Iha, Inaba, Kaneshiro, Kawakami, Kihano, Kishinami, Kondo, Lunasco, Nakama, O'Connor, Roehrig, Suwa, Takamine, Uechi, Unemori, Ushijima, Wakatsuki, Wedemeyer, Wong, Yamada, Yap, Yim, Young and Beppu.

A resolution (H. R. No. 321) requesting the Legislative Auditor to conduct a systematic study of the tourism promotion program of the Hawaii Visitors Bureau was jointly offered by Representatives Kawakami, Aduja, Ajifu, Akizaki, Duponte, R. Garcia, Kaneshiro, Kato, Kishinami, Kunimura, Lee, Lunasco, Medeiros, Suwa, Unemori, Wedemeyer, Yim and Young.

A resolution (H. R. No. 322) relating to the application of the Administrative Procedure Act was offered by

Representative R. Garcia.

A resolution (H. R. No. 323) relating to housing development corporations was offered by Representative R. Garcia.

A resolution (H. R. No. 324) requesting the House Committee on Housing and Consumer Protection to conduct hearings on the use of public funds in urban renewal projects and the procedures and relationships of the various levels of government in such projects was offered by Representative R. Garcia.

A resolution (H. R. No. 325) relating to the performance of the Honolulu Office of the Federal Housing Administration was offered by Representative R. Garcia.

A resolution (H. R. No. 326) requesting the Department of Education to consider the planning and construction of a student center for the new Maui High School in Kahului, Maui was jointly offered by Representatives Duponte, de la Cruz, Kondo and Unemori.

A resolution (H. R. No. 327) directing the House Committees on Education and Finance to call joint hearings immediately to determine the cost items contained in the public school teachers' contract and make appropriate recommendations for action by the Sixth Legislature was jointly offered by Representatives Saiki, Devereux, Duponte, J. Garcia, Lee, Poepoe and Soares.

A resolution (H. R. No. 328) requesting the Department of Education to examine and revise its methods of reporting the results of tests administered in the public schools was jointly offered by Representatives Iha, Ajifu, de la Cruz, Duponte, Hansen, Kato, Kawakami, Kihano, Kishinami, Lee, Lunasco, Morioka, Oda, Sakima, Takamine, Unemori, Wedemeyer, Yim and Young.

A resolution (H. R. No. 329) requesting a legislative interim committee to study the real property tax law appeal provisions was jointly offered by Representatives Yamada, Ajifu, Aki, Akizaki, Chong, Devereux, Duponte, Fong, R. Garcia, Hansen, Iha, Inaba, Judd, Kato, Kawakami, Kihano, Kimura, Kishinami, Kunimura, Leopold, Nakama, O'Connor, Oda, Poepoe, Roehrig, Saiki,

Soares, Ushijima, Wakatsuki, Wasai and Yim.

A concurrent resolution (H. C. R. No. 41) relating to urban renewal was offered by Representative R. Garcia.

A concurrent resolution (H. C. R. No. 42) requesting the Legislative Auditor to perform a cost study of new residential subdivisions, new communities, new towns, and urban renewal projects was offered by Representative R. Garcia.

A concurrent resolution (H. C. R. No. 43) requesting the Department of Education to examine and revise its methods of reporting the results of tests administered in the public schools was jointly offered by Representatives Iha, Ajifu, de la Cruz, Duponte, Hansen, Kato, Kawakami, Kihano, Kishinami, Lee, Lunasco, Morioka, Oda, Sakima, Takamine, Unemori, Wedemeyer, Yim and Young.

STANDING COMMITTEE REPORT

Representative Yap, for the Committee on Housing and Consumer Protection, presented a report (Stand. Com. Rep. No. 419-72) approving the intent and purpose of H. B. No. 2400-72 and recommending its passage on Second Reading, with certain amendments.

On motion by Representative Yap, seconded by Representative R. Garcia and carried, the report of the Committee was adopted and H. B. No. 2400-72, as amended, passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, March 30, 1972.

The Chair directed the Clerk to note that H. B. No. 2400-72, as amended, had passed Second Reading at 12:45 o'clock p.m.

The Chair directed the Clerk to note that printed copies of H. B. No. 2400-72, HD1, were made available to the members of the House at 12:45 o'clock p.m., in accordance with Article III, Section 16, of the Constitution of the State of Hawaii.

The Chair declared a recess at 12:45 o'clock a.m., subject to the call of the Chair.

At 1:25 o'clock p.m., the House of Representatives reconvened.

SUSPENSION OF RULES

On motion by Representative Ushijima, seconded by Representative J. Garcia and carried unanimously, the rules were suspended for the purpose of taking up bills on Third Reading on the basis of a modified consent calendar.

THIRD READING

The following bills, which were on the calendar for Third Reading, were read throughout and the following actions taken:

Third Reading of H. B. No. 2436-72.

On motion by Representative Kawakami, seconded by Representative Kaneshiro, H. B. No. 2436-72 passed Third Reading by a vote of 49 ayes, with Representatives Judd and Sakima being excused.

Third Reading of H. B. No. 1838-72.

On motion by Representative O'Connor, seconded by Representative Kimura, H. B. No. 1838-72 passed Third Reading by a vote of 49 ayes, with Representatives Judd and Sakima being excused.

Third Reading of H. B. No. 1895-72.

On motion by Representative O'Connor, seconded by Representative Kimura, H. B. No. 1895-72 passed Third Reading by a vote of 49 ayes, with Representatives Judd and Sakima being excused.

Third Reading of S. B. No. 308.

On motion by Representatives O'Connor, seconded by Representative Kimura, S. B. No. 308 passed Third Reading by a vote of 49 ayes, with Representatives Judd and Sakima being excused.

Third Reading of S. B. No. 452.

On motion by Representative O'Connor, seconded by Representative Kimura, S. B. No. 452 passed Third Reading by a vote of 49 ayes, with Representatives Judd and Sakima being excused.

Third Reading of S. B. No. 744.

On motion by Representative O'Connor, seconded by Representative Kimura, S. B. No. 744 passed Third Reading by a vote of 49 ayes, with Representatives Judd and Sakima being excused.

Third Reading of S. B. No. 1060.

On motion by Representative O'Connor, seconded by Representative Kimura, S. B. No. 1060 passed Third Reading by a vote of 49 ayes, with Representatives Judd and Sakima being excused.

Third Reading of S. B. No. 1408-72.

Representative O'Connor moved that S. B. No. 1408-72 pass Third Reading, seconded by Representative Kimura.

Representative Saiki then rose to speak in favor of the bill as follows:

“Mr. Speaker, I rise to speak in favor of Senate Bill No. 1408-72.

This bill Mr. Speaker, is better known as the Equal Rights Amendment to our State Constitution.

The bill before us today will re-emphasize and reiterate for the State of Hawaii, what was so recently done by Congress. It will define our State's conviction to provide constitutional protection against laws and official practices which treat men and women differently.

Mr. Speaker, I prefer to look at the Equal Rights Amendment as an equal rights and responsibility amendment, for it will not only ensure equal opportunity, but place equal responsibility on men and women.

I am proud that we, as members of the Sixth State Legislature, were the first in the Nation to ratify the Congressional amendment. Now let us offer to the people of our State this November the opportunity to ratify our State amendment to our Constitution.

Many dedicated women, some of them with us this morning, have worked long and hard to seek the passage of this measure. I urge everyone to vote in favor of this bill.

Thank you, Mr. Speaker.”

The motion was put by the Chair and S. B. No. 1408-72 passed Third Reading by a vote of 49 ayes, which is not less than two-thirds of the vote to which the House is entitled, with Representatives Judd and Sakima being excused.

Third Reading of S. B. No. 1413-72.

On motion by Representative O'Connor, seconded by Representative Kimura, S. B. No. 1413-72 passed Third Reading by a vote of 49 ayes, with Representatives Judd and Sakima being excused.

Third Reading of S. B. No. 1419-72.

On motion by Representative O'Connor, seconded by Representative Kimura, S. B. No. 1419-72 passed Third Reading by a vote of 49 ayes, with Representatives Judd and Sakima being excused.

Third Reading of S. B. No. 1429-72.

On motion by Representative O'Connor, seconded by Representative Kimura, S. B. No. 1429-72 passed Third Reading by a vote of 49 ayes, with Representatives Judd and Sakima being excused.

Third Reading of S. B. No. 1430-72.

On motion by Representative O'Connor, seconded by Representative Kimura, S. B. No. 1430-72 passed Third Reading by a vote of 49 ayes, with Representatives Judd and Sakima being excused.

Third Reading of H. B. No. 1645-72.

Representative O'Connor moved that H. B. No. 1645-72 pass Third Reading, seconded by Representative Kimura.

Representative O'Connor then spoke in favor of the bill as follows:

“Mr. Speaker, I rise to speak in favor of this measure.

Mr. Speaker, one of the matters before this House of great concern to all of us is the matter of automobile insurance reform. This piece of legislation, H. B. No. 1645-72, HD2, is the first step to

insurance reform in this State. This bill will provide that certain organizations and certain businesses may sell to their members, insurance in a mass marketed situation. This will allow a savings of premiums on an average of up to 15% to those people participating in these plans. This savings, Mr. Speaker, is mandatory in this age of the rising cost of insurance premiums of automobiles and I urge all the members of this House to vote in favor of H. B. No. 1645-72, HD2.

Thank you, Mr. Speaker.”

Representative Kaneshiro then rose and stated that he is the administrator of an organization group insurance program which also includes auto insurance and asked the Chair for a ruling as to whether or not there was a conflict of interest.

The Chair ruled that there was no conflict of interest.

The motion was put by the Chair and H. B. No. 1645-72 passed Third Reading by a vote of 49 ayes, with Representatives Judd and Sakima being excused.

Third Reading of H. B. No. 1804-72.

On motion by Representative O'Connor, seconded by Representative Kimura, roll call vote having been requested, H. B. No. 1804-72 passed Third Reading by a vote of 34 ayes to 15 noes, with Representatives Ajifu, Aki, Carroll, Chong, Fong, J. Garcia, Hansen, Leopold, Medeiros, Oda, Poepoe, Saiki, Soares, Suwa and Yamada voting no, and Representatives Judd and Sakima being excused.

Third Reading of S. B. No. 1193.

On motion by Representative O'Connor, seconded by Representative Kimura, S. B. No. 1193 passed Third Reading by a vote of 49 ayes, with Representatives Judd and Sakima being excused.

Third Reading of H. B. No. 1650-72.

On motion by Representative O'Connor, seconded by Representative Kimura, H. B. No. 1650-72 passed Third Reading by a vote of 49 ayes, with Representatives Judd and Sakima being excused.

The Chair directed the Clerk to note that H. B. Nos. 2436-72, 1838-72, 1895-72, 1645-72, 1804-72 and 1650-72 and S. B. Nos. 308, 452, 744, 1060, 1408-72, 1413-72, 1419-72, 1429-72, 1430-72 and 1193 had passed Third Reading not earlier than 1:37 o'clock p.m.

UNFINISHED BUSINESS

Consideration of H. B. No. 2286-72 on Third Reading, which had been deferred to this day.

On motion by Representative Nakama, seconded by Representative Kihano and carried, consideration of H. B. No. 2286-72 was deferred to Tuesday, April 4, 1972.

DEFERRED MATTER

Consideration of Stand. Com. Rep. No. 418-72 on H. R. No. 7, as amended, which had been deferred to this time.

Representative Kimura moved that the

report of the Committee be adopted and that H. R. No. 7, as amended, be adopted, seconded by Representative Suwa.

Representative Kimura then rose and spoke in favor of the resolution.

The motion was put by the Chair and carried, and the report of the Committee was adopted and H. R. No. 7, as amended, entitled, "House Resolution requesting the Chancellor of the University of Hawaii, Manoa Campus, to appoint a central committee comprised of members of the various faculty, student, and faculty-student committees considering proposals for improving present course registration procedures and to establish policies to effectuate improvements," was adopted.

At 1:40 o'clock p.m., on motion by Representative Ushijima, seconded by Representative J. Garcia and carried, the House of Representatives adjourned to 11:00 o'clock a.m., tomorrow, March 30, 1972.

50TH DAY

Thursday, March 30, 1972

The House of Representatives of the Sixth Legislature of the State of Hawaii, Regular Session of 1972, was called to order at 11:00 o'clock a.m.

The Speaker presided.

The Divine Blessing was invoked by Reverend John Elliott of the Church of Scientology of Hawaii.

Roll call of the members of the House of Representatives showed that all members were present with the exception of Representative Takamine, who was excused.

The Clerk proceeded to read the Journal of the House of Representatives of the Forty-Ninth Day.

On motion by Representative Ushijima, seconded by Representative J. Garcia and carried, reading of the Journal was dispensed with and the Journal of the Forty-Ninth Day was approved.

SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 67 and 68) were read by the Clerk and were disposed of as follows:

A communication from the Senate (Sen. Com. No. 67) returning House Bill No. 1778-72, HD 1, which passed Third Reading in the Senate on March 29, 1972, was placed on file.

A communication from the Senate (Sen. Com. No. 68) transmitting Senate Bill No. 1345-72 entitled: "A Bill for an Act relating to employment security," which passed Third Reading in the Senate on March 29, 1972, was placed on file.

On motion by Representative Ushijima, seconded by Representative J. Garcia and carried, S. B. No. 1345-72 passed First Reading by title and further action was deferred until later in the calendar.

At 11:05 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

At 11:07 o'clock a.m., the House of Representatives reconvened and the Chair

directed the Clerk to note the presence of Representative Takamine.

At this time, the following introductions were made to the members of the House:

Representative Young introduced Mr. Peter Tagalog and his group from the Ota Camp in Waipahu.

Representative Ushijima introduced the Honorable Midge Miller, a member of the House of Representatives of the Wisconsin State Legislature and she addressed the members of the House.

ORDER OF THE DAY

COMMITTEE REFERRAL

The following bill (S. B. No. 1345-72) was disposed of as follows:

S. B. No. 1345-72 was referred to the Committee on Judiciary.

DEFERRED RESOLUTIONS

The following resolutions (H. R. Nos. 320 to 329) and concurrent resolutions (H.C.R. Nos. 41 to 43) were disposed of as follows:

H. R. No. 320 was referred to the Committee on Labor.

H. R. No. 321 was referred to the Committee on Tourism and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 322 was referred to the Committee on Judiciary and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 323 was referred to the Committee on Housing and Consumer Protection and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 324 was referred to the Committee on Housing and Consumer Protection.

H. R. No. 325 was referred to the Committee on Housing and Consumer Protection.

H. R. No. 326 was referred to the Committee on Education and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 327 was referred to the Committee on Education and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 328 was referred to the Committee on Education and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 329 was referred to the Committee on Finance.

H.C.R. No. 41 was referred to the Committee on Housing and Consumer Protection and after consideration by it, the Committee was instructed to refer the concurrent resolution to the Committee on Finance.

H.C.R. No. 42 was referred to the Committee on Housing and Consumer Protection and after consideration by it, the Committee was instructed to refer the concurrent resolution to the Committee on Finance.

H.C.R. No. 43 was referred to the Committee on Education and after consideration by it, the Committee was instructed to refer the concurrent resolution to the Committee on Finance.

COMMITTEE REASSIGNMENT

S. B. No. 476, SD 2, which had been referred to the Committee on Public Utilities on April 7, 1971, was referred to the Committee on Public Utilities and after consideration by it, the Committee was instructed to refer the bill to the Committee on Finance.

ORDER OF THE DAY

STANDING COMMITTEE REPORTS

Representative Akizaki, for the Committee on Legislative Management, presented a report (Stand. Com. Rep. No. 420-72) informing the House that Standing Committee Report No. 419-72, House Resolution Nos. 319 to 329, House Concurrent Resolution Nos. 41 to

43, and Standing Committee Report Nos. 421-72 to 439-72, had been printed and distributed.

On motion by Representative Akizaki, seconded by Representative Kishinami and carried, the report of the Committee was adopted.

Representative Kimura, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 421-72) approving the intent and purpose of H. R. No. 15 and recommending its referral to the Committee on Finance.

On motion by Representative Kimura, seconded by Representative Kishinami and carried, the report of the Committee was adopted and H. R. No. 15 was referred to the Committee on Finance.

Representative Kawakami, for the Committee on Lands, presented a report (Stand. Com. Rep. No. 422-72) approving the intent and purpose of H. R. No. 211 and recommending its referral to the Committee on Finance.

On motion by Representative Kawakami, seconded by Representative Kaneshiro and carried, the report of the Committee was adopted and H. R. No. 211 was referred to the Committee on Finance.

Representative Kawakami, for the Committee on Lands, presented a report (Stand. Com. Rep. No. 423-72) approving the intent and purpose of H. R. No. 300 and recommending its referral to the Committee on Finance.

On motion by Representative Kawakami, seconded by Representative Kaneshiro and carried, the report of the Committee was adopted and H. R. No. 300 was referred to the Committee on Finance.

Representative Wasai, for the Committee on Public Employment, presented a report (Stand. Com. Rep. No. 424-72) approving the intent and purpose of H. R. No. 244 and recommending its referral to the Committee on Judiciary.

On motion by Representative Wasai, seconded by Representative Iha and carried, the report of the Committee was adopted and H. R. No. 244 was referred to the Committee on Judiciary.

Representative Wasai, for the Committee on Public Employment, presented a report (Stand. Com. Rep. No. 425-72) approving the intent and purpose of H. R. No. 273 and recommending its referral jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives.

On motion by Representative Wasai, seconded by Representative Iha and carried, the report of the Committee was adopted and H. R. No. 273 was referred jointly to the Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives.

Representative Iha, for the Committee on Military and Civil Defense, presented a report (Stand. Com. Rep. No. 426-72) approving the intent and purpose of H. R. No. 47 and recommending its referral to the Committee on Housing and Consumer Protection.

On motion by Representative Iha, seconded by Representative Lee and carried, the report of the Committee was adopted and H. R. No. 47 was referred to the Committee on Housing and Consumer Protection.

Representative Iha, for the Committee on Military and Civil Defense, presented a report (Stand. Com. Rep. No. 427-72) approving the intent and purpose of H. R. No. 160 and recommending its referral to the Committee on Finance with certain amendments.

On motion by Representative Iha, seconded by Representative Lee and carried, the report of the Committee was adopted and H. R. No. 160, as amended, was referred to the Committee on Finance.

Representative Kimura, for the majority of the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 428-72) approving the intent and purpose of H. B. No. 2582-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Kimura, seconded by Representative Kishinami and carried, the report of the majority of the Committee was adopted and H. B.

No. 2582-72 passed Second Reading and was referred to the Committee on Finance.

Representative Kawakami, for the Committee on Lands, presented a report (Stand. Com. Rep. No. 429-72) approving the intent and purpose of H. B. No. 1965-72 and recommending its passage on Second Reading and its referral to the Committee on Judiciary.

On motion by Representative Kawakami, seconded by Representative Kaneshiro and carried, the report of the Committee was adopted and H. B. No. 1965-72 passed Second Reading and was referred to the Committee on Judiciary.

Representative Kawakami, for the Committee on Lands, presented a report (Stand. Com. Rep. No. 430-72) approving the intent and purpose of H. B. No. 2144-72 and recommending its passage on Second Reading and its referral to the Committee on Judiciary.

On motion by Representative Kawakami, seconded by Representative Kaneshiro and carried, the report of the Committee was adopted and H. B. No. 2144-72 passed Second Reading and was referred to the Committee on Judiciary.

Representative Kawakami, for the Committee on Lands, presented a report (Stand. Com. Rep. No. 431-72) approving the intent and purpose of S. B. No. 1498-72 and recommending its passage on Second Reading.

On motion by Representative Kawakami, seconded by Representative Kaneshiro and carried, the report of the Committee was adopted and S. B. No. 1498-72 passed Second Reading and was placed on the Order of the Day for Third Reading Monday, April 3, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 432-72) approving the intent and purpose of S. B. No. 1422-72 and recommending its passage on Second Reading.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and S. B. No. 1422-72 passed Second Reading and was placed on the Order of the Day for Third Reading Monday, April

3, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 433-72) approving the intent and purpose of H. B. No. 1845-72 and recommending its passage on Second Reading with certain amendments.

On motion by Representative O'Connor, seconded by Representative Kimura and carried, the report of the Committee was adopted and H. B. No. 1845-72, as amended, passed Second Reading and was placed on the Order of the Day for Third Reading Monday, April 3, 1972.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 434-72) approving the intent and purpose of H. B. No. 1672-72 and recommending its passage on Third Reading with certain amendments.

By unanimous consent, consideration of Stand. Com. Rep. No. 434-72 on H. B. No. 1672-72, as amended, was deferred until Monday, April 3, 1972.

Representative Kunimura, for the joint Select Committee of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives, presented a report (Stand. Com. Rep. No. 435-72) approving the intent and purpose of H. B. No. 1950-72 and recommending its passage on Second Reading with certain amendments.

On motion by Representative Wong, seconded by Representative Kunimura and carried, the report of the Committee was adopted and H. B. No. 1950-72, as amended, passed Second Reading and was placed on the Order of the Day for Third Reading Monday, April 3, 1972.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 436-72) approving the intent and purpose of H. B. No. 1959-72 and recommending its passage on Third Reading with certain amendments.

By unanimous consent, consideration of Stand. Com. Rep. No. 436-72 on H. B. No. 1959-72 was deferred until Monday,

April 3, 1972.

Representative Suwa, for the majority of the Committee on Finance, presented a report (Stand. Com. Rep. No. 437-72) approving the intent and purpose of H. B. No. 2524-72 and recommending its passage on Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 437-72 on H. B. No. 2524-72 was deferred until Monday, April 3, 1972.

The Chair directed the Clerk to note that H. B. Nos. 1845-72, 1672-72 and 1950-72 and S. B. Nos. 1895-72 and 1422-72 had passed Second Reading not earlier than 11:15 o'clock a.m.

The Chair directed the Clerk to note that printed copies of H. B. Nos. 1672-72, HD 2, 1959-72, HD 1 and 2524-72 were made available to the members of the House at 11:15 o'clock a.m., in accordance with Article III, Section 16, of the Constitution of the State of Hawaii.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 438-72) approving the intent and purpose of H. C. R. No. 19 and recommending its adoption with certain amendments.

By unanimous consent, consideration of Stand. Com. Rep. No. 438-72 on H. C. R. No. 19 was deferred until the end of the calendar.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 439-72) approving the intent and purpose of H. R. No. 118 and recommending its adoption.

By unanimous consent, consideration of Stand. Com. Rep. No. 439-72 on H. R. No. 118 was deferred until the end of the calendar.

INTRODUCTION OF RESOLUTIONS

The following resolutions (H. R. Nos. 330 to 336) were read by the Clerk and were disposed of as follows:

A resolution (H. R. No. 330) honoring Carol and Bob Rogers for their community service was jointly offered by

Representatives Inaba, Aduja, Ajifu, Aki, Akizaki, Chong, de la Cruz, Devereux, Duponte, Fong, J. Garcia, R. Garcia, Hansen, Iha, Kaneshiro, Kato, Kawakami, Kihano, Kishinami, Kondo, Lee, Leopold, Lunasco, Medeiros, Morioka, Nakama, O'Connor, Oda, Poepoe, Roehrig, Saiki, Sakima, Suwa, Takamine, Uechi, Unemori, Ushijima, Wasai, Wedemeyer, Wong, Yamada, Yap, Yim, Young and Beppu.

On motion by Representative Inaba, seconded by Representative Roehrig and carried, H. R. No. 330 was adopted.

A resolution (H. R. No. 331) congratulating B. Martin Luna on being selected one of Hawaii's three outstanding young men was jointly offered by Representatives Unemori, Aduja, Ajifu, Aki, Akizaki, Carroll, Chong, de la Cruz, Devereux, Duponte, Fong, R. Garcia, Hansen, Iha, Inaba, Kato, Kawakami, Kihano, Kimura, Kishinami, Kondo, Kunimura, Lee, Leopold, Lunasco, Medeiros, Morioka, Nakama, O'Connor, Oda, Roehrig, Sakima, Suwa, Takamine, Uechi, Ushijima, Wakatsuki, Wasai, Wedemeyer, Wong, Yamada, Yap and Yim.

On motion by Representative Unemori, seconded by Representative Duponte and carried, H. R. No. 331 was adopted.

A resolution (H. R. No. 332) congratulating the Maui winners in the Bank of Hawaii's 11th annual Statewide art contest was jointly offered by Representatives Unemori, Aduja, Ajifu, Aki, Akizaki, Carroll, Chong, de la Cruz, Devereux, Duponte, Fong, R. Garcia, Hansen, Iha, Inaba, Kaneshiro, Kato, Kawakami, Kihano, Kimura, Kishinami, Kondo, Kunimura, Lee, Leopold, Lunasco, Medeiros, Morioka, Nakama, O'Connor, Oda, Roehrig, Sakima, Suwa, Takamine, Uechi, Ushijima, Wakatsuki, Wasai, Wedemeyer, Wong, Yamada, Yap and Yim.

On motion by Representative Unemori, seconded by Representative Duponte, H. R. No. 332 was adopted.

A resolution (H. R. No. 333) extending congratulations and best wishes to Jeanette Tapat on her being crowned Miss Maui Filipina 1972 was jointly offered by Representatives Unemori, Aki,

Akizaki, Carroll, Chong, de la Cruz, Duponte, Kato, Kimura, Kondo, Leopold, Morioka, Suwa, Uechi and Yim.

On motion by Representative Unemori, seconded by Representative Duponte and carried, H. R. No. 333 was adopted.

A resolution (H. R. No. 334) honoring Ken S. Nagata for his distinguished career in education and extending aloha and best wishes upon his retirement was jointly offered by Representatives Wasai, Aduja, Ajifu, Aki, Akizaki, Chong, de la Cruz, Devereux, Duponte, Fong, J. Garcia, R. Garcia, Judd, Kato, Kawakami, Kihano, Kishinami, Lee, Lunasco, Medeiros, Morioka, Nakama, Sakima, Takamine, Uechi, Unemori, Ushijima, Wakatsuki, Wedemeyer, Yim, Young and Beppu.

On motion by Representative Wasai, seconded by Representative Lee and carried, H. R. No. 334 was adopted.

A resolution (H. R. No. 335) congratulating Merwyn M. Nihipali on receiving the Honolulu Star-Bulletin State Farmer Award for 1972 was jointly offered by Representatives Wasai, Aduja, Ajifu, Aki, Akizaki, Chong, de la Cruz, Devereux, Duponte, Fong, J. Garcia, R. Garcia, Judd, Kato, Kawakami, Kihano, Kimura, Kishinami, Kondo, Lee, Lunasco, Medeiros, Morioka, Nakama, Sakima, Takamine, Uechi, Unemori, Ushijima, Wakatsuki, Wedemeyer, Yim, Young and Beppu.

On motion by Representative Wasai, seconded by Representative Uechi and carried, H. R. No. 335 was adopted.

A resolution (H. R. No. 336) extending congratulations and best wishes to the Kamehameha Day Celebration Commission on the 100th celebration of Kamehameha Day was jointly offered by Representatives Beppu, Aduja, Ajifu, Aki, Akizaki, Chong, Devereux, Duponte, Fong, J. Garcia, Inaba, Judd, Kaneshiro, Kawakami, Kihano, Kishinami, Kondo, Lunasco, Medeiros, Morioka, Nakama, Sakima, Uechi, Ushijima, Wakatsuki, Wedemeyer and Wong.

On motion by Representative Wedemeyer, seconded by Representative Wakatsuki and carried, H. R. No. 336 was

adopted.

At 11:18 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 1:20 o'clock p.m.

By unanimous consent, the following resolutions (H. R. Nos. 337 to 359) and concurrent resolutions (H.C.R. Nos. 44 to 50) were referred to the Committee on Legislative Management and further action was deferred until Monday, April 3, 1972:

A resolution (H. R. No. 337) supporting U. S. House of Representatives Bill 6168 to amend the International Education Act of 1966 and to provide for the establishment under that Act of an Asian Studies Institute was jointly offered by Representatives Kimura, Akizaki, Devereux, Kishinami, Kunimura, Morioka, Nakama, Suwa, Wasai, Wedemeyer and Young.

A resolution (H. R. No. 338) requesting the University of Hawaii to review its present bookstore ordering policy and to develop and implement the necessary measures to alleviate the present problems of inefficiencies in the ordering system was jointly offered by Representatives Kimura, Akizaki, Devereux, Kihano, Kishinami, Kondo, Kunimura, Morioka, Nakama, Ushijima, Wasai, Young and Beppu.

A resolution (H. R. No. 339) requesting the United States Congress to adopt the metric system was jointly offered by Representatives Kimura, Akizaki, Devereux, Kihano, Kishinami, Kondo, Kunimura, Morioka, Ushijima, Wasai, Young and Beppu.

A resolution (H. R. No. 340) requesting the President of the United States that Hawaii be exempted from the mandatory oil import quota program created by Presidential Proclamation No. 3279 was jointly offered by Representatives Wong, Akizaki, de la Cruz, Duponte, R. Garcia, Inaba, Kaneshiro, Kihano, Kimura, Kishinami, Kunimura, Lunasco, Morioka, Roehrig, Sakima, Takamine, Ushijima, Wakatsuki, Wasai, Yap and Yim.

A resolution (H. R. No. 341) requesting the President and Congress of

the United States to revise or repeal the foreign oil import quota program was jointly offered by Representatives Wong, Akizaki, de la Cruz, Duponte, R. Garcia, Inaba, Kaneshiro, Kimura, Kishinami, Kunimura, Lunasco, Morioka, Roehrig, Sakima, Takamine, Ushijima, Wakatsuki, Wasai, Yap and Yim.

A resolution (H. R. No. 342) requesting the Comptroller and the Director of Finance to require any quasi-public or State subsidized organization to comply with the provisions of Chapter 92, Hawaii Revised Statutes, relating to public agency meetings and records, as a condition of subsidization was jointly offered by Representatives Wong, Akizaki, de la Cruz, Duponte, R. Garcia, Inaba, Kaneshiro, Kihano, Kimura, Kishinami, Kunimura, Lunasco, Morioka, Roehrig, Sakima, Takamine, Uechi, Ushijima, Wakatsuki, Wasai and Yim.

A resolution (H. R. No. 343) requesting the Department of Planning and Economic Development to formulate an action program and appropriate legislation to implement the Hawaii Open Space Plan for Hawaii was jointly offered by Representatives Kawakami, Aduja, Ajifu, Aki, Akizaki, Carroll, Chong, Devereux, Duponte, Fong, R. Garcia, Inaba, Kato, Kimura, Kishinami, Kunimura, Leopold, Lunasco, Nakama, Oda, Sakima, Suwa, Uechi, Wasai, Wedemeyer, Yamada, Yap and Young.

A resolution (H. R. No. 344) requesting a study on the financial assistance required to enable the Bishop Museum to maintain, improve and expand its services was jointly offered by Representatives Yap, Akizaki, de la Cruz, Duponte, R. Garcia, Iha, Inaba, Kaneshiro, Kato, Kimura, Kishinami, Kondo, Lee, Sakima, Takamine, Unemori, Wasai, Wedemeyer, Wong, Yim, Young and Beppu.

A resolution (H. R. No. 345) relating to a review of the use of State lands to be made by the Land Study Bureau, University of Hawaii was offered by Representative R. Garcia.

A resolution (H. R. No. 346) relating to addictive drugs was offered by Representative R. Garcia.

A resolution (H. R. No. 347) relating to claims in connection with hotel

telephone charges was offered by Representative R. Garcia.

A resolution (H. R. No. 348) relating to a study of public housing programs was offered by Representative R. Garcia.

A resolution (H. R. No. 349) relating to the Hawaii Environmental Simulation Laboratory was offered by Representative R. Garcia.

A resolution (H. R. No. 350) relating to citizen participation in housing, renewal and urban development programs was offered by Representative R. Garcia.

A resolution (H. R. No. 351) relating to a study of the price of food in Hawaii was offered by Representative R. Garcia.

A resolution (H. R. No. 352) relating to the administration of Hawaiian Homes Lands was offered by Representative R. Garcia.

A resolution (H. R. No. 353) relating to HVB study of conventions was offered by Representative R. Garcia.

A resolution (H. R. No. 354) relating to the processing of housing development plans through public agencies was offered by Representative R. Garcia.

A resolution (H. R. No. 355) relating to public policy for housing development was offered by Representative R. Garcia.

A resolution (H. R. No. 356) relating to the implementation of a study on the utilization of Hawaii agricultural products was offered by Representative Suwa.

A resolution (H. R. No. 357) requesting the Industrial Relations Center of the University of Hawaii to conduct a comprehensive review of the collective bargaining law was jointly offered by Representatives Ushijima, Aduja, Ajifu, Aki, Akizaki, Chong, de la Cruz, Devereux, Fong, J. Garcia, R. Garcia, Iha, Inaba, Judd, Kato, Kawakami, Kihano, Kimura, Kishinami, Kondo, Kunimura, Lunasco, Morioka, Oda, Poepoe, Roehrig, Saiki, Sakima, Soares, Suwa, Takamine, Wedemeyer, Wong, Yamada, Yap, Young and Beppu.

A resolution (H. R. No. 358) requesting the House Committee on Education to conduct hearings to

investigate handling of the collective bargaining process by the Department of Education and the Hawaii State Teachers Association was offered by Representative R. Garcia.

A resolution (H. R. No. 359) relating to a study of mortgage practices in Hawaii and related public policy was offered by Representative R. Garcia.

A concurrent resolution (H.C.R. No. 44) requesting the United States Congress to adopt the metric system was jointly offered by Representatives Kimura, Akizaki, Devereux, Kihano, Kishinami, Kondo, Kunimura, Morioka, Ushijima, Wasai, Young and Beppu.

A concurrent resolution (H.C.R. No. 45) requesting the Department of Planning and Economic Development to formulate an action program and appropriate legislation to implement the Hawaii Open Space Plan for Hawaii was jointly offered by Representatives Kawakami, Aduja, Ajifu, Aki, Akizaki, Carroll, Chong, Devereux, Duponte, Fong, R. Garcia, Iha, Inaba, Kato, Kimura, Kishinami, Kunimura, Leopold, Lunasco, Nakama, Oda, Sakima, Suwa, Uechi, Wasai, Wedemeyer, Yamada, Yap and Young.

A concurrent resolution (H.C.R. No. 46) concerning the Comprehensive Open Space Plan was offered by Representative Wong.

A concurrent resolution (H.C.R. No. 47) requesting that Bishop Museum be given utmost consideration by State agencies for the performance of work and research projects in its areas of expertise and experience was jointly offered by Representatives Yap, Akizaki, de la Cruz, R. Garcia, Iha, Inaba, Kaneshiro, Kato, Kimura, Kishinami, Lee, Nakama, Sakima, Takamine, Unemori, Wasai, Wedemeyer, Wong, Young and Beppu.

A concurrent resolution (H.C.R. No. 48) relating to Sand Island Park was offered by Representative R. Garcia.

A concurrent resolution (H.C.R. No. 49) relating to the study of the operation, structure, and regulation of the financial industry was offered by Representative R. Garcia.

A concurrent resolution (H.C.R. No.

50) requesting the Industrial Relations Center of the University of Hawaii to conduct a comprehensive review of the collective bargaining law was jointly offered by Representatives Ushijima, Aduja, Ajifu, Aki, Akizaki, Chong, de la Cruz, Devereux, Fong, J. Garcia, R. Garcia, Iha, Inaba, Judd, Kato, Kawakami, Kihano, Kimura, Kishinami, Kondo, Kunimura, Lunasco, Morioka, Oda, Poepoe, Roehrig, Sakima, Soares, Suwa, Takamine, Wedemeyer, Yamada, Yap, Young and Beppu.

SUSPENSION OF RULES

On motion by Representative Ushijima, seconded by Representative J. Garcia and carried unanimously, the rules were suspended for the purpose of considering bills on Third Reading on the basis of a modified consent calendar.

THIRD READING

The following bills, which were on the calendar for Third Reading, were read throughout and the following actions taken:

Third Reading of H. B. No. 323.

By unanimous consent, consideration of H. B. No. 323 on Third Reading was deferred until Monday, April 3, 1972.

Third Reading of H. B. No. 2311-72.

Representative Kawakami moved that H. B. No. 2311-72 pass Third Reading, seconded by Representative Kaneshiro.

Representative Kawakami then rose and spoke in favor of the bill as follows:

“Mr. Speaker, House Bill No. 2311-72, in effect, establishes a State policy guaranteeing the right of convenient public access to our shorelines.

Access to our shorelines was both an economic and human necessity for early Hawaiians. Today, we have come to regard this public access as a basic recreational right. But, at the same time, Hawaii has been experiencing increased private control of lands bordering shorelines, and an increased development of resort and residential facilities along our beach areas. Such changes in our contemporary physical environment have

resulted in the limitation and restriction of public access to these areas.

This bill provides that the Office of the Attorney General shall represent the public in asserting the public's right of access to the shoreline by way of establishing prior public usage of beach rights-of-way.

Mr. Speaker, based on testimony received at public hearings on House Bill No. 2311-72, your Committee on Lands has amended this bill in two ways. First, it was pointed out that public access is but one of the basic requirements a county must take into consideration before approving a subdivision or development plan. Therefore, the bill has been amended so that it does not imply that a county must approve any plan which simply provides public access, and not other basic requirements such as water and sewage facilities.

Secondly, because some counties review ‘preliminary’ as well as ‘final’ subdivision or development plans, the bill has been clarified so that the word ‘approval’ will mean the final approval of such building plans.

Mr. Speaker, I'm sure most of us can remember the time when one could drive along any beach highway, stop the car, and simply walk out to the shoreline. Today, we have residential lots, fences, resort facilities—all abutting each other, creating a physical as well as psychological barrier between the highway and the beach. The public should not have to feel that they must risk entry on private property in order to get to the shoreline, nor should they have to play a detective game in order to find the public right-of-way to the shoreline.

It is therefore incumbent upon us here today to liberally provide for present and future generations of Hawaii's people, the right of public access to our shorelines--shorelines which are undeniably an integral part of the natural resources of our island State, and which undeniably must remain open and accessible to the people who live here. And like most public policy statements regarding the use of our natural resources, this bill costs no money.

Mr. Speaker, I therefore urge the

members of this Honorable Body to vote aye on House Bill No. 2311-72.

Thank you.”

Representative Aki then rose and spoke in favor of H. B. No. 2311-72.

The motion was put by the Chair and carried, and H. B. No. 2311-72 passed Third Reading by a vote of 51 ayes.

Third Reading of H. B. No. 1878-72.

On motion by Representative Suwa, seconded by Representative Akizaki, H. B. No. 1878-72 passed Third Reading by a vote of 51 ayes.

Third Reading of H. B. No. 2279-72.

On motion by Representative Suwa, seconded by Representative Akizaki, H. B. No. 2279-72 passed Third Reading by a vote of 51 ayes.

Third Reading of S. B. No. 173.

On motion by Representative Suwa, seconded by Representative Akizaki, S. B. No. 173 passed Third Reading by a vote of 51 ayes.

Third Reading of H. B. No. 2400-72.

By unanimous consent, consideration of H. B. No. 2400-72 on Third Reading was deferred until the end of the calendar.

The Chair directed the Clerk to note that H. B. Nos. 2311-72, 1878-72 and 2279-72 and S. B. No. 173 had passed Third Reading not earlier than 1:25 o'clock p.m.

At 1:26 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

At 1:31 o'clock p.m., the House of Representatives reconvened.

UNFINISHED BUSINESS

Consideration of Stand. Com. Rep. No. 416-72 on H. B. No. 819, as amended, which had been deferred to this day.

On motion by Representative Suwa, seconded by Representative Akizaki and carried, the report of the Committee was

adopted and H. B. No. 819, as amended, having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H. B. No. 819 had passed Third Reading at 1:32 o'clock p.m.

SENATE COMMUNICATION

A communication from the Senate (Sen. Com. No. 69) transmitting Senate Concurrent Resolution No. 44 extending congratulations and best wishes to the Honorable John A. Burns on his 63rd birthday which was adopted by the Senate on March 30, 1972, was read by the Clerk and was placed on file.

On motion by Representative Ushijima, seconded by Representative J. Garcia and carried, S. C. R. No. 44 was adopted.

DEFERRED MATTERS

Consideration of Stand. Com. Rep. No. 438-72 on H.C.R. No. 19, as amended, which had been deferred to this time.

Representative Suwa moved that the report of the Committee be adopted and H.C.R. No. 19, as amended, be adopted, seconded by Representative Akizaki.

Representative Kimura then rose and spoke in favor of the concurrent resolution, as follows:

“Mr. Speaker, I rise to speak in strong support of House Concurrent Resolution No. 19, HD 2, which reaffirms our support for a four-year campus in West Oahu.

During the last session, you will recall that your Committee on Higher Education held extensive hearings on alternative ways of providing for the baccalaureate degree needs in the State. After consideration of these alternatives, we requested in House Resolution No. 100 that planning a college in Leeward-Central Oahu proceed on two broad fronts--educational and site selection.

During this past session, we were presented with a progress report by the University which draws broad outlines of the plans and progress thus far. The planning was done through community

members, and among the guidelines were that the campus be undergraduate with a 7,500 capacity, be largely geared to commuters, with residency considered for 25% of the student population. The physical site itself will contain at least 100-200 buildable acres of land, and be located within the combined Leeward and Central Oahu school districts. Funds have been recently released by the Governor to hire a consultant to hasten the site selection process, and according to Chancellor of the campus, Dr. Kosaki, a site or several prime sites should be selected by Fall, 1972.

As far as educational planning is concerned, Chancellor Kosaki is, at this time, conducting seminars and briefings on various aspects of an educational plan. Questions the Educational Advisory Committee is asking deal with kinds of programs to be offered, how the college should be organized, and how new styles of learning might be incorporated. As with the Site Selection Committee, there are students, community representatives, and University administrators involved in the planning process.

An important aspect of the higher educational process is planning. In reaffirming our commitment to the four-year campus in Leeward-Central Oahu, as expressed in H.C.R. No. 19, HD 2, we thereby re-emphasize the need to expedite the planning process. We are hopeful, as the University is, of beginning West Oahu College in Fall of 1975. My colleagues from that area, as well as those before you, Mr. Speaker, believe that this resolution, as drafted, presents the clearest kind of indication to the public as well as other State officials that we do firmly believe in the need for West Oahu College.

Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.C.R. No. 19, as amended, was adopted.

Consideration of Stand. Com. Rep. No. 439-72 on H. R. No. 118 which had been deferred to this time.

On motion by Representative Suwa, seconded by Representative Akizaki and carried, the report of the Committee was adopted and H. R. No. 118 was adopted.

At 1:37 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 1:40 o'clock p.m.

Consideration of H. B. No. 2400-72 on Third Reading which had been deferred to this time.

Representative Yap moved that H. B. No. 2400-72, having been read throughout, pass Third Reading, seconded by Representative Kunimura.

Representative Roehrig rose and stated that he is a practicing attorney and handles tort cases and asked the Chair for a ruling as to whether or not there was a conflict of interest.

The Chair ruled that there was no conflict of interest and Representative Roehrig was not excused from voting on this measure.

Representative Carroll rose and stated that he has a law practice and 40% of his cases are tort cases and asked the Chair for a ruling as to whether or not there was a conflict of interest.

The Chair ruled that there was no conflict of interest and Representative Carroll was not excused from voting on this measure.

Representative Judd rose and stated that he is a general lines insurance agent and asked the Chair for a ruling as to whether or not there was a conflict of interest.

The Chair ruled that there was no conflict of interest and Representative Judd was not excused from voting on this measure.

Representative O'Connor rose and stated that he is an attorney and handles tort cases from time to time and asked the Chair for a ruling as to whether or not there was a conflict of interest.

The Chair ruled that there was no conflict of interest and Representative O'Connor was not excused from voting on this measure.

Representative Kihano rose and stated that he is an insurance agent and asked

the Chair for a ruling as to whether or not there was a conflict of interest.

The Chair ruled that there was no conflict of interest and Representative Kihano was not excused from voting on this measure.

Representative Kishinami rose and stated that he is a licensed insurance agent and asked the Chair for a ruling as to whether or not there was a conflict of interest.

The Chair ruled that there was no conflict of interest and Representative Kishinami was not excused from voting on this measure.

Representative Chong rose and stated that he is a licensed insurance agent and asked the Chair for a ruling as to whether or not there was a conflict of interest.

The Chair ruled that there was no conflict of interest and Representative Chong was not excused from voting on this measure.

Representative Yamada rose and stated that he is an attorney and handles tort cases and asked the Chair for a ruling as to whether or not there was a conflict of interest.

The Chair ruled that there was no conflict of interest and Representative Yamada was not excused from voting on this measure.

Representative Fong rose and stated that he is an attorney and handles tort cases and that he is also a stockholder in a company that has a general insurance agency handling all lines of insurance and asked the Chair for a ruling as to whether or not there was a conflict of interest.

The Chair ruled that there was no conflict of interest and Representative Fong was not excused from voting on this measure.

Representative Wakatsuki rose and stated that he is an attorney and handles tort cases from time to time and asked the Chair for a ruling as to whether or not there was a conflict of interest.

The Chair ruled that there was no conflict of interest and Representative Wakatsuki was not excused from voting

on this measure.

Representative Kato rose and stated that he is an attorney and handles tort cases and asked the Chair for a ruling as to whether or not there was a conflict of interest.

The Chair ruled that there was no conflict of interest and Representative Kato was not excused from voting on this measure.

Representative Kimura rose and stated that he is an attorney and a licensed automobile insurance agent and asked the Chair for a ruling as to whether or not there was a conflict of interest.

The Chair ruled that there was no conflict of interest and Representative Kimura was not excused from voting on this measure.

Representative Aduja rose and stated that he is an attorney and a licensed insurance agent and asked the Chair for a ruling as to whether or not there was a conflict of interest.

The Chair ruled that there was no conflict of interest and Representative Aduja was not excused from voting on this measure.

Representative Duponte rose and stated that he is an attorney and handles tort cases and asked the Chair for a ruling as to whether or not there was a conflict of interest.

The Chair ruled that there was no conflict of interest and Representative Duponte was not excused from voting on this measure.

Representative Yap then rose and spoke in favor of House Bill No. 2400-72, as follows:

“House Bill No. 2400-72, HD 1, presents Hawaii with an opportunity to adopt a ‘no-fault’ automobile insurance plan. Since the bill does not provide for complete elimination of all tort liability and does not limit recovery to only out-of-pocket losses on a first party basis, it is really a ‘partial’ no-fault plan.

It is only common knowledge that this bill has had a tortuous road in making its way to the floor of this House because of

the many recommendations as well as criticisms offered by the public and legislators to your Committee on Housing and Consumer Protection in its effort to achieve a sound reform to our automobile reparation system. But this is as it should be, for it indicates concern over, debate on, and input in, the subject of the bill by the public and legislators. I think we profit by it with better legislation if a bill is put through the wringer and suffers a tortuous road as this one has.

It should be noted that your Committee on Housing and Consumer Protection held public hearings on H. B. No. 1643-72, which proposed a complete no-fault plan, and on other bills which proposed a modified tort plan, a partial no-fault plan and a State fund plan. Opportunity was given to the public to present their views with respect to the various types of automobile insurance plans proposed by the bills. Meetings were had with representatives of Haldi Associates, Inc., who explained their study of Hawaii's motor vehicle insurance program. From these hearings, deliberations and Committee meetings, H. B. No. 2400-72, HD 1, was fashioned.

In essence, the bill contains the following salient and important features:

1. The plan affects only private passenger motor vehicles.

2. The plan requires all private passenger owners to be insured for no-fault benefits and liability insurance.

3. All insured owners and drivers are exempted from tort liability for accidental bodily injuries sustained by claimants similarly insured; provided that:

A. The total amount paid for loss of income, medical expenses, household expenses, and out-of-pocket expenses does not exceed \$10,000; or

B. The amount paid for medical expenses does not exceed \$2,500; or

C. The victim does not die as a result of the injuries; or

D. The victim does not sustain a permanent dismembering injury or a permanent and serious disfiguring scar.

4. Victims who are injured by uninsured motorist or by a motorist insured by insolvent insurers are covered under an assigned claims plan.

5. The present assigned risk procedure is amended to provide for the administrative sharing of high risks without such applicants being aware of the fact. Insurance cost will be stabilized because many of these high risk applicants who are presently uninsured will be contributing to the insurance program.

6. Legal liability for damages to private passenger motor vehicles caused by an insured vehicle is abolished.

7. Damages to property other than a motor vehicle inflicted by an insured vehicle is paid on a no-fault basis.

8. An insurer is required to issue and renew a policy to an owner except for non-payment of premium, material misrepresentation or when the owner's license is suspended or revoked.

9. Existing rate making laws are amended and will also require public hearings before rates are approved by the Insurance Commissioner who has the power to set rates.

Under the plan, a victim is entitled to all medical expenses which includes rehabilitative service, loss of income up to \$600 per month, and up to \$500 for expenses incurred for household services which the victim would have performed. The victim's surviving spouse, children and dependents are entitled to funeral expenses up to \$1,500, all sums due the victim before his death, and loss of income that the victim was earning prior to his death. Additionally, the victim is entitled to out-of-pocket expenses not exceeding \$250 in the aggregate. All benefits are payable in excess of benefits available under workmen's compensation laws and disability benefits under social security. All benefits payable to the victim or his survivors are subject to a single limit of \$10,000, exclusive of burial expenses.

The major impetus for reform to our automobile reparation system is the desire to cut automobile insurance costs. The bill has been reviewed by actuaries

from Insurance Service Office, a statistical and actuarial organization in New York City, New York, and they estimate that on the average, the motor vehicle insurance covering bodily injury required under the bill could achieve a saving of approximately 10 to 12% in premiums. I believe in the actuaries, and I believe that the plan in the bill is practical and designed to achieve security and reasonable costs for the community.

The plan is not a perfect one and I should hope that the legislature will continue to improve on it in the sessions to come as experience under the plan shall dictate. While not a perfect plan, it is a giant step forward and a move away from the present system, the disenchantment over which has prompted the various proposals on no-fault in the first place. The disenchantment could mean that the public, as premium payers and as potential accident victims, prefer reasonable costs and security more than they want the outside chance of a windfall of an award from a motor vehicle misfortune.

There will be some who shall raise constitutional questions about the bill. But in this relatively uncharted area, we should not be deterred from action because of a possibility of a constitutional challenge if we feel it can reasonably stand constitutional muster. There will be others who shall argue for complete no fault or change in thresholds and benefits. Perhaps in time, experience may prove the changes to be necessary. But for the moment, the bill is the work product of an honest effort by your Committee on Housing and Consumer Protection providing for a plan which it finds consistent with the ultimate welfare of Hawaii. I believe the plan deserves a trial. I urge the members of this House to take the giant step forward with me and vote aye on this measure.

Thank you."

Representative Carroll then rose and spoke in favor of the bill as follows:

"Mr. Speaker, Representative Yap has raised the question of constitutionality. I signed the Committee Report with reservations and I address myself to those reservations.

There is apparently in the bill a

possibility of discrimination against the poor and against the unemployed and the person who has no record of prior earning. There is a possibility that this bill discriminates against any injured person who earns over \$600 per month. The question of whether or not the Shapiro vs. Thompson test of compelling State interest which must be answered, has got to be looked at in deciding this bill ultimately.

While some of us have read the amicus curiae briefs and the plaintiff Appelle's briefs, the full impact right now of the Illinois decision is not clear as it relates to our partial no-fault plan.

The Massachusetts plan has been upheld under constitutional attack. The Illinois plan, of course, has been struck down. The law in the area of partial no-fault insurance constitutionally is fuzzy at best. We need insurance reform. The time to take that giant step is now. But I urge that our Senators carefully and deliberately consider this vehicle as a step toward such reform.

I urge that we vote aye on this bill.

Thank you, Mr. Speaker."

Representative Roehrig then spoke in favor of the bill, as follows:

"Mr. Speaker, I also rise to speak in favor of this measure. In doing so, I would like to offer my congratulations to those members of the Housing and Consumer Protection Committee, especially the Chairman, who put many hours into this bill. While I am in favor of the passage of the bill at this time for the reason that the session is rapidly drawing to a close and that it is imperative that this matter be given further consideration in the Senate, as your Representative from the Second District, I have a number of areas which I cannot in good conscience, endorse at this time and I would like to make some mention of them. I am very hopeful that those who represent the consumers of this State, employee organizations and other persons concerned about the welfare of the 200,000 some-odd automobile drivers will consider some of my remarks and convey them to the members of the Senate.

This bill, in its present form, does not

fairly meet the principal objectives which we set out to provide for the driving public. I think the public demands and is entitled to a substantial decrease in automobile insurance premium. This we have not assured in this bill.

Actuaries from the Insurance Service Office, an insurance serving industry, have estimated that the insurance provisions relating to bodily injuries could achieve a savings of from 10-12% in premiums. When the financial state in insurance programs are so high in this State running into millions of dollars each year, I think we owe it to our constituents, at the very least, actuarial estimates provided by a non-insurance industry, non-partisan agency or agencies. Even if the actuarial estimates are reasonably correct, a 10% decrease in premium is really no decrease at all when the cost of living in the State increases by more than 5% a year.

While this bill does provide the Insurance Commissioner with the power to set rates, both the Committee Report and the bill itself are unclear as to whether or not the Insurance Commissioner shall have the power to set uniform Statewide rates for different classifications. If we do not mandate, the Insurance Commissioner has the power to set Statewide mandatory insurance premiums and we have not achieved insurance rate reform.

Nowhere in the bill are there any provisions relating to the prohibition of insurance rate surcharge which is the present practice of raising rates while the policyholder is in an accident even though he is not responsible therefor. We have all received numerous complaints about insurance companies arbitrarily increasing individual premium costs because of involvement in an accident. But we have failed to provide, up to this point, any prohibition against this sort of practice in the bill before us.

The bill, as drafted, probably is unconstitutional for not providing due process of law where the insurance claimant is aggrieved by the decision of the judicial arbitrator in a system of apparently mandatory arbitration which, I am told, the bill provides. For the reason that there is no provision allowing appeals on questions of law or fact, the employee organization which lobbied

long and hard for the claimant oriented appeals procedure on workmen's compensation laws, where successful appeal costs are to be borne by the insurance carrier, should be concerned about the absence of an appeal procedure lest the members be shortchanged through no fault of their own.

Another of the basic objectives of the insurance company reform is prompt settlement. The bill does not provide for prompt settlement as it presently reads because there is no mandatory time limit within which the settlement of claims must take place. It is not sufficient, in my estimation, that we have provided only that (quote) 'all benefits should be payable within 30 days after the insurer receives notice of the fact and the amount of the loss sustained' (unquote) when the bill provides no mechanism for the prompt determination of what the amount of loss is or whether a particular claim comes within the purview of the act.

Mr. Speaker, we have before us a vehicle for insurance reform. This vehicle has serious defects which need to be corrected for the good of the driving public. As it presently stands, this vehicle is unsafe at any speed.

Thank you."

Representative Yim then rose and stated:

"Mr. Speaker, I rise to speak in favor of the bill. I will be voting in favor of the bill, but I would like also to insert into the Journal the following reservations:

Mr. Speaker, I, too, have reservations as to whether the exclusion of commercial vehicles and the threshold requirement before the right to sue for general damages are in violation of the Constitution. I am not certain whether the income on reserves will actually be considered in rate making. I am not certain whether premiums can be set so high that, in effect, the insurer will have cancelled the policy of certain motorists in spite of the cancellation provisions in Section 26 of the bill. Finally, Mr. Speaker, I, too, have reservations on Section 15 and Section 16 as to whether the net result is a guaranteed giveaway to the insurance agency.

Mr. Speaker, I do hope the concerns

expressed will be clarified before final passage and before the adjournment of this legislative session.

Thank you.”

Representative O'Connor then rose and stated:

“Mr. Speaker, I rise to speak in favor of this bill. I am in favor of this particular vehicle because it is a modified form of no-fault insurance. I am also in favor of it because my calendar informs me that today is the 50th day of the session. Those are the only two reasons that I am in favor of it.

Mr. Speaker, there are several major legal problems with this bill. Some of them were referred to by previous speakers. I would like to hit on few of the more important ones to preserve them in the record of this Body in hopes that our colleagues in the Senate will do something about them before this vehicle or any vehicle comes to fruition in the no-fault insurance area.

The first matter that I would like to discuss is the matter of commercial vehicles not being included in the content of the no-fault insurance plan. I am informed and I read from the bill that taxicabs, buses, trucks over 1,500 pounds, trucks under 1,500 pounds used for commercial purposes, except farming, and rental cars are not to be included in the no-fault basic compulsory insurance program.

I have carefully studied the case recently handed down by the Illinois Supreme Court called Michael J. Grace vs. Michael J. Howlett and I have had other attorneys study this. The case clearly stands for the proposition that where discriminatory classes are established in this type of insurance, that discrimination is unconstitutional. I will read from a paragraph of the decision in that case. If you listen closely, you will note the extreme similarity in that paragraph to the bill before us. It reads: ‘Other and equally arbitrary classifications of the type condemned are manifest in the statutory scheme here in question. Persons injured in or by taxicabs, buses, trucks, other commercially operated vehicles and rental cars are inexplicably excluded from Section 600’s first party benefit coverage, unless they happen to belong to a household owning an insured

automobile. Also, persons involved in the very same accident may be treated differently; thus, a pedestrian belonging to a household that owns an insured automobile would receive the benefits of Section 600, while a person riding in the car that struck the pedestrian would not receive such benefits if neither he nor the driver was covered by insurance, being a commercial vehicle.’

Mr. Speaker, those words could apply directly to our bill. Our bill sets up as a separate category commercial vehicles and the very categories described in the Illinois decision. Yet, in face of the Illinois decision, the fact that we know the Supreme Court held their particular law unconstitutional, we have proceeded to exclude commercial vehicles.

I would also like to point out problems existing in Sections 15 and 16 of this proposed legislation.

Section 15 gives to the insurance companies the subrogation rights over against any amount which the insured might be able to recover if he were to get in the area of tort recovery. That is, if he were to expend \$10,000 in benefits. Strangely enough, Section 16 provides that every insured must have compulsory insurance which provides for \$10,000 worth of benefits, \$10,000 and \$20,000 for an accident. These are the limits of our Financial Responsibility Law of this State. If an insured goes over the \$10,000 limit for no-fault insurance, under the provisions of this bill, then his insurance company will pick up the \$10,000 of the compulsory BI policy if he is entitled to bring a law suit against the other party of the accident.

I would suggest, Mr. Speaker, that this provision requires the insured of Hawaii to pay premiums for compulsory insurance, the benefits of which they will never see and the benefits of which will only go to insurance companies. Speaking to the same vein, I note that the bill provides for lump sum settlements of these particular benefits and allows insurance companies to make lump sum settlements and provides that once such a lump sum settlement is made, prohibits further recovery if the insured does not exceed a figure of \$2,000 in his claim. I would suggest, Mr. Speaker, that the very purpose of this bill is to provide equal payments of no-fault insurance benefits to the insured and not to provide a

vehicle to allow an insurance company to escape its obligations.

Another serious constitutional problem that I find with this bill is the fact that throughout an owner of a vehicle is required to be responsible for the maintenance of the vehicle. This word occurs throughout the bill. This makes the owner responsible in what we call in the law 'a product's liability case.' If the maintenance has resulted in a defect which has caused an accident, the owner could be responsible for that defect and yet a garageman or repair shop or retail facility or maybe even a manufacturer would not be and could not be responsible and you have a situation where the owner could not be sued in tort in strict liability in a product's liability case and yet the others could. I would suggest, Mr. Speaker, that this creates a discriminatory situation which could easily be struck down.

There are other difficulties with this bill. Right off the bat, the purpose of the bill states that it is a means of properly and equitably compensating victims. All along, I thought the purpose of this bill was an attempt to reduce the cost of motor vehicle insurance. But that is not stated anywhere in the purpose. I will point out to the Speaker that the definition of accidental bodily injury in this bill is limited to only physical bodily injury, sickness or disease. A typical case which involves emotional distress or mental illness is not covered. Therefore, the tort cases that we run into all the time where the mothers sees her child struck by a car is not even covered under this bill. In those cases, there is no coverage and the mother may sue for the mental distress that she has sustained in such an accident.

Mr. Speaker, I have had four attorneys read Section 12A of this bill. They have read it, and read it and read it and there has been a complete divergence of opinion on whether or not the owner of a vehicle under this bill is covered for driving his own car because when you read Section 12A with the definition section of this bill, it is ambiguous as to whether or not the owner of a vehicle is not by the very owning of the vehicle, precluded from coverage. One of the matters that was discussed most vehemently in our joint committee meeting on this bill and one of the

matters that Mr. Haldi addressed himself to most strongly and one of the matters that has been most covered in our discussions is whether or not the reserves of the insurance companies and the income from those reserves would be included in rate making.

Directing your attention, Mr. Speaker, to Section 32-2, it is apparent that reserves from liability insurance coverage of this nature is not included in rate making and this was one of the primary aims in the rate-making area in the attempt to reduce premium.

Mr. Speaker, the repeal section of this bill does not repeal our uninsured motorists coverage, it does not repeal our motor vehicle financial responsibility act, there is no comment in the bill concerning our State tort liability act. Mr. Speaker, I suggest that there is much, much work to be done on this particular vehicle.

I will vote in favor of this bill, Mr. Speaker, because it expresses a basic concept that I am in agreement with but I strongly recommend to the Senate that they thoroughly overhaul some of the legal sections of the bill and I will file with the Clerk of this House a complete revision of this bill which I have prepared so that that might be transmitted in aid of the Senate's activities.

Thank you, Mr. Speaker."

Representative Kato then stated:

"Mr. Speaker, I rise to speak in favor of the bill. I am beginning to have my doubts, however, having heard the comments of the very able Chairman of the Judiciary Committee, I find it rather difficult to understand his actions yesterday in view of his many objections to the bill. We may be a little short of time but I don't think we are that short.

Thank you."

At 2:13 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

At 2:15 o'clock p.m., the House of Representatives reconvened.

Representative Wakatsuki then rose and stated:

“Mr. Speaker, I rise to speak in favor of the measure before us.

After listening to all the comments, I would attempt to allay some of the concerns and fears expressed this afternoon. I would also like to insert into the records some of the things that we have discussed in caucus which we, in the leadership, agreed to do.

One, the question of the constitutionality of the particular bill, in view of the decision of the Illinois Supreme Court. We expressed in our caucus that the leadership has instructed the House attorney and his staff to research the question of the constitutionality of this particular measure in view of the decision and that upon the findings and their conclusion, they would sit with the Senate attorneys to discuss this matter and rectify what constitutional problems they may find. This was assured in our caucus. I want to insert this in the record.

Also, there was some concern regarding the question of the insurance premium—how much of an insurance savings will the consuming public realize. You and I know, Mr. Speaker, that we are not actuaries here. We determine basic policy, we have asked the people from the Insurance Service Office who are here—Mr. Bergen and Mr. Powell, to cost the particular package before us. They spent, if I recall correctly, two days costing the particular provisions of this measure. It is also my understanding, Mr. Speaker, that Mr. Bergen and Mr. Powell and especially Mr. Powell did research for the Florida legislature when the Florida legislature considered their particular no fault bill. They had asked the same office to cost their program out. It is also my understanding that Mr. Powell, the actuary researcher of that particular office, had a direct hand in researching the particular package that the Maryland legislature passed.

In view of this, they have not guaranteed a certain percentage for the reduction of a particular policy that a particular individual holds today. They indicated that this reduction is an estimate, they also indicated that it is on the average based on a 10/20 bodily injury policy. I want all of you to understand the particular thing Mr. Powell conveyed to us.

Then, let us talk about the concern about the insurance surcharge that the insurance company may inflict upon a particular policyholder.

The bill provides and as I understand the present law, any individual who believes he is aggrieved by any insurance company has a right to complain or register his grievance with the Insurance Commissioner of the State of Hawaii. Upon receiving such complaint, the Insurance Commissioner is empowered to call the insurance company to make his finding, and if necessary, call a public hearing and render a decision.

There was some concern as to the bill not having an appeal provision for the arbitration clause. It is my understanding, Mr. Speaker, that when the Housing and Consumer Protection Committee went over this bill page by page, section by section with the Chairman and with the House attorney, they mulled over some length regarding this particular provision. It is my understanding that when the particular provision was before the Committee members, the arbitration clause called for ‘that both parties had to agree before a disputed claim can be arbitrated.’ It is my understanding that the Committee members decided that if that was so, the insurance company could hold out without wanting to arbitrate a disputed claim under this particular bill. In view of that rationale, they decided that arbitration should be mandatory, that if the claimant wants an arbitration then the insurance company must comply. If the insurance company wants an arbitration, the claimant must comply.

And what about the appeal. I understand that was thoroughly discussed also. The question of prompt payment was raised by the previous speaker—prompt and immediate payment. This was thoroughly discussed and with this underlined feeling of prompt payment and quick settlement, the Committee, as I understand, decided that once these disputed claims be arbitrated, it should be final and not allow a further appeal and why. Again, they reason that the insurance company has much resources to prolong a claim by furthering this dispute into an appeal provision. This is the reason, I understand, the Committee members went along with an arbitration without the appeals provision.

Reference has been made that there is no prompt settlement provision in this particular measure. I disagree strongly and vehemently to such a statement. The prompt settlement provision in this particular bill says that every claim must be paid within 30 days. And if that claim is not paid within 30 days, an interest charge of 18% per annum will be charged against the insurance company. Now, the provision also says that the insurance company has a right to get information to determine whether the claimant's claim is pure, honest and bona fide. We all know that in a disputed claim someone may exaggerate and someone ought to have the opportunity to verify such a claim. So the provision in this bill allows the insurance company to get all of this information from his previous worker. If a claimant says, 'Mr. Insurance Company, you now should pay me because of my bodily injury, I have been out of work and will be out of work for two months, pay me \$500 per month.' If the insurance company believes and feels that this claimant has been an itinerant worker for the past three, four, five months, he has had three, four employers, how does the insurance company determine whether the claimant's claim is bona fide or not. This bill provides an avenue for the insurance company to verify this. But the bill also provides that the insurance company must pay this claim, irrespective of whether the claim is a bona fide and honest one. The insurance company must pay this within 30 days or suffer the 18%. In the meantime, the insurance company can and will probably verify his claim. And what happens? Sometimes this verification takes a long time. In the meantime, the claimant will get paid but it also affords the insurance company to readjust its claim once it is determined the claim was false or exaggerated. So when remarks are made about prompt payment, efficient payment, I don't think it is applicable in this particular bill.

Now we all know, Mr. Speaker, that the question of Haldi has been raised. We have attempted to include in this particular provision many of the provisions that Mr. Haldi had recommended as it would be applicable under the partial no-fault system here. We talked about the lump sum settlement. This lump sum settlement provision is the exact provision as recommended by Mr. Haldi. This is to facilitate a claim that would be obvious in both parties' mind—it

would be a claim, it would be small, obvious and everyone would be willing to settle it. Why should the claimant wait for two or three months for a claim coming up to \$2,000. The provision also provides that this claim shall be settled before the courts of our State.

There is a portion of the residual policy—why should it be 10/20 thousand? Mr. Speaker, this is one of the tough decisions that I believe the Committee members went through. The residual liability is a question of one which is whether or not, should or should not have been optional. Then Mr. Haldi, I believe, recommended that we should consider a mandatory insurance liability coverage of 100,000/300,000. I have also been informed that different organizations were considering a mandatory tort liability insurance of 25,000/50,000.

The question, Mr. Speaker, is one of whether we should continue our present tort system once the person reaches the threshold under this particular measure. Today, under our tort system, it is optional whether the person buys insurance or not. Under our bill, it says that a person should carry at least a 10,000/20,000 policy. If he wishes to carry anything above that, he should be allowed to do that.

And why did they reach a minimum of 10,000/20,000? It is my understanding, Mr. Speaker, that under today's system, one of the biggest cry against our insurance system regarding motor vehicles is because if someone hits you and he is uninsured, then there is no recovery. We have been here long enough, Mr. Speaker, to have considered bills after bills, session after session, whether or not we should make every motorist, every vehicle in the State of Hawaii, required to carry insurance and that has not passed. This is the provision that tries to at least at the minimum protect the person who is hit by a wrongdoer.

The question that I believe Mr. O'Connor raised was a question of whether or not after the person reaches his threshold and recovers from the wrongdoer, whether the guaranteed payment of \$10,000 should or should not be applied to his recovery. Under this bill, \$10,000 is applied to his recovery. It is my understanding, Mr. Speaker, that the

rationale behind this is that if the person goes to court today and sues under our tort system, he is entitled to sue for his lost wages, his medical payments, his pain and suffering, his future earning capacity and whatever the attorney feels that he is entitled to. Now, if he reaches his threshold and sues in court and recovers all of the things that you are allowed to recover under our tort system, the question was, should he now, after the recovery, benefit also under the present bill which would have given him his medical and wage losses up to \$10,000. In effect, if you allow that, this will give you double payment. The other consideration was that if you had many accidents, then the pay-outs from the 10/20 policy will have a direct impact on the cost of that particular insurance premium.

Mr. Speaker, there is also some concern about the question of reserves raised and whether this bill mandates or talks about the reserves in relation to the insurance premium rates. It is my understanding, Mr. Speaker, that Mr. Haldi's impact on the question of whether reserves or premiums should be considered was one of investment income from insurance premium and proceeds directly related to motor vehicle insurance. I don't recall in the particular bill whether he recommended the question of the reserve. I do recall, however, in the particular bill that he recommended that all income from insurance premiums and other reserves be considered into the rate making features.

This bill provides that the Insurance Commissioner shall give due consideration to the investment income of the unearned premiums and all other unearned proceeds directly related to the motor vehicle insurance policy. This gives the Insurance Commissioner the right to consider that particular provision.

Now, in regards to Section 12, this has to do with whether the owner of the vehicle is covered or not. As indicated by the Chairman of the Judiciary Committee, the lawyers that he has consulted had a divergence of opinion, and when there is a divergence of opinion, I think you ought to look at the reasonable construction and the intent of the particular measure. It would be unthinkable and irrational to say that this particular provision excludes the owner

of a motor vehicle.

Mr. Speaker, I suppose I could go on and on in reference to some of the concerns but I hope that I touched on many of the concerns raised here this afternoon. I admit that this bill is not a perfect one. I admit that this bill has many questions regarding the policy decisions put into this bill but we must remember, Mr. Speaker, that this bill must be searched and looked at and weighed by all the provisions in the particular bill to make it a whole. If we outweigh one provision over the other, it will have a direct reflection on the cost of the insurance premium, on the cost of the benefits, and the kind of benefits.

Before closing, Mr. Speaker, I would like to point out one particular question which was emphasized that this bill was intended to cover or reduce car insurance premium. That is not the sole consideration in this particular bill. I think the benefits given should be balanced to try to reflect the savings onto the consumer by the lowering of the car insurance premium. But when we talk about no-fault, it means the question of whether conceptually and philosophically, we ought to go away from tort. I think this is very important. When we talk about no-fault, Mr. Speaker, we are not talking about the lowering the car insurance premium per se, we are talking about getting away from tort and when we do that, how are we going to equalize benefits with those who are injured in an accident, those who have bodily injury. We are getting away from whose fault it is and in so doing, we ought to be paying for both parties. In so doing, Mr. Speaker, we ought to balance that benefit as it relates to the cost of the insurance.

Thank you, Mr. Speaker."

Representative Wasai then stated:

"Mr. Speaker, I rise to speak against this measure.

If the intent of this measure before us, Mr. Speaker, is to reduce insurance premiums and provide equitable rights for accident victims, then we are working on the wrong bill.

The previous testimonies by our learned attorneys who voiced their

reservations over some portions of the bill have convinced me that it would be a mistake to pass this vehicle to the Senate.

Let us take another look at it and clean out the bugs out of this bill and send a clean bill to the Senate.

Why are we in such a haste to pass a bill that raises more questions than it answers. I cannot support this partial no-fault bill as drafted that has too many faults in it.

Thank you, Mr. Speaker.”

Representative Young then rose and stated:

“Mr. Speaker, I rise to speak in favor of this bill.

I would like to see a meaningful reform of motor vehicle insurance system. I say meaningful reform because any change that we make in the insurance system must hold out the promise of serving the public significantly better than our present system.

Of the various proposals to change the existing system, I believe that we have an obligation to ask and answer several key questions:

1. Which system assures that all accident victims will be compensated for losses.
2. Which system guarantees that all payments will be made promptly for all losses.
3. Which system has the best potential for providing protection to all of the public at reasonable costs.

In short, which system will bring about a meaningful reform in the interest of the people of this State.

The answer to each of these questions should guide our design of a better system.

In the past, especially in the area of consumer and social legislation, Hawaii's legislature has never been reluctant to pass progressive legislation in the interests of the public.

Many believe that a pure no-fault,

State funded system is the best, but we should not take such a large step in reform at one time since we are not going in this direction.

I will vote for this bill if it is the vehicle by which we can have some automobile insurance reform.

Thank you, Mr. Speaker.”

Representative Poepoe then rose and stated:

“Mr. Speaker, I rise to speak in favor of House Bill No. 2400-72, HD 1.

The present automobile insurance system is in critical need of reform, and action in this legislative session is imperative. Time is running out, and if we do not act now, we will have to wait until 1974 to see a reform plan implemented.

Over a year ago, Republicans began their research on the concept of no-fault insurance. We approached the problem in a systematic manner—read all available material, compared various bills, and consulted with many people in the community.

Our intensive research on the no-fault concept, and the many variations of that concept, convinced us that pure no-fault would provide the broadest benefits at the lowest cost to the greatest number of people in our State. Firmly convinced of the superiority of the pure no-fault plan, Republicans in caucus three weeks ago, and, may I say, in FULL caucus, took a position in support of this concept. We did not make our position public at that time, for we hoped to gather additional support for pure no-fault.

And you, Mr. Speaker, know very well how hard we tried. When it became obvious that we could not get the 26 votes necessary for passage, we decided to take our position to the public.

I have with me the position paper adopted by our caucus supporting the pure no-fault concept. I will not read it in its entirety, but request that it be filed in the House Journal.*

The paper includes statistics which dramatize the incredible growth in the

*Report - See Page 404

number of automobiles and auto-related accidents over the past decade in Hawaii. The forecast for the next ten years is even more alarming. We can expect 720,000 vehicles on our roads by 1980. We can expect 95,000 automobile related accidents by 1980. We must act now for automobile insurance reform to meet these problems.

I repeat that the position taken by the Republican caucus was in favor of pure no-fault. That is still our position. However, when additional support was not forthcoming we were forced to face one of two alternatives: either to allow the bill to come to the floor as a vehicle or to kill auto reform in the House.

Republicans are for no-fault. The only reasonable alternative was to bring the bill to the floor in order to insure that some form of insurance reform will be discussed at this time.

We believe that H. B. No. 2400-72, HD 1, is the bill which comes closest to our pure no-fault position. However, there are problems with this bill which do not exist under a pure no-fault plan.

For example, under the modified plan:

1. You must carry liability insurance.
2. Benefits are limited.
3. Commercial vehicles and motorcycles are excluded.
4. Discriminatory rates against young and old drivers will continue.
5. Group rates for all companies are continued, and
6. With the retention of the right to sue, the lottery system which exists today will continue.

Mr. Speaker, H. B. No. 2400-72, HD 1, even with all these pukas, is better than what we've got now. Automobile insurance reform is needed now. This modified no-fault plan is a beginning. I would like to say for the record, however, that we are still hopeful that in further deliberations the pure no-fault concept, which we consider superior, will be given serious consideration."

At 2:43 o'clock p.m., the Chair

declared a recess, subject to the call of the Chair.

At 4:46 o'clock p.m., the House of Representatives reconvened.

Representative Aki then rose and stated:

"Mr. Speaker, I rise to speak in favor of House Bill No. 2400-72, HD 1.

Mr. Speaker, this bill will provide fair and prompt relief for economic losses from injury or death arising out of the operation of private passenger motor vehicle. Secondly, it will assure the availability and non-cancellation of motor vehicle insurance at reasonable rates.

Our present system of automobile insurance frustrates rather than alleviate the problem of the individual involved. It must be changed. I am particularly concerned, Mr. Speaker, that our present system works against the poor in our community. Premium costs so high that many of our people are forced to go without automobile insurance of any kind. Automobile insurance has risen to a point where they are excessive for many and prohibitive for some. Consequently, approximately 20% of the drivers in our State are uninsured. As a result, the poor who are involved in automobile accidents frequently receive little or no compensation for the medical or economic losses. In addition, the poor are very unfamiliar and oftentimes unaware about how to benefit from the fault system. They do not have attorneys to advise them and are reluctant to go to court to sue when they are unsure of how the system operates.

Mr. Speaker, I believe the no-fault insurance bill we are considering today will go a long way towards helping all the people of our State, including the poor. Insurance will be compulsory but I am confident premiums will be lowered and therefore insurance will be less expensive to purchase and more within the reach of the poor.

Secondly, all victims of a private passenger motor vehicle are entitled to and will receive the same benefits. All victims, regardless of fault, irrespective of economic status, will be compensated fairly and promptly by the insurer. To each victim sustaining bodily injury, all

reasonable medical and hospital bills and all losses of income up to \$600 per month to an aggregate of \$10,000, household expenses of \$500 within one year and \$250 of other out-of-pocket expenses, will be paid immediately.

These benefits are important to all people, but especially to the poor who are in no position to undergo the complicated and oftentimes long procedures of attorneys and the courtroom.

I speak in favor of this bill, Mr. Speaker, because I think it is a step in the right direction. But there is another step still to be taken and that step is to a system of pure no-fault insurance. Today we take the first step.

Thank you, Mr. Speaker.”

Representative Aduja then rose and stated:

“Mr. Speaker, I rise to speak in favor of House Bill No. 2400-72, HD 1.

We have lived with the tort system for a long time. We have seen the many weaknesses only because the insurance coverage is geared toward protecting the tortfeasor and not the injured person.

Insurance premiums have risen throughout the year only because the cost of automobile repairs, medical attention and hospitals, coupled by the investigation requirements of adjusters and attorney’s services, as well as others, outweighed the premiums charged on automobile insurance.

It is little wonder that 20% of all vehicles on the highway are not insured today. Mr. Speaker, some of my clients were victims of the uninsured 20%. The tortfeasor carried no insurance and unemployed and was then in jail. In another case, we obtained judgment against the tortfeasor who later filed bankruptcy and our judgment went with the wind because the accident was not intentional tort and hence, not preserved by the bankruptcy law.

Mr. Speaker, I am 100% sold on the pure no-fault insurance plan as originally suggested by my Republican colleagues. But this idea is not to be because House Bill No. 2400-72, HD 1, is a modified

form where the tort system is retained upon meeting certain thresholds.

However, Mr. Speaker, the intent of this bill and what it supposed to do is an advancement and will improve our present uncontrolled tort system. I can sleep better when I know that insurance is compulsory upon re-registration of automobiles and that even victims of uninsured motorists or motorists insured by insolvent insurance companies are covered under the compulsory assigned claims plan. In addition, Mr. Speaker, our insurance premiums should drop by 12% and with the mass merchandising and mass marketing of automobile insurance passed the other day will mean an additional savings of 15%. Moreover, Mr. Speaker, this bill allows our free enterprise system to prove itself that it can work.

Thank you.”

At 4:47 o’clock p.m., the Chair declared a recess, subject to the call of the Chair.

At 4:40 o’clock p.m., the House of Representatives reconvened.

Representative Hansen then offered the following amendment to House Bill No. 2400-72, HD 1:

“House Bill 2400-72, HD 1, is amended to read as follows:

‘A BILL FOR AN ACT

RELATING TO MOTOR VEHICLE INSURANCE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

PART I

GENERAL PROVISIONS

SECTION 1. Short title. This act shall be known as the ‘Hawaii Motor Vehicle Insurance Act.’

SECTION 2. Purpose. The purposes of this act are to establish a system for prompt and fair compensation to all victims of motor vehicle accidents and to provide for equitable and reasonable rates for motor vehicle insurance.

SECTION 3. Definitions. As used in this act:

1. 'Bodily injury' means physical harm, sickness, or disease, including death resulting therefrom, arising out of a motor vehicle accident.
2. 'Claimant' means a victim or any other person entitled to any benefit under motor vehicle insurance.
3. 'Commercial vehicle' means a motor vehicle having a gross weight of eight thousand pounds or more.
4. 'Commissioner' means the insurance commissioner.
5. 'Insured' means a motor vehicle owner designated as such in a policy of motor vehicle insurance issued in compliance with this act.
6. 'Insured vehicle' means a motor vehicle covered by insurance as provided in this act.
7. 'Insurer' means a person who undertakes or is required to pay the benefits under motor vehicle insurance.
8. 'Member of the insured's household' means an insured's relative of any degree by blood, adoption, or marriage, or any other person designated by the insured in his policy of motor vehicle insurance, who usually makes his home in the same family unit with the insured, including any such relative or person temporarily living elsewhere by reason of study, work, or otherwise.
9. 'Motor vehicle' and 'vehicle' mean a vehicle, operated or used on land, which is self-propelled but not operated upon rails and includes trailers and semi-trailers attached to the vehicle.
10. 'Motor vehicle accident' means an accident arising out of the operation, maintenance, or use of a motor vehicle.
11. 'Occupant' means a person in or upon or entering into or alighting from a motor vehicle.
12. 'Owner' means a person having property in or title to a vehicle, other than a holder of a security interest therein. It includes a person entitled to the use and possession of a vehicle subject

to a security interest in another person, but excludes a lessee under a lease not intended as security, unless under the terms of the lease, the lessee is required to purchase and maintain an insurance on the leased vehicle.

13. 'Property' means any real or personal property other than a motor vehicle and its contents.

14. 'Required benefits' means the minimum benefits required in section 8 of this act.

15. 'Victim' means any person sustaining bodily injury or damage to or loss of property as a result of a motor vehicle accident.

16. 'Vehicle insurance' means an insurance against loss or expense, or liability for loss or expense, resulting from injury to persons or loss of or damage to property arising from the ownership, operation, maintenance, or use of a vehicle.

SECTION 4. Tort liability abolished. Tort liability arising from a motor vehicle accident within the State is abolished, and no person shall be subject to any civil action for damages for losses sustained in a motor vehicle accident.

SECTION 5. Motor vehicle insurance required. (a) The owner of every motor vehicle operated or used in the State shall maintain at all times insurance on the vehicle which provides for payment by the insurer of at least those required benefits specified in section 8.

(b) No motor vehicle shall be registered or its registration renewed under chapter 286, unless at the time of submission of an application for registration or renewal, the owner submits proof that an insurance on the vehicle as required by subsection (a) will be in effect during the period for which registration or renewal is sought. At the time of submission of such application for registration or renewal, the owner shall also submit proof that the required insurance was continuously in effect during the period of his ownership of the vehicle in the State in the preceding registration period. Failure to submit proof that the required insurance was continuously in effect during the preceding registration period shall not be

a bar to registration or renewal of the owner's vehicle, but shall constitute prima facie evidence, in any criminal proceeding brought against the owner, of violation by the owner during the preceding registration period of subsection (a). Proof shall be submitted on forms prescribed by the commissioner and may consist of such statements of the insurer, as the commissioner may approve, attesting to the existence of such insurance.

SECTION 6. Form of insurance. (a) The insurance required to be maintained by the owner of every motor vehicle may be provided through a policy of insurance issued by an insurer authorized to transact the business of vehicle insurance in the State or through a system of self-insurance.

(b) Any policy of insurance represented by the issuer as providing the required benefits shall be read to comply with this act, and any later agreement, contract, covenant, or disclaimer inconsistent therewith shall be void.

(c) An owner of twenty-five or more motor vehicles may self-insure his vehicles, provided that the method of self-insurance is approved by the commissioner. No method of self-insurance shall be approved by the commissioner unless the commissioner finds that the owner has the financial ability to pay the required benefits and that the method of self-insurance affords security for the payment of the required benefits equivalent to that afforded by a policy of vehicle insurance. All applications for self-insurance shall be submitted to the commissioner on forms prescribed by the commissioner. Upon approval of any application, the commissioner shall issue a certificate of self-insurance. A certificate of self-insurance may be cancelled by the commissioner on reasonable grounds upon not less than five days' written notice to the self-insurer. Failure to pay any of the required benefits within thirty days after it is due constitutes a reasonable ground for cancellation. Every owner to whom a certificate of self-insurance is issued shall have all the rights and obligations of an insurer enumerated in this act, except where expressly exempt or the rights and obligations are stated to be those of insurers authorized to transact the

business of vehicle insurance in the State.

SECTION 7. Failure to maintain insurance. Any owner of a motor vehicle required to be insured who fails to maintain the insurance shall be subject to the penalty provided in section 32(b) and, in the event his motor vehicle is involved in an accident, be personally liable for the payment of the required benefits which an insurer would have been required to pay had the vehicle been insured. If benefits are paid by an insurer to whom a claim is assigned pursuant to section 25, the insurer shall be entitled to reimbursement from such an owner.

PART II

BENEFITS

SECTION 8. Required benefits. Every policy of insurance required by this act to be maintained by the owner of a motor vehicle shall provide for payment by the insurer, without regard to fault or negligence, of the following minimum benefits:

(1) To each victim sustaining bodily injury, other than death, as a result of an accident involving the insured motor vehicle:

(A) All reasonable and customary expenses for necessary medical, hospital, and dental services furnished the victim, including ambulance, surgical, X-ray, professional nursing and therapeutic services and prosthetic devices, and for any other services, products and accommodations necessary for treatment, rehabilitation, and recovery.

(B) All losses of income, up to \$600 per month, sustained by the victim as a result of the injury disabling or preventing him from fully performing work in which he was employed when the disability commenced.

(C) All expenses reasonably incurred by the victim or members of his household within one year from the date of the injury for ordinary and necessary household services which the victim himself would have ordinarily performed but for the injury; provided such services are obtained from persons not members of the victim's household.

(D) All other out-of-pocket expenses

reasonably incurred as a result of the injury, not exceeding \$500 in the aggregate.

(E) A sum for such disfigurement as the victim may sustain in accordance with the schedule set forth in section 10.

(2) To each victim sustaining damage to or loss of property as a result of an accident involving the insured vehicle, the repair or replacement cost thereof.

(3) If any victim dies as a result of bodily injury sustained in an accident involving the insured vehicle:

(A) To the legal representative of the estate of each victim, all expenses, losses, and sums enumerated in paragraph (1) incurred but remaining unpaid by the insurer on the date of the death of the victim and all funeral and burial expenses not exceeding \$2,000.

(B) To the victim's surviving spouse or, if no surviving spouse, to the victim's surviving children below the age of 18 years:

(i) All expenses reasonably incurred after the victim's death, but within one year from the date of the victim's injury resulting in his death, for ordinary and necessary household services which the victim himself would have ordinarily performed for the benefit of the surviving spouse and children but for his death; provided that such services are obtained from persons not members of the deceased victim's household.

(ii) The monthly income, up to \$600 per month, that the deceased victim was earning from work he was performing at the time of his injury or at the time of his death, whichever amount is greater.

The monthly sum shall be payable to the surviving spouse until he or she dies or remarries. If the spouse remarries and the total of all monthly sums paid to the spouse prior to his or her remarriage is less than \$10,000, then upon such remarriage, the insurer shall pay to the spouse in lump sum as death benefit, the difference between \$10,000 and the total of all monthly sums theretofore paid, and the obligation of the insurer under this paragraph shall terminate.

If the spouse dies, or if at the time

of the victim's death there is no surviving spouse, the monthly sum shall be payable in equal shares to those of the victim's children who are from time to time surviving and below the age of 18 years until the last of them dies or attains the age of 18 years; provided that, considering the age of the youngest of the children then surviving and below the age of 18 years, if the total of all monthly sums to be paid to the children will not equal or exceed the sum of \$10,000, less such total amount as the victim's spouse may have received during his or her lifetime, the insurer shall pay in equal shares to such children then surviving and below the age of 18 years, in lump sum as death benefit, the sum of \$10,000, less such total amount as the victim's spouse may have received during his or her lifetime, and the obligation of the insurer under this paragraph shall terminate.

(iii) If the benefit provided in paragraph (ii) above is not payable because the victim was not earning income from work at the time of his injury or death, a lump sum death benefit of \$10,000.

(C) If there is no surviving spouse and no surviving child below the age of 18 years, to the victim's estate a lump sum death benefit of \$10,000. Any sum due under this paragraph but not payable for want of beneficiaries shall not escheat but shall be applied to payments required to be made under the assigned claims plan described in section 25.

SECTION 9. Income and income loss determination. (a) For purposes of section 8(1)(B) and section 8(3)(B)(ii), the work in which the victim was employed when disability commenced or the work he was performing when he sustained his injury or when he died shall be deemed to be:

(1) The work he was then actually performing; or

(2) If temporarily unemployed at the time, any work which he performed during the two years immediately preceding his disability, injury, or death, provided that the victim performed work from which he earned an income during a total of at least twenty weeks in the twelve month period or a total of at least thirty-six weeks in the twenty-four month period immediately preceding the

date of his disability, injury, or death. Work performed during any portion of a week shall constitute a week of work.

(b) The amount of income a victim was earning from work shall be determined on a monthly basis and shall be the monthly amount that he was actually earning or, if the earnings consisted in whole or in part of commissions and gratuities or if the victim was self-employed or temporarily unemployed or if the job he was performing was of a temporary nature pending permanent employment, then the greater of:

- (1) The average monthly income reportable as earned from work for State or federal income tax purposes for the current taxable year; or
- (2) The average monthly income reported as earned from work for State or federal income tax purposes for the last completed taxable year; or
- (3) The average monthly income reported as earned from work for State or federal income tax purposes for the last two completed taxable years.

To determine the average monthly income, the total reportable or reported as earned from work for the taxable year shall be divided by the total number of months in which income was actually earned from five or more days of work. Work performed during any portion of a day shall constitute a day of work.

(c) Except as otherwise provided in subsection (d), income loss shall be determined by deducting from the monthly income the victim was earning eighty percent of all monthly income which the victim earns from any work he performs after sustaining injury; provided that, the amount paid as income loss shall not, when added to the full amount the victim earns from any work he performs after sustaining injury, exceed the amount the victim was earning at the time of the injury as defined in sections 9(a) and 9(b).

(d) In case of a victim who suffers any of the following conditions, income loss shall be deemed to be the greater of the monthly income the victim was earning, without deduction of any amount he earns from any work he performs after

sustaining injury, or the sum of \$360 per month:

- (1) Loss of sight in both eyes; or
- (2) Loss of both feet at or above the ankle; or
- (3) Loss of both hands at or above the wrist; or
- (4) Loss of one hand and one foot; or
- (5) Permanent and complete paralysis of both legs or both arms or one leg and one arm as a result of injury to the spine; or
- (6) Incurable imbecility or insanity as a result of an injury to the skull; or
- (7) Any other condition or combination of conditions similar to or of equal severity as those enumerated above, which permanently and completely disables the victim from performing any work.

(e) 'Monthly salary' and 'monthly income' shall be the gross monthly salary or gross monthly income, less fifteen percent for State and federal income taxes.

SECTION 10. Disfigurement schedule. (a) Payment by the insurer for disfigurement provided in section 8 shall be made in accordance with the following schedule:

- (1) Loss of a thumb. \$2,100
- (2) Loss of first finger,
commonly called index
finger. 1,290
- (3) Loss of second finger. 840
- (4) Loss of third finger. 700
- (5) Loss of fourth finger 420
- (6) Loss of phalanx of thumb or
finger:
 - First phalanx of thumb. . . 1,575
 - First phalanx of finger:
 - First Finger 645
 - Second Finger. 420
 - Third Finger. 350

Fourth Finger	210
More than one phalanx of the thumb or any finger	Full amount payable for loss of that thumb or finger
(7) Loss of great toe	1,065
(8) Loss of other toes	450
(9) Loss of phalanx of toe:	
First phalanx of toe	
Great toe	530
Other toes	225
More than one phalanx of any toe	Full amount payable for loss of the entire toe
(10) Loss of hand	6,830
(11) Loss of arm	8,735
(12) Loss of foot	5,740
(13) Loss of leg	8,065
(14) Loss of eye	
Loss of eye by enucleation	4,480
Loss of vision	3,920
Loss of binocular vision	3,920
(15) Loss of ear or hearing	
Loss of hearing—both ears	5,600
Loss of hearing—one ear	1,455
Loss of both ears	2,240
Loss of one ear	1,120
(16) Scarring	Not to exceed \$12,000 under standards established by the commissioner
(17) For those conditions enumerated in section 9(d)	\$20,000

A victim shall be compensated for each disfigurement enumerated in this

subsection; provided that the aggregate amount of the benefits payable by the insurer under this subsection shall not exceed \$20,000.

(b) For those conditions enumerated in section 9(d), in addition to the lump sum provided in paragraph (17) of subsection (a) above, the insurer shall pay to a victim who is not otherwise compensable for income loss under sections 8(1)(B) and 9(d), the sum of \$360 per month.

(c) Loss of a hand means amputation between the elbow and the wrist. Loss of an arm means amputation at or above the elbow. Loss of a foot means amputation between the knee and the ankle. Loss of a leg means amputation at or above the knee.

SECTION 11. Adjustments in amounts of benefits. If the commissioner at any time finds that the consumer price index has risen by seven percent or more since the required benefits payable under this act were last adjusted, the commissioner may increase any or all benefits by five percent.

SECTION 12. Required territorial coverage. Every policy of insurance required by this act to be maintained by the owner of a motor vehicle shall provide for the payment of the required benefits to the insured and the members of his household for bodily injury and death sustained by him or any member of his household as a result of any motor vehicle accident occurring outside the State but within the United States, its territories and possession, or Canada; provided that the insurer may seek reimbursement of the amounts of benefits paid from any recovery had by the insured or any member of his household under the laws of the locality in which the accident occurs and, for the purposes of such reimbursement, it may bring suit in behalf of or in the name of the insured or any member of his household in the locality in which the accident occurs.

SECTION 13. Collateral sources of indemnity. All required benefits, except payments for damage to or loss of property, the lump sum death benefit, and the lump sum benefits for disfigurement, shall be paid net of the amount of any benefit payable by reason

of bodily injury resulting from the occurrence which gives rise to the benefit under the United States Social Security Act (except the disability insurance cash benefits payable under the Social Security Act to victims who suffer any of those conditions enumerated in section 9(d) of this act), the Hawaii Workmen's Compensation Law, the Hawaii Temporary Disability Insurance Law, any other state or federal income disability or workmen's compensation law, any accident, health, sickness, or disability insurance, and any contract or agreement of any group, association, organization, partnership, or corporation to provide or to pay for or reimburse the cost of medical, hospital, dental, or other services included in the required benefits under this act. Nothing in this section shall prevent any person from expressly insuring against, and receiving payment for, damages in excess of those included in the required benefits under this act.

SECTION 14. Optional insurance coverage. Every insurer authorized to transact the business of motor vehicle insurance in the State may offer to the owner of any motor vehicle it insures, which offer may be rejected, coverages in excess of or in addition to the required benefits. If the commissioner finds that any or all of the following are not being offered as optional coverages, he may require them to be offered by any or all insurers:

(1) Payment for loss of income resulting from bodily injury to or death of the insured or any member of his household in excess of the maximum amount required to be paid under section 8.

(2) Payment of all reasonable expenses incurred for ordinary household services which the victim would have ordinarily performed but for his injury or death for a period in excess of one year from the date of the victim's injury. (3) Payment for damages to or loss of the insured motor vehicle and its contents resulting from collision and from theft, fire and other causes, without regard to fault or negligence. The coverage with respect to damage or loss resulting from causes other than collision may be offered on a comprehensive basis. The coverage with respect to damage to or loss of a motor vehicle shall be offered with option in the owner to accept it subject to a deductible amount selected from varying deductible

amounts offered by the insurer, including \$250. The insurer may include within the terms and conditions applicable to these coverages such other provisions as it customarily applies to such coverages in other states. (4) If the expenses for medical, hospital, and dental services incurred as a result of bodily injuries sustained by the insured or a member of his household exceed \$5,000, payment for physical pain and suffering at a stipulated percentage of the medical, hospital, and dental expenses or at a stipulated percentage of the amount recoverable for disfigurement.

(5) Payment of claims for bodily injury, death, and property damage made against the insured or any member of his household as a result of a motor vehicle accident occurring outside the State.

PART III

BENEFIT PAYMENTS; ENFORCEMENT OF PAYMENTS

SECTION 15. Benefits payable when. Unless otherwise expressly provided, all benefits, both required and optional, shall be paid as loss accrues; provided that income benefits shall be paid not less often than semi-monthly as loss accrues. All benefits shall be payable within thirty days after the insurer receives notice of the fact and of the amount of loss sustained. Payment shall be deemed to have been made when delivered or when a draft or other valid instrument of payment is placed in the United States mail, properly addressed and postage prepaid. All payments not made within thirty days shall bear simple interest at the rate of eighteen percent per year, which shall accrue to the claimant. All claims for benefits shall be made on forms approved by the commissioner.

SECTION 16. Lump sum settlement. Where benefits accrue periodically and the total sum payable to a claimant is not likely to exceed \$1,000, the insurer may, with the approval of the claimant, pay all of such amounts that are likely to accrue in a lump sum; provided that such lump sum payment shall not preclude further claim for payment if the recoverable losses accruing after such settlement exceed \$2,000. No lump sum settlement shall be made in cases where the total amount of the benefits is likely to exceed \$1,000, except upon approval by a court

of competent jurisdiction. The court may approve any such lump sum settlement if it is satisfied, after a hearing upon due notice at which all interested parties have had an opportunity to be heard, that the settlement is in the best interest of the claimant. All lump sum settlements shall disclose the complete basis of computation.

SECTION 17., Payment from which insurance. (a) Except as provided in the subsections following, the insurer of a motor vehicle involved in an accident shall pay the required benefits accruing as a result of bodily injury and property damage sustained by all victims of the accident.

(b) If two or more motor vehicles are involved in an accident, the insurer of each vehicle shall pay the required benefits accruing as a result of bodily injury sustained by all victims who are occupants of the vehicle insured by it; and the insurer of any of the vehicles shall be subject to claim for payment of the required benefits accruing as a result of bodily injury and property damage sustained by victims, not occupants of any of the involved vehicles, subject to apportionment of all payments made by any insurer among insurers of all involved vehicles as provided in section 25.

(c) If the identity of any motor vehicle involved in an accident is not known or if any motor vehicle involved in an accident is not insured, a claimant who would otherwise have been paid by the insurer of such vehicle shall be paid the required benefits from the insurer to whom his claim is assigned under the assigned claims plan provided in section 25; provided that no claim arising from bodily injury or property damage sustained by the owner of the uninsured vehicle shall be subject to assignment under the assigned claims plan.

(d) The provisions of this section shall apply, notwithstanding that any victim is an insured of another motor vehicle or the owner of another insured motor vehicle, except that a claimant, to the extent that he is so entitled, may claim against the insurer of such other vehicle for benefits in excess of the required benefits.

SECTION 18. Benefits not assignable. An agreement assigning the right of a

claimant to any benefit payable by the insurer shall be void, except that the claimant may assign to the provider of services such amounts receivable from the insurer to pay for the cost of the services actually provided.

SECTION 19. Claims for benefits excluded when. (a) No claimant shall be paid any of the benefits provided in this act if his claim arises from bodily injury or property damage sustained by a victim which the victim intentionally causes or in an accident occurring during the course of commission by the victim of a felony, other than negligent homicide, of which he is convicted. Nothing in this section shall be construed to preclude payment to other claimants.

(b) In case of a claim arising from injury or damage sustained by a victim in an accident occurring during the course of commission by the victim of a felony, other than negligent homicide, upon the indictment of the victim for such felony, the insurer shall place in escrow all funds required to be paid on the claim under this act until such indictment is dismissed or a conviction obtained. The funds in escrow shall be paid to the claimant upon dismissal of the indictment or returned to the insurer upon conviction of the victim.

(c) Any insurer paying any benefit for bodily injury or property damage intentionally caused or resulting from an accident occurring during the course of commission of a felony, other than negligent homicide, shall be entitled to reimbursement from the person intentionally causing the injury or damages or the person convicted of committing the felony.

SECTION 20. Statute of limitations. Actions against an insurer for the recovery of any benefit shall be brought within two years from the date an injury or loss is sustained or one year from the date of the last payment of benefit, whichever is later.

SECTION 21. Insurer's right to information. (a) Whenever the mental or physical condition of an injured victim is material to any claim, the insurer may request the victim to submit to a mental or physical examination by a physician or physicians. Any examination conducted at the request of the insurer shall be at the expense of the insurer.

(b) An employer of a victim, if requested by an insurer against whom a claim has been made for payment of income or income loss, shall forthwith furnish on a form approved by the commissioner, a statement under oath or affirmation of the amount that the victim was earning at the time and during a reasonable period before the victim sustained his injury, disability, or death and the amount the victim earned or is earning after he sustained his injury or disability.

(c) Every provider of medical, hospital, and dental services, products, and accommodations, if requested by an insurer against whom a claim has been made for expenses incurred by a victim for such services, products, or accommodations, shall forthwith furnish such information as requested or permit an examination of its records pertaining to the services, products, and accommodations furnished, rendered to, or performed for the victim and the nature of the condition for which such services, products, and accommodations were furnished, rendered, or performed.

(d) No insurer shall seek to enforce its right to information provided in this section for the purpose of annoying, harassing, embarrassing, or oppressing any claimant. Upon the petition of a claimant, a court of competent jurisdiction may enjoin an insurer from requiring any examination or disclosure of information or permit such examination or disclosure upon prescribed conditions and in any such proceeding may order payment by the insurer of all costs and expenses of the proceeding, including reasonable attorney's fees.

(e) Interest on any payment of benefits delayed as a result of the insurer's request for examination or disclosure of information shall continue to accrue during such examination or disclosure and shall be payable by the insurer if such examination or disclosure results in no change in the insurer's liability to pay the benefits.

SECTION 22. Rehabilitation. (a) The insurer shall cause to be evaluated for rehabilitation every victim who sustains permanent bodily injury as a result of a motor vehicle accident and shall offer such a victim a rehabilitation program

whenever such evaluation indicates that such a program will be potentially beneficial to the victim.

(b) Every victim who sustains permanent bodily injury as a result of a motor vehicle accident which results in total or partial loss of income shall make reasonable efforts to obtain rehabilitative treatment or occupational training, provided such treatment or training is reasonably accessible, and every such victim entitled to compensation for income loss shall make reasonable efforts to work to the extent permitted by his physician. If such victim refuses to make such reasonable efforts or to submit to reasonable rehabilitative treatment or occupational training, an insurer may petition any court of competent jurisdiction for an order that benefits be reduced or terminated so as to limit recovery of benefits to an amount equal to the benefits that in reasonable probability would be due if the victim submitted to such rehabilitative treatment or occupational training or made reasonable efforts to work, or for such other order as may be reasonable. The court in determining whether the victim has reasonable grounds for refusing to submit to rehabilitative treatment or occupational training or has made reasonable efforts to work shall take into account all relevant factors, including the extent of the probable benefit, the attendant risks, the extent to which the procedure, treatment, training, or work is accessible and is or is not recognized as standard and customary, and whether the imposition of sanctions because of the victim's refusal would abridge his right to the free exercise of his religion.

SECTION 23. Right to purchase insurance. No insurer authorized to transact the business of motor vehicle insurance in the State shall refuse to issue a policy of insurance providing for the payment of the required benefits to any person, except on grounds of fraud in an application for insurance or nonpayment of a premium or any installment thereof. No policy of insurance issued on any motor vehicle shall be cancellable and every such policy shall be automatically renewed, except on grounds of fraud or nonpayment of any premium or any installment thereof within thirty days after it becomes due.

PART IV

RIGHTS AND OBLIGATIONS
BETWEEN AND AMONG
INSURANCE COMPANIES

SECTION 24. Reinsurance. (a) Insurers authorized to transact the business of motor vehicle insurance in the State shall establish, maintain, and participate in a plan or reinsurance approved by the commissioner for the purpose of distributing among themselves the costs of insuring risks which an insurer does not wish to bear alone. Each insurer shall be limited in its participation to an amount equal to not more than one-third of its gross dollar volume of motor vehicle insurance issued in the State in any calendar year, unless otherwise approved by the governing board or committee of the plan, and shall be assessed the costs of reinsurance in proportion to the gross dollar volume of motor vehicle insurance it issues in the State. Any insurer may appeal to the commissioner from any ruling or decision of the manager, governing board, or committee designated to operate the plan.

(b) Insurers authorized to transact the business of motor vehicle insurance in the State may enter into any plan of reinsurance approved by the commissioner for the purpose of equitably distributing among themselves losses which may result to any insurer as a result of benefit payments in excess of those which may reasonably be borne by an insurer in consideration of its total exposure to loss and its statutory capital and surplus positions. If no such plan is established by the insurers and the commissioner deems the establishment of such plan advisable for the protection of the public interest, he may require the insurers to establish such plan. Any such plan, once established, shall be open to participation by all insurers authorized to transact the business of motor vehicle insurance in the State. Any insurer may appeal to the commissioner from any ruling or decision of the manager, governing board, or committee designated to operate the plan.

SECTION 25. Establishment of assigned claims plan. All insurers authorized to transact the business of motor vehicle insurance in the State shall establish, maintain, and participate in a

plan for the equitable assignment among themselves of claims for the required benefits arising out of accidents involving vehicles not insured as required by this act. The plan, the rules and regulations for the operation of the plan, and the method of assignment of claims shall be subject to the approval of the commissioner. If the insurers default in the establishment and continued maintenance of such plan, the commissioner shall organize and maintain such a plan. The insurer to whom a claim is assigned shall thereafter have all the rights and obligations with respect to such claim as it would have if the insurer had issued a policy on the vehicle.

SECTION 26. Apportionment of obligations. (a) If a motor vehicle accident involves a commercial vehicle and one or more non-commercial vehicles, the insurer of the commercial vehicle shall reimburse the insurers of the non-commercial vehicles for all required benefit payments made by them.

(b) If a motor vehicle accident involves two or more vehicles, the insurers of all involved vehicles shall apportion equally among themselves the costs of paying the required benefits accruing as a result of bodily injury and property damage sustained by victims, not occupants of any of the involved vehicles; and if an accident involves two or more commercial vehicles, the insurers of all involved commercial vehicles shall also apportion equally among themselves the costs of reimbursing the insurers of all involved non-commercial vehicles.

PART V

MOTOR VEHICLE INSURANCE RATES

SECTION 27. Rates generally. With the exception of section 431-693 and except as otherwise provided in this act, all premium rates for motor vehicle insurance shall comply with the provisions of the casualty rating law contained in chapter 431.

SECTION 28. Making of rates. (a) All premium rates for motor vehicle insurance shall be made in accordance with the following provisions:

(1) Consideration shall be given to the individual insurer's past and prospective loss experience within the State;

reasonable margin for underwriting profit from and contingencies in the administration of motor vehicle insurance sold within the State; past and prospective expenses in the sale and administration of motor vehicle insurance within the State; income from investments of premiums and other proceeds received on account of motor vehicle insurance sold within the State; and all other relevant factors.

(2) No insurer shall pool or in any manner combine its past or prospective expenses of adjusting losses, sale, and underwriting, or its past or prospective administrative expenses of any other kind for any class of risk in any rating territory with those of any other insurer. An insurer may pool its loss experience in the State with the loss experience in the state of any other insurer, subject, however, to the provisions of subsection (c) of this section.

(3) The systems of expense provisions included in the rates for use by an insurer may differ from those of other insurers to reflect the requirements of the operating methods of any such insurer with respect to motor vehicle insurance or with respect to any classification for which classification separate expense provisions are applicable.

(4) Rating territories may be established and risks may be grouped by classifications for the establishing of rates and minimum premiums. The commissioner may by rule or regulation provide for a uniform classification of risks and rating territories for the various coverages. Classification rates may be modified to produce rates in accordance with rating plans which establish standards for measuring variations in hazards or expense provisions, or both. Such standards may measure any differences among risks, including vehicles, occupations, and involvement in past accidents, provided they are established to have a probable effect upon losses or expense. For the required benefits, no standard or rating plan shall be based, in whole or in part, directly or indirectly, upon frequency of accident involvement associated with age, sex, length of driving experience, or marital status.

(5) Rates shall not be excessive, inadequate or unfairly discriminatory.

Differentials reflecting differences in administration, overhead, or selling expenses shall not be deemed to be unfairly discriminatory.

(b) No manual of classification, rule, rate, rating plan, designation of rating territories, or standard for motor vehicle insurance shall be effective unless approved by the commissioner. No such approval shall be given to any classification, rating plan, rating territory, or standard without a public hearing at which all affected and interested parties have a full opportunity to examine and comment on the impact and application of the proposed classification, rating plan, rating territory, or standard. The commissioner shall public a notice of the date, time, and place of the public hearing at least once in each of three successive weeks in a newspaper of general circulation.

(c) Motor vehicle insurance rates shall be made separately for each insurer and no insurer shall agree, combine, or conspire with any other insurer or enter into, become a member of, or participate in any understanding, pool, or trust, to directly or indirectly fix, control, or maintain motor vehicle insurance rates. The provisions of sections 431-696, 431-697, and 431-698, relating to rating organizations, shall not apply to motor vehicle insurance rates. Any violation of this subsection shall be subject to all civil and criminal penalties provided in chapter 480.

SECTION 29. Review of rates. Any person aggrieved by the application as to him of any classification, rule, standard, rate, or rating plan made, followed, or adopted by an insurer may make written request to the insurer to review such application and grant the relief requested. If the review is not granted within thirty days thereafter, the person may treat it as refused. Any person aggrieved by the action of an insurer in refusing to review the matter or grant the relief requested may file a written complaint with the insurance commissioner, specifying the grounds relied on. If the commissioner finds that probable cause for the complaint exists or that the complaint charges a violation of this act or any applicable provisions of the casualty rating law, he shall conduct a hearing on the complaint. The hearing shall be subject to the procedure provided in

section 431-705(a).

SECTION 30. Noncompliance of rates.

(a) If the insurance commissioner has good cause to believe that a classification, rule, standard, rate, rating territory, or rating plan made followed, or adopted by an insurer does not comply with any of the requirements of this act or any applicable provisions of the casualty rating law, he shall, unless he has good cause to believe that such noncompliance is willful, give notice, in writing, to such insurer stating therein in what manner and to what extent such noncompliance is alleged to exist and specifying therein a reasonable time, not less than ten days thereafter, within which such noncompliance may be corrected. Notices under this subsection shall be confidential as between the commissioner and the parties unless a hearing is held as provided in subsection (b).

(b) If the insurance commissioner has good cause to believe such noncompliance to be willful, or if, within the period prescribed by the commissioner in the notice, the insurer does not make such changes as may be necessary to correct the noncompliance specified by the commissioner or establish to the satisfaction of the commissioner that such specified noncompliance does not exist, then the commissioner may proceed with a hearing which shall be subject to the hearing procedure provided in section 431-705(a).

SECTION 31. Orders on hearing. If, after a hearing conducted pursuant to section 29 or 30, the insurance commissioner finds that the complainant is entitled to relief or that any classification, rule, standard, rate, rating territory, or rating plan violates this act or any applicable provisions of the casualty rating law, he shall issue an order granting the complainant's claim for relief or prohibiting the insurer from using such classification, rule, standard, rate, rating territory, or rating plan. The order shall contain the commissioner's finding of facts and conclusions of law, including, as appropriate, a specification of the respects in which a violation of this act or any applicable provision of the casualty rating law exists and shall specify a reasonable time period within which the insurer shall comply with the terms of the

order. Any such order shall be subject to judicial review in accordance with the provisions of section 431-705(b).

PART VI

**PENALTIES; EVALUATION; RULES
AND REGULATIONS**

SECTION 32. Penalties. (a) In addition to any other penalty prescribed in this act, the penalties provided in section 431-707 shall be applicable to an insurer who violates any provision of this act or fails to comply with any order of the commissioner.

(b) Any owner of a motor vehicle who fails to maintain the insurance required by this act or who gives information in an application for motor vehicle insurance, knowing or having reason to believe that the information is false, or who forges or, without authority, signs any evidence of proof of insurance, or who files or offers for filing any evidence of proof of insurance, knowing or having reason to believe that it is forged or signed without authority, shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

SECTION 33. Evaluation and report. (a) The commissioner shall periodically review and evaluate the motor vehicle insurance program described in this act, including an annual review of the premium rates, benefit payments, and insurers' loss experience.

(b) The commissioner may require insurers to report periodically any loss experience and other statistical information necessary for an evaluation of the insurance program. Any insurer failing to report information in the manner and within the time required by the commissioner shall be subject to the penalty provided in section 431-707.

(c) The commissioner shall prepare to submit to the legislature annually a report containing his evaluation of the insurance program, with respect to both required and optional coverages. The report shall include a summary of abuses and deficiencies in benefit payments, the complaints made to the commissioner and their disposition, and the extent of compliance and noncompliance by each insurer with the provisions of this act and

any applicable provision of the Hawaii insurance law.

SECTION 34. Rules and regulations. The commissioner shall promulgate rules and regulations, pursuant to chapter 91, to effectuate the purposes of this act.

PART VII

TRANSITIONAL REQUIREMENT; REPEALER; SEVERABILITY; APPROPRIATION; EFFECTIVE DATE

SECTION 35. Transitional requirement. (a) During the period between the approval of this act and December 31, 1972, policies of motor vehicle insurance insuring the insured against liability in tort for bodily injury and property damages arising out of motor vehicle accidents may continue to be issued. Any such policy may be issued for a term expiring beyond December 31, 1972, or for a term expiring on December 31, 1972, provided that:

(1) If a policy of liability insurance is issued for a term expiring beyond December 31, 1972, on January 1, 1973, such policy of insurance shall automatically be converted to a policy complying with the provisions of this act, and the premium for the liability insurance shall be adjusted so that the total premium for the policy of liability insurance and the new policy complying with this act shall not exceed the sum of the following:

(a) The annual premium for the liability insurance policy divided by twelve and the quotient resulting therefrom multiplied by the number of months the liability insurance policy was in effect; and

(b) The annual premium for the new policy complying with this act divided by twelve and the quotient resulting therefrom multiplied by the number of months the new policy will be in effect.

(2) If a policy of liability insurance is issued for a term expiring on December 31, 1972, the premium for such liability insurance shall not exceed a sum equal to the annual premium for the liability insurance divided by twelve and the quotient resulting therefrom multiplied by the number of months the liability insurance will be in effect.

(b) During the period between the approval of this act and January 1, 1973, the commissioner shall do all things necessary, for the full implementation of the provisions of this act on January 1, 1973, including promulgating rules and regulations, approving manuals of classifications, rules, standards, rates, rating territories, and rating plans, and prescribing forms, all in the manner provided in this act; and the office of consumer protection shall organize and conduct a public information program explaining the provisions of this act.

(c) After approval of this act and before January 1, 1973, insurers authorized to transact the business of vehicle insurance in the State may sell motor vehicle insurance complying with the provisions of this act to be effective January 1, 1973, provided that the commissioner has approved all such matters pertaining to such insurance which require his approval under this act and, for the purpose of securing such approval and effectuating such sale, may take such actions as necessary to formulate plans and determine rates complying with the provisions of this act.

SECTION 36. Laws repealed. The following chapters and sections of the Hawaii Revised Statutes are repealed: chapter 287, chapter 288, section 286-92, section 286-112(c), section 431-448, and section 431-448.1. All other laws relating to motor vehicle insurance which are inconsistent with this act are repealed.

SECTION 37. Severability. If any provision of this act or the application thereof to any person or circumstance is held unconstitutional, the remainder of this act and the application of such provision to other persons or circumstances shall not be affected thereby, and it shall be conclusively presumed that the legislature would have enacted the remainder of this act without such invalid or unconstitutional provision.

SECTION 38. Appropriation. There is appropriated out of the general revenues of the State the sum of \$45,000, or so much thereof as may be necessary, to the department of regulatory agencies and the sum of \$30,000, or so much thereof as may be necessary, to the office of consumer protection for the purposes of this act.

SECTION 39. Effective date. Sections 35, 37 and 38 shall take effect upon approval, and the remainder of the act shall take effect on January 1, 1973.”

Representative Hansen moved that the amendment be adopted, seconded by Representative Wasai.

Representative Hansen then spoke in favor of the amendment and stated that this amendment, in its entirety, is essentially the same as House Bill No. 1643-72 and urged the members of the House to vote in favor of this amendment.

Representative Wasai also spoke in support of the amendment.

At 5:02 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

At 5:03 o'clock p.m., the House of Representatives reconvened.

Representative Ushijima then rose and spoke against the adoption of the amendment and emphasized that the Haldi bill had some good points and, as a result, House Bill 2400-72 had incorporated some of the good points of the Haldi bill; some of which are not permitting cancellation of a policy and guaranteeing renewal, except for failure to pay a premium, loss of license for filing a fraudulent application, providing 85% wage loss subject to a maximum of \$600 monthly and the imposing of an 18% per annum penalty on delayed settlement claims.

Representative Ushijima further stated that during the hearing of H. B. No. 1643-72, the complete no-fault plan drawn by Mr. Haldi brought forth debatable questions, the cost of implementing the pure no-fault system was challenged because of unlimited benefits, the exclusion of the pain and suffering provision and the shifting of the cost burden to other sources of compensation for accident losses by making auto insurance secondary were also contested and for that matter, House Bill No. 1643-72 calling for pure no-fault insurance was not a perfect bill.

Roll call having been requested, the motion to adopt the amendment was put by the Chair and failed to carry by a vote

of 48 ayes to 3 noes, with Representatives Hansen, Wasai and Yim voting no.

Representative Saiki then offered the following amendment to House Bill No. 2400-72, HD 1:

“SECTION 1. House Bill 2400-72, HD 1, is amended to read as follows:

‘PART I

GENERAL PROVISIONS

SECTION 1. Short title. This act shall be known as the ‘Hawaii Motor Vehicle Insurance Act.’

SECTION 2. Purpose. The purposes of this act are to establish a system for prompt and fair compensation to all victims of motor vehicle accidents and to provide for equitable and reasonable rates for motor vehicle insurance.

SECTION 3. Definitions. As used in this act:

- (1) ‘Bodily injury’ means physical harm, sickness, or disease, including death resulting therefrom, arising out of a motor vehicle accident.
- (2) ‘Claimant’ means a victim or any other person entitled to any benefit under motor vehicle insurance.
- (3) ‘Commercial vehicle’ means a motor vehicle having a gross weight of eight thousand pounds or more.
- (4) ‘Commissioner’ means the insurance commissioner.
- (5) ‘Insured’ means a motor vehicle owner designated as such in a policy of motor vehicle insurance issued in compliance with this act.
- (6) ‘Insured vehicle’ means a motor vehicle covered by insurance as provided in this act.
- (7) ‘Insurer’ means a person who undertakes or is required to pay the benefits under motor vehicle insurance.
- (8) ‘Member of the insured’s household’ means an insured’s relative of any degree by blood, adoption, or marriage, or any other person designated by the insured in

his policy of motor vehicle insurance, who usually makes his home in the same family unit with the insured, including any such relative or person temporarily living elsewhere by reason of study, work, or otherwise.

(9) 'Motor vehicle' and 'vehicle' means a vehicle, operated or used on land, which is self-propelled but not operated upon rails and includes trailers and semi-trailers attached to the vehicle.

(10) 'Motor vehicle accident' means an accident arising out of the operation, maintenance, or use of a motor vehicle.

(11) 'Occupant' means a person in or upon or entering into or alighting from a motor vehicle.

(12) 'Owner' means a person having property in or title to a vehicle, other than a holder of a security interest therein. It includes a person entitled to the use and possession of a vehicle subject to a security interest in another person, but excludes a lessee under a lease not intended as security, unless under the terms of the lease, the lessee is required to purchase and maintain an insurance on the leased vehicle.

(13) 'Property' means any real or personal property other than a motor vehicle and its contents.

(14) 'Required benefits' means the minimum benefits required in section 8 of this act.

(15) 'Victim' means any person sustaining bodily injury or damage to or loss of property as a result of a motor vehicle accident.

(16) 'Vehicle insurance' means an insurance against loss or expense, or liability for loss or expense, resulting from injury to persons or loss of or damage to property arising from the ownership, operation, maintenance, or use of a vehicle.

SECTION 4. Tort liability abolished.

(a) Except as provided in this section, tort liability arising from a motor vehicle accident within the State is abolished, and no person shall be subject to any civil action for damages for losses sustained in a motor vehicle.

(b) This section shall not preclude an insurer from seeking indemnity from any person legally responsible for damages arising out of a motor vehicle accident other than from a person covered for that accident by the insurance provided by this Act. As used herein, 'person' means natural persons, associations, partnerships, corporations and the State or any political subdivision thereof.

SECTION 5. Motor vehicle insurance required. (a) The owner of every motor vehicle operated or used in the State shall maintain at all times insurance on the vehicle which provides for payment by the insurer of at least those required benefits specified in section 8.

(b) No motor vehicle shall be registered or its registration renewed under chapter 286, unless at the time of submission of an application for registration or renewal, the owner submits proof that an insurance on the vehicle as required by subsection (a) will be in effect during the period for which registration or renewal is sought. At the time of submission of such application for registration or renewal, the owner shall also submit proof that the required insurance was continuously in effect during the period of his ownership of the vehicle in the State in the preceding registration period. Failure to submit proof that the required insurance was continuously in effect during the preceding registration period shall not be a bar to registration or renewal of the owner's vehicle, but shall constitute prima facie evidence, in any criminal proceeding brought against the owner, of violation by the owner during the preceding registration period of subsection (a). Proof shall be submitted on forms prescribed by the commissioner and may consist of such statements of the insurer, as the commissioner may approve, attesting to the existence of such insurance.

SECTION 6. Form of insurance. (a) The insurance required to be maintained by the owner of every motor vehicle may be provided through a policy of insurance issued by an insurer authorized to transact the business of vehicle insurance in the State or through a system of self-insurance.

(b) Any policy of insurance

represented by the issuer as providing the required benefits shall be read to comply with this act, and any later agreement, contract, covenant, or disclaimer inconsistent therewith shall be void.

(c) An owner of twenty-five or more motor vehicles may self-insure his vehicles, provided that the method of self-insurance is approved by the commissioner. No method of self-insurance shall be approved by the commissioner unless the commissioner finds that the owner has the financial ability to pay the required benefits and that the method of self-insurance affords security for the payment of the required benefits equivalent to that afforded by a policy of vehicle insurance. All applications for self-insurance shall be submitted to the commissioner on forms prescribed by the commissioner. Upon approval of any application, the commissioner shall issue a certificate of self-insurance. A certificate of self-insurance may be cancelled by the commissioner on reasonable grounds upon not less than five days' written notice to the self-insurer. Failure to pay any of the required benefits within thirty days after it is due constitutes a reasonable ground for cancellation. Every owner to whom a certificate of self-insurance is issued shall have all the rights and obligations of an insurer enumerated in this act, except where expressly exempt or the rights and obligations are stated to be those of insurers authorized to transact the business of vehicle insurance in the State.

SECTION 7. Failure to maintain insurance. Any owner of a motor vehicle required to be insured who fails to maintain the insurance shall be subject to the penalty provided in section 32(b) and, in the event his motor vehicle is involved in an accident, be personally liable for the payment of the required benefits which an insurer would have been required to pay had the vehicle been insured. If benefits are paid by an insurer to whom a claim is assigned pursuant to section 25, the insurer shall be entitled to reimbursement from such an owner.

PART II BENEFITS

SECTION 8. Required benefits. Every policy of insurance required by this act to

be maintained by the owner of a motor vehicle shall provide for payment by the insurer, without regard to fault or negligence, of the following minimum benefits:

(1) To each victim sustaining bodily injury, other than death, as a result of an accident involving the insured motor vehicle:

(a) All reasonable and customary expenses for necessary medical, hospital, and dental services furnished the victim, including ambulance, surgical, X-ray, professional nursing and therapeutic services and prosthetic devices, and for any other services, products and accommodations necessary for treatment, rehabilitation, and recovery.

(B) All losses of income, up to \$600 per month, sustained by the victim as a result of the injury disabling or preventing him from fully performing work in which he was employed when the disability commenced.

(C) All expenses, up to \$7,200, reasonably incurred by the victim or members of his household within one year from the date of the injury for ordinary and necessary household services which the victim himself would have ordinarily performed but for the injury; provided such services are obtained from persons not members of the victim's household.

(D) All other out-of-pocket expenses reasonably incurred as a result of the injury, not exceeding \$500 in the aggregate.

(E) A sum for such disfigurement as the victim may sustain in accordance with the schedule set forth in section 10.

(2) To each victim sustaining damage to or loss of property as a result of an accident involving the insured vehicle, the repair or replacement cost thereof.

(3) If any victim dies as a result of bodily injury sustained in an accident involving the insured vehicle: (A) To the legal representative of the estate of each victim, all expenses, losses, and sums enumerated in paragraph (1) incurred but remaining unpaid by the insurer on the date of the death of the victim and all funeral and burial expenses not exceeding

\$2,000.

(B) To the victim's surviving spouse or, if no surviving spouse, to the victim's surviving children below the age of 18 years:

(i) All expenses, up to \$7,200, reasonably incurred after the victim's death, but within one year from the date of the victim's injury resulting in his death, for ordinary and necessary household services which the victim himself would have ordinarily performed for the benefit of the surviving spouse and children but for his death; provided that such services are obtained from persons not members of the deceased victim's household.

(ii) The monthly income, up to \$600 per month, that the deceased victim was earning from work he was performing at the time of his injury or at the time of his death, whichever amount is greater.

The monthly sum shall be payable to the surviving spouse until he or she dies or remarries. If the spouse remarries and the total of all monthly sums paid to the spouse prior to his or her remarriage, the insurer shall pay to the spouse in lump sum as death benefit, the difference between \$10,000 and the total of all monthly sums theretofore paid, and the obligation of the insurer under this paragraph shall terminate.

If the spouse dies, or if at the time of the victim's death there is no surviving spouse, the monthly sum shall be payable in equal shares to those of the victim's children who are from time to time surviving and below the age of 18 years until the last of them dies or attains the age of 18 years; provided that, considering the age of the youngest of the children then surviving and below the age of 18 years, if the total of all monthly sums to be paid to the children will not equal or exceed the sum of \$10,000, less such total amount as the victim's spouse may have received during his or her lifetime, the insurer shall pay in equal shares to such children then surviving and below the age of 18 years, in lump sum as death benefit, the sum of \$10,000, less such total amount as the victim's spouse may have received during his or her lifetime, and the obligation of the insurer under this paragraph shall terminate.

(iii) If the benefit provided in paragraph (ii) above is not payable because the victim was not earning income from work at the time of his injury or death, a lump sum death benefit of \$10,000.

(C) If there is no surviving spouse and no surviving child below the age of 18 years, to the victim's estate a lump sum death benefit of \$10,000. Any sum due under this paragraph but not payable for want of beneficiaries shall not escheat but shall be applied to payments required to be made under the assigned claims plan described in section 24.

SECTION 9. Income and income loss determination. (a) For purposes of section 8(1)(B) and section 8(3)(ii), the work in which the victim was employed when disability commenced or the work he was performing when he sustained his injury or when he died shall be deemed to be:

(1) The work he was then actually performing; or

(2) If temporarily unemployed at the time, any work which he performed during the two years immediately preceding his disability, injury, or death, provided that the victim performed work from which he earned an income during a total of at least twenty weeks in the twelve month period or a total of at least thirty-six weeks in the twenty-four month period immediately preceding the date of his disability, injury, or death. Work performed during any portion of a week shall constitute a week of work.

(b) The amount of income a victim was earning from work shall be determined on a monthly basis and shall be the monthly amount that he was actually earning or, if the earnings consisted in whole or in part of commissions and gratuities or if the victim was self-employed or temporarily unemployed or if the job he was performing was of a temporary nature pending permanent employment, then the greater of:

(1) The average monthly income reportable as earned from work for State or federal income tax purposes for the current taxable year; or

(2) The average monthly income reported as earned from work for State or federal income tax purposes for the last completed taxable year.

To determine the average monthly income, the total income reportable or reported as earned from work for the taxable year shall be divided by the total number of months in which income was actually earned from five or more days of work. Work performed during any portion of a day shall constitute a day of work.

(c) Except as otherwise provided in subsection (d), income loss shall be determined by deducting from the monthly income the victim was earning eighty percent of all monthly income which the victim earns from any work he performs after sustaining injury; provided that, the amount paid as income loss shall not, when added to the full amount the victim earns from any work he performs after sustaining injury, exceed the amount the victim was earning at the time of injury as defined in sections 9(a) and 9(b).

(d) In case of a victim who suffers any of the following conditions, income loss shall be deemed to be the greater of the monthly income the victim was earning, without deduction of any amount he earns from any work he performs after sustaining injury, or the sum of \$360 per month:

- (1) Loss of sight in both eyes; or
- (2) Loss of both feet at or above the ankle; or
- (3) Loss of both hands at or above the wrist; or
- (4) Loss of one hand and one foot; or
- (5) Permanent and complete paralysis of both legs or both arms or one leg and one arm as a result of injury to the spine; or
- (6) Incurable imbecility or insanity as a result of an injury to the skull; or
- (7) Any other condition or combination of conditions, similar to or of equal severity as those enumerated above, which permanently and completely disables the victim from

performing any work.

(e) 'Monthly salary' and 'monthly income' shall be the gross monthly salary or gross monthly income, less fifteen percent for State and federal income taxes, or any lower percentage deduction which can be justified by the claimant.

SECTION 10. Disfigurement schedule.

(a) Payment by the insurer for disfigurement provided in section 8 shall be made in accordance with the following schedule:

(1) Loss of a thumb	\$2,100
(2) Loss of first finger, commonly called the index finger	1,290
(3) Loss of second finger	840
(4) Loss of third finger	700
(5) Loss of fourth finger	420
(6) Loss of phalanx of thumb or finger:	
First phalanx of thumb	1,575
First phalanx of finger:	
First Finger	645
Second Finger	420
Third Finger	350
Fourth Finger	210
More than one phalanx of the thumb or any finger	Full amount payable for loss of that thumb or finger
(7) Loss of great toe	1,065
(8) Loss of other toe	450
(9) Loss of phalanx of toe:	
First phalanx of toe:	
Great toe	530
Other toes	225
More than one phalanx of any toe	Full amount payable for loss of the entire toe

(10) Loss of hand	\$6,830
(11) Loss of arm	8,735
(12) Loss of foot	5,740
(13) Loss of leg	8,065
(14) Loss of eye	
Loss of eye by enucleation	4,480
Loss of vision	3,920
Loss of binocular vision	3,920
(15) Loss of ear or hearing	
Loss of hearing—both ears	5,600
Loss of hearing—one ear	1,455
Loss of both ears	2,240
Loss of one ear	1,120
(16) Scarring	Not to exceed \$12,000 under standards established by the commissioner
(17) For those conditions enumerated in section 9(d)	\$20,000

A victim shall be compensated for each disfigurement enumerated in this subsection; provided that the aggregate amount of the benefits payable by the insurer under this subsection shall not exceed \$20,000.

(b) For those conditions enumerated in section 9(d), in addition to the lump sum provided in paragraph (17) of subsection (a) above, the insurer shall pay to a victim who is not otherwise compensable for income loss under sections 8(1)(B) and 9(d), the sum of \$360 per month.

(c) Loss of a hand means amputation between the elbow and the wrist. Loss of an arm means amputation at or above the elbow. Loss of a foot means amputation between the knee and the ankle. Loss of a leg means amputation at or above the knee.

SECTION 11. Adjustments in amounts of benefits. If the commissioner at any

time finds that the consumer price index has risen by seven percent or more since the required benefits payable under this act were last adjusted, the commissioner may increase any or all benefits by five percent.

SECTION 12. Required territorial coverage. Every policy of insurance required by this act to be maintained by the owner of a motor vehicle shall provide for the payment of the required benefits to the insured and the members of his household for bodily injury and death sustained by him or any member of his household as a result of any motor vehicle accident occurring outside the State but within the United States, its territories and possession, or Canada; provided that the insurer may seek his household under the laws of the locality in which the accident occurs and, for the purposes of such reimbursement, it may bring suit in behalf of or in the name of the insured or any member of his household in the locality in which the accident occurs.

SECTION 13. Collateral sources of indemnity. All required benefits, except payments for damage to or loss of property, the lump sum death benefit, and the lump sum benefits for disfigurement, shall be paid net of the amount of any benefit payable by reason of bodily injury resulting from the occurrence which gives rise to the benefit under the United States Social Security Act (except the disability insurance cash benefits payable under the Social Security Act) to victims who suffer any of these conditions enumerated in section 9(d) of this act, and the Hawaii Workmen's Compensation Law. Nothing in this section shall prevent any person from expressly insuring against, and receiving payment for, damages in excess of those included in the required benefits under this act.

SECTION 14. Optional insurance coverage. Every insurer authorized to transact the business of motor vehicle insurance in the State may offer to the owner of any motor vehicle it insures, which offer may be rejected, coverages in excess of or in addition to the required benefits. If the commissioner finds that any or all of the following are not being offered as optional coverages, he may require them to be offered by any or all insurers:

(1) Payment for loss of income resulting from bodily injury to or death of the insured or any member of his household in excess of the maximum amount required to be paid under section 8.

(2) Payment, in excess of \$7,200, of all reasonable expenses incurred within one year from the date of the injury or death for ordinary household services which the victim would have ordinarily performed but for his injury or death; provided such services are obtained from persons not members of the victim's household.

(3) Payment for damage to or loss of the insured motor vehicle and its contents resulting from collision and from theft, fire and other causes, without regard to fault or negligence. The coverage with respect to damage or loss resulting from causes other than collision may be offered on a comprehensive basis. The coverage with respect to damage to or loss of a motor vehicle shall be offered with option in the owner to accept it subject to a deductible amount selected from varying deductible amounts offered by the insurer, including \$250. The insurer may include within the terms and conditions applicable to these coverages such other provisions as it customarily applies to such coverages in other states.

(4) If the expenses for medical, hospital, and dental services incurred as a result of bodily injuries sustained by the insured or a member of his household exceed \$2,500, payment for physical pain and suffering at the rate of fifty percent of the medical, hospital, and dental expenses or at the rate of fifty percent of the amount recoverable for disfigurement.

(5) Payment of claims for bodily injury, death, and property damage made against the insured or any member of his household as a result of a motor vehicle accident occurring outside the State.

(6) Payment of a stipulated amount, up to \$600 per month, to a named-insured or any member of his household not otherwise qualified to receive loss of income benefits under sections 6 and 9.

PART III

BENEFIT PAYMENTS; ENFORCEMENT OF PAYMENTS

SECTION 15. Benefits payable when.

Unless otherwise expressly provided, all benefits, both required and optional, shall be paid as loss accrues; provided that income benefits shall be paid not less often than semi-monthly as loss accrues. All benefits shall be payable within thirty days after the insurer receives notice of the fact and of the amount of loss sustained. Payment shall be deemed to have been made when delivered or when a draft or other valid instrument of payment is placed in the United States Mail, properly addressed and postage prepaid. All payments not made within thirty days shall bear simple interest at the rate of eighteen percent per year, which shall accrue to the claimant. All claims for benefits shall be made on forms approved by the commissioner.

SECTION 16. Lump sum settlement. Where benefits accrue periodically and the total sum payable to a claimant is not likely to exceed \$1,000, the insurer may, with the approval of the claimant, pay all of such amounts that are likely to accrue in a lump sum; provided that such lump sum payment shall not preclude further claim for payment if the recoverable losses accruing after such settlement exceed \$2,000. No lump sum settlement shall be made in cases where the total amount of the benefits is likely to exceed \$1,000, except upon approval by a court of competent jurisdiction. The court may approve any such lump sum settlement if it is satisfied, after a hearing upon due notice at which all interested parties have had an opportunity to be heard, that the settlement is in the best interest of the claimant. All lump sum settlements shall disclose the complete basis of computation.

SECTION 17. Payment from which insurance. (a) Except as provided in the subsections following, the insurer of a motor vehicle involved in an accident shall pay the required benefits accruing as a result of bodily injury and property damage sustained by all victims of the accident.

(b) If two or more motor vehicles are involved in an accident, the insurer of each vehicle shall pay the required benefits accruing as a result of bodily injury sustained by all victims who are occupants of the vehicle insured by it; and the insurer of any of the vehicles shall be subject to claim for payment of the required benefits accruing as a result

of bodily injury and property damage sustained by victims, not occupants of any of the involved vehicles, subject to apportionment of all payments made by any insurer among insurers of all involved vehicles as provided in section 24.

(c) If the identity of any motor vehicle involved in an accident is not known or if any motor vehicle involved in an accident is not insured, or the insurer is or has become insolvent, a claimant who would otherwise have been paid by the insurer of such vehicle shall be paid the required benefits from the insurer to whom his claim is assigned under the assigned claims plan provided in section 24; provided that no claim arising from bodily injury or property damage sustained by the owner of the uninsured vehicle shall be subject to assignment under the assigned claims plan.

(d) The provisions of this section shall apply, notwithstanding that any victim is an insured of another motor vehicle or the owner of another insured motor vehicle, except that a claimant, to the extent that he is so entitled, may claim against the insurer of such other vehicle for benefits in excess of the required benefits.

SECTION 18. Benefits not assignable. An agreement assigning the right of a claimant to any benefit payable by the insurer shall be void, except that the claimant may assign to the provider of services such amounts receivable from the insurer to pay for the cost of the services actually provided.

SECTION 19. Claims for benefits excluded when. (a) No claimant shall be paid any of the benefits provided in this act if his claim arises from bodily injury or property damage sustained by a victim which the victim intentionally causes or in an accident occurring during the course of commission by the victim of a felony, other than negligent homicide, of which he is convicted. Nothing in this section shall be construed to preclude payment to other claimants.

(b) In case of a claim arising from injury or damage sustained by a victim in an accident occurring during the course of commission by the victim of a felony, other than negligent homicide, upon the indictment of the victim for such felony, the insurer shall place in escrow all funds

required to be paid on the claim under this act until such indictment is dismissed or a conviction obtained. The funds in escrow shall be paid to the claimant upon dismissal of the indictment or returned to the insurer upon conviction of the victim.

(c) Any insurer paying any benefit for bodily injury or property damage intentionally caused or resulting from an accident occurring during the course of commission of a felony, other than negligent homicide, shall be entitled to reimbursement from the person intentionally causing the injury or damages or the person convicted of committing the felony.

SECTION 20. Statute of limitation. Actions against an insurer for the recovery of any benefit shall be brought within two years from the date an injury or loss is sustained or one year from the date of the last payment of benefit, whichever is later.

SECTION 21. Insurer's right to information. (a) Whenever the mental or physical condition of an injured victim is material to any claim, the insurer may request the victim to submit to a mental or physical examination by a physician or physicians. Any examination conducted at the request of the insurer shall be at the expense of the insurer.

(b) An employer of a victim, if requested by an insurer against whom a claim has been made for payment of income or income loss, shall forthwith furnish on a form approved by the commissioner, a statement under oath or affirmation of the amount that the victim was earning at the time and during a reasonable period before the victim sustained his injury, disability, or death and the amount the victim earned or is earning after he sustained his injury or disability.

(c) Every provider of medical, hospital, and dental services, products, and accommodations, if requested by an insurer against whom a claim has been made for expenses incurred by a victim for such services, products, or accommodations, shall forthwith furnish such information as requested or permit an examination of its records pertaining to the services, products, and accommodations furnished, rendered to, or performed for the victim and the

nature of the condition for which such services, products, and accommodations were furnished, rendered, or performed.

(d) No insurer shall seek to enforce its right to information provided in this section for the purpose of annoying, harassing, embarrassing, or oppressing any claimant. Upon the petition of a claimant, a court of competent jurisdiction may enjoin an insurer from requiring any examination or disclosure of information or permit such examination or disclosure upon prescribed conditions and in any such proceeding may order payment by the insurer of all costs and expenses of the proceeding, including reasonable attorney's fees.

(e) Interest on any payment of benefits delayed as a result of the insurer's request for examination or disclosure of information shall continue to accrue during such examination or disclosure and shall be payable by the insurer if such examination or disclosure results in no change in the insurer's liability to pay the benefits.

SECTION 22. Right to purchase insurance. No insurer authorized to transact the business of motor vehicle insurance in the State shall refuse to issue a policy of insurance providing for the payment of the required benefits to any person, except on grounds of fraud in an application for insurance or nonpayment of a premium or any installment thereof. No policy of insurance issued on any motor vehicle shall be cancellable and every such policy shall be automatically renewed, except on grounds of fraud or nonpayment of any premium or any installment thereof within thirty days after it becomes due.

PART IV

RIGHTS AND OBLIGATIONS BETWEEN AND AMONG INSURANCE COMPANIES

SECTION 23. Reinsurance. (a) Insurers authorized to transact the business of motor vehicle insurance in the State shall establish, maintain, and participate in a plan of reinsurance approved by the commissioner for the purpose of distributing among themselves the costs of insuring risks which an insurer does not wish to bear alone. Each

insurer shall be limited in its participation to an amount equal to not more than one-third of its gross dollar volume of motor vehicle insurance issued in the State in any calendar year, unless otherwise approved by the governing board or committee of the plan, and shall be assessed the costs of reinsurance in proportion to the gross dollar volume of motor vehicle insurance it issues in the State. Any insurer may appeal to the commissioner from any ruling or decision of the manager, governing board, or committee designated to operate the plan.

(b) Insurers authorized to transact the business of motor vehicle insurance in the State may enter into any plan of reinsurance approved by the commissioner for the purpose of equitably distributing among themselves losses which may result to any insurer as a result of benefit payments in excess of those which may reasonably be borne by an insurer in consideration of its total exposure to loss and its statutory capital and surplus positions. If no such plan is established by the insurers and the commissioner deems the establishment of such plan advisable for the protection of the public interest, he may require the insurers to establish such plan. Any such plan, once established, shall be open to participation by all insurers authorized to transact the business of motor vehicle insurance in the State. Any insurer may appeal to the commissioner from any ruling or decision of the manager, governing board, or committee designated to operate the plan.

SECTION 24. Establishment of assigned claims plan. All insurers authorized to transact the business of motor vehicle insurance in the State shall establish, maintain, and participate in a plan for the equitable assignment among themselves of claims for the required benefits arising out of accidents involving vehicles not insured as required by this act. The plan, the rules and regulations for the operation of the plan, and the method of assignment of claims shall be subject to the approval of the commissioner. If the insurers default in the establishment and continued maintenance of such plan, the commissioner shall organize and maintain such a plan. The insurer to whom a claim is assigned shall thereafter have all the rights and obligations with respect to

such claim as it would have if the insurer had issued a policy on the vehicle.

SECTION 25. Apportionment of obligations. (a) If a motor vehicle accident involves a commercial vehicle and one or more non-commercial vehicles, the insurer of the commercial vehicle shall reimburse the insurers of the non-commercial vehicles for all required benefit payments made by them.

(b) If a motor vehicle accident involves two or more vehicles, the insurers of all involved vehicles shall apportion equally among themselves the costs of paying the required benefits accruing as a result of bodily injury and property damage sustained by victims, not occupants of any of the involved vehicles; and if an accident involves two or more commercial vehicles, the insurers of all involved commercial vehicles shall also apportion equally among themselves the costs of reimbursing the insurers of all involved non-commercial vehicles.

SECTION 26. Attorneys fees. All reasonable attorneys fees incurred by a claimant in the successful prosecution of a disputed claim brought under this Chapter or in the settlement thereof shall be paid by the insurer.

PART VI

MOTOR VEHICLE INSURANCE RATES

SECTION 27. Rates generally. With the exception of section 431-693 and except as otherwise provided in this act, all premium rates for motor vehicle insurance shall comply with the provisions of the casualty rating law contained in chapter 431.

SECTION 28. Making of rates. (a) All premium rates for motor vehicle insurance shall be made in accordance with the following provisions:

(1) Consideration shall be given to the individual insurer's: past and prospective loss experience administration of motor vehicle insurance sold within the State; past and prospective expenses in the sale and administration of motor vehicle insurance within the State; income from investments of premiums and other proceeds received on account of motor vehicle insurance sold within the State;

and all other relevant factors. (1) No insurer shall pool or in any manner combine its past or prospective expenses of adjusting losses, sale, and underwriting, or its past or prospective administrative expenses of any other kind for any class of risk in any rating territory with those of any other insurer. An insurer may pool its loss experience in the State with the loss experience in the state of any other insurer, subject, however, to the provisions of subsection (c) of this section.

(3) The systems of expense provisions included in the rates for use by an insurer may differ from those of other insurers to reflect the requirements of the operating methods of any such insurer with respect to motor vehicle insurance or with respect to any classification for which classification separate expense provisions are applicable.

(4) Rating territories may be established and risks may be grouped by classification for the establishing of rates and minimum premiums. The commissioner may by rule or regulation provide for a uniform classification of risks and rating territories for the various coverages. Classification rates may be modified to produce rates in accordance with rating plans which establish standards for measuring variations in hazards or expense provisions, or both. Such standards may measure any differences among risks, including vehicles, occupations, and involvement in past accidents, provided they are established to have a probable effect upon losses or expense. For the required benefits, no standard or rating plan shall be based, in whole or in part, directly or indirectly, upon frequency of accident involvement associated with age, sex, length of driving experience, or marital status.

(5) Rates shall not be excessive, inadequate or unfairly discriminatory. Differentials reflecting differences in administration, overhead, or selling expenses shall not be deemed to be unfairly discriminatory.

(b) No manual of classification, rule, rate, rating plan, designation of rating territories, or standard for motor vehicle insurance shall be effective unless approved by the commissioner. No such approval shall be given to any

classification, rating plan, rating territory, or standard without a public hearing at which all affected and interested parties have a full opportunity to examine and comment on the impact and application of the proposed classification, rating plan, rating territory, or standard. The commissioner shall public a notice of the date, time, and place of the public hearing at least once in each of three successive weeks in a newspaper of general circulation.

(c) Motor vehicle insurance rates shall be made separately for each insurer and no insurer shall agree, combine, or conspire with any other insurer or enter into, become a member of, or participate in any understanding, pool, or trust, to directly or indirectly fix, control, or maintain motor vehicle insurance rates. The provisions of sections 431-696, 431-697, and 431-698, relating to rating organizations, shall not apply to motor vehicle insurance rates. Any violation of this subsection shall be subject to all civil and criminal penalties provided in chapter 480.

SECTION 29. Review of rates. Any person aggrieved by the application as to him of any classification, rule, standard, rate, or rating plan made, followed, or adopted by an insurer may make written request to the insurer to review such application and grant the relief requested. If the review is not granted within thirty days thereafter, the person may treat it as refused. Any person aggrieved by the action of an insurer in refusing to review the matter or grant the relief requested may file a written complaint with the insurance commissioner, specifying the grounds relied on. If the commissioner finds that probable cause for the complaint exists or that the complaint charges a violation of this act or any applicable provisions of the casualty rating law, he shall conduct a hearing on the complaint. The hearing shall be subject to the procedure provided in section 431-705(a).

SECTION 30. Noncompliance of rates. (a) If the insurance commissioner has good cause to believe that a classification, rule, standard, rate, rating territory, or rating plan made, followed, or adopted by an insurer does not comply with any of the requirements of this act or any applicable provisions of the casualty rating law, he shall, unless he has

good cause to believe that such noncompliance is willful, give notice, in writing, to such insurer stating therein in what manner and to what extent such noncompliance is alleged to exist and specifying therein a reasonable time, not less than ten days thereafter, within which such noncompliance may be corrected. Notices under this subsection shall be confidential as between the commissioner and the parties unless a hearing is held as provided in subsection (b).

(b) If the insurance commissioner has good cause to believe such noncompliance to be willful, or if, within the period prescribed by the commissioner in the notice, the insurer does not make such changes as may be necessary to correct the noncompliance specified by the commissioner or establish to the satisfaction of the commissioner that such specified noncompliance does not exist, then the commissioner may proceed with a hearing which shall be subject to the hearing procedure provided in section 431-705(a).

SECTION 31. Orders on hearing. If, after a hearing conducted pursuant to section 29 or 30, the insurance commissioner finds that the complainant is entitled to relief or that any classification, rule, standard, rate, rating territory, or rating plan violates this act or any applicable provisions of the casualty rating law, he shall issue an order granting the complainant's claim for relief or prohibiting the insurer from using such classification, rule, standard, rate, rating territory, or rating plan. The order shall contain the commissioner's finding of facts and conclusions of law, including, as appropriate, a specification of the respects in which a violation of this act or any applicable provision of the casualty rating law exists and shall specify a reasonable time period within which the insurer shall comply with the terms of the order. Any such order shall be subject to judicial review in accordance with the provisions of section 431-705(b).

PART VI

PENALTIES; EVALUATION; RULES AND REGULATIONS

SECTION 32. Penalties. (a) In addition to any other penalty prescribed

in this act, the penalties provided in section 431-707 shall be applicable to an insurer who violates any provision of this act or fails to comply with any order of the commissioner.

(b) Any owner of a motor vehicle who fails to maintain the insurance required by this act or who gives information in an application for motor vehicle insurance, knowing or having reason to believe that the information is false, or who forges or, without authority, signs any evidence of proof of insurance, or who files or offers for filing any evidence of proof of insurance, knowing or having reason to believe that it is forged or signed without authority, shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

SECTION 33. Evaluation and report. (a) The commissioner shall periodically review and evaluate the motor vehicle insurance program described in this act, including an annual review of the premium rates, benefit payments, and insurers' loss experience.

(b) The commissioner may require insurers to report periodically any loss experience and other statistical information necessary for an evaluation of the insurance program. Any insurer failing to report information in the manner and within the time required by the commissioner shall be subject to the penalty provided in section 431-707.

(c) The commissioner shall prepare and submit to the legislature annually a report containing his evaluation of the insurance program, with respect to both required and optional coverages. The report shall include a summary of abuses and deficiencies in benefit payments, the complaints made to the commissioner and their disposition, and the extent of compliance and noncompliance by each insurer with the provisions of this act and any applicable provision of the Hawaii insurance law.

SECTION 34. Rules and regulations. The commissioner shall promulgate rules and regulations, pursuant to chapter 91, to effectuate the purposes of this act.

PART VII

TRANSITIONAL REQUIREMENT;

REPEALER; SEVERABILITY; APPROPRIATION; EFFECTIVE DATE

SECTION 35. Transitional requirement. (a) During the period between the approval of this act and December 31, 1972, policies of motor vehicle insurance insuring the insured against liability in tort for bodily injury and property damages arising out of motor vehicle accidents may continue to be issued. Any such policy may be issued for a term expiring beyond December 31, 1972, or for a term expiring on December 31, 1972, provided that:

(1) If a policy of liability insurance is issued for a term expiring beyond December 31, 1972, on January 1, 1973, such policy of insurance shall automatically be converted to a policy complying with the provisions of this act, and the premium for the liability insurance shall be adjusted so that the total premium for the policy of liability insurance and a new policy complying with this act shall not exceed the sum of the following:

(A) The annual premium for the liability insurance policy divided by twelve and the quotient resulting therefrom multiplied by the number of months the liability insurance policy was in effect; and

(B) The annual premium for the new policy complying with this act divided by twelve and the quotient resulting therefrom multiplied by the number of months the new policy will be in effect.

(2) If a policy of liability insurance is issued for a term expiring on December 31, 1972, the premium for such liability insurance shall not exceed a sum equal to the annual premium for the liability insurance divided by twelve and the quotient resulting therefrom multiplied by the number of months the liability insurance will be in effect.

(b) During the period between the approval of this act and January 1, 1973, the commissioner shall do all things necessary, for the full implementation of the provisions of this act on January 1, 1973, including promulgating rules and regulations, approving manuals of classifications, rules, standards, rates, rating territories, and rating plans, and prescribing forms, all in the manner

provided in this act; and the office of consumer protection shall organize and conduct a public information program explaining the provisions of this act.

(c) After approval of this act and before January 1, 1973, insurers authorized to transact the business of vehicle insurance in the State may sell motor vehicle insurance complying with the provisions of this act to be effective January 1, 1973, provided that the commissioner has approved all such matters pertaining to such insurance which require his approval under this act and, for the purpose of securing such approval and effectuating such sale, may take such actions as necessary to formulate plans and determine rates complying with the provisions of this act.

SECTION 36. Laws repealed. The following chapters and sections of the Hawaii Revised Statutes are repealed: chapter 287, chapter 288, section 286-92, section 286-112(c), section 431-448, and section 431-448.1. All other laws relating to motor vehicle insurance which are inconsistent with this act are repealed.

SECTION 37. Severability. If any provision of this act or the application thereof to any person or circumstance is held unconstitutional, the remainder of this act and the application of such provision to other persons or circumstances shall not be affected thereby, and it shall be conclusively presumed that the legislature would have enacted the remainder of this act without such invalid or unconstitutional provision.

SECTION 38., Appropriation. There is appropriated out of the general revenues of the State the sum of \$45,000, or so much thereof as may be necessary, to the department of regulatory agencies and the sum of \$30,000, or so much thereof as may be necessary, to the office of consumer protection for the purposes of this act.

SECTION 39. Effective date. Sections 35, 37 and 38 shall take effect upon approval, and the remainder of the act shall take effect on January 1, 1973."

Representative Saiki, speaking in favor of this amendment, stated that it calls for a system of pure no-fault automobile insurance reform and urged the passage of this amendment.

Representative J. Garcia then rose and spoke in favor of the amendment and stated that the amendment now before this Body is the finest pure no-fault bill that can come out of this legislative session.

Representative O'Connor then rose and stated:

"Mr. Speaker, I rise to speak against this amendment.

Mr. Speaker, it is difficult to determine in three months what is precisely contained in a bill of this nature, but I would like to point out some of the matters that I have raised earlier in my discussion of House Bill No. 2400-72, HD 1, continue to run rampant through this bill as they do through the Haldi measure.

I direct the attention of the Body to the fact that this bill also eliminates certain variety of commercial vehicle from the provisions of the bill. I would again draw the Body's attention to the fact that the court in Illinois struck down as an arbitrary classification the elimination of these commercial vehicles.

I would again suggest that if this amendment should pass, that our brethren in the Senate take note of the Illinois decision and carefully eliminate any such arbitrary classification so that we don't run afoul of the constitutional problem of having certain different kinds of vehicles operated on our streets which have different kinds of insurance coverage. This is exactly what the Illinois court referred to.

I would further suggest that this bill has the same difficulty that I discussed in regards to House Bill No. 2400-72. That is, bodily injury is defined to mean physical harm, sickness or disease, once again ignoring the fact that there is such a thing as mental distress which arises in an automobile tort case and leaving wide open the loophole for tort action for mental distress or mental illness.

Mr. Speaker, I would further suggest that this bill has the same difficulty that we looked at carefully in the Haldi bill and that is that the provision schedule for payment of individuals are limited solely to those scheduled provisions. As you all know, the arms of certain people are

worth more to them than to other people.

We had a very dynamic and lovely speaker speak to us earlier when she introduced an amendment in this House and I would suggest to this Body that were she to suffer an injury to her larynx, or to some part of her body which would deprive us of her ability to inform us eloquently and in beautiful fashion the difficulties we face each day, that she would sustain a much graver injury than most others and, Mr. Speaker, that injury under this bill and under other bills under consideration would not be compensated whatsoever.

Therefore, Mr. Speaker, I speak against this amendment and I suggest that it be defeated.”

At 5:17 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

At 5:25 o'clock p.m., the House of Representatives reconvened.

Roll call having been requested, the motion to adopt the amendment was put by the Chair and failed to carry by a vote of 19 ayes to 32 noes, with Representatives Akizaki, Duponte, R. Garcia, Iha, Inaba, Kaneshiro, Kato,

Kawakami, Kihano, Kimura, Kishinami, Kondo, Kunimura, Lee, Lunasco, Morioka, Nakama, O'Connor, Roehrig, Sakima, Suwa, Takamine, Uechi, Unemori, Ushijima, Wakatsuki, Wedemeyer, Wong, Yap, Yim, Young and Beppu voting no.

The motion was put by the Chair and carried and H. B. No. 2400-72 passed Third Reading by a vote of 49 ayes to 2 noes, with Representatives Hansen and Wasai voting no.

The Chair directed the Clerk to note that H. B. No. 2400-72 had passed Third Reading at 5:26 o'clock p.m.

At 5:27 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

At 5:29 o'clock p.m., the House of Representatives reconvened.

At this time, Representative Yap wished all the members a Happy Easter.

At 5:35 o'clock p.m., on motion by Representative Ushijima, seconded by Representative J. Garcia and carried, the House of Representatives adjourned to 11:00 o'clock a.m. Monday, April 3, 1972.

POSITION PAPER
ON
MOTOR VEHICLE INSURANCE
REFORM FOR HAWAII

Over the past decade, the number of motor vehicles and accidents related to motor vehicles has risen dramatically in Hawaii and the nation. (1960-1970; motor vehicles increased by 75% and number of reported accidents increased by 151% in Hawaii.) The rise in insurance premium costs has been equally dramatic. Yet compensation and the system of compensation has remained static and insufficient. The need for reform in the area of motor vehicle insurance has become increasingly apparent and for several years the Legislature has examined methods for effectuating such reforms. After considerable review of the various proposals and recommendations, House Republicans concluded that a pure no-fault plan would result in the greatest premium cost reductions as well as guaranteed compensation to victims of automobile accidents.

PRESENT SYSTEM

Our present system of motor vehicle insurance and accident compensation is a fault system. The underlying premise of the fault system is that the person responsible for an automobile accident should compensate those whom he has injured and should receive little or no compensation himself. The major problem with the fault system at this point is that it assumes the person whose negligence caused the accident is actually in a position to compensate those whom he has injured. It also assumes the victim will be able to prove that his injuries were caused by that negligence. In fact, this is far from the truth in many instances. For example, approximately 20% of all passenger vehicles in Hawaii are uninsured. It is generally safe to conclude that the owners of those cars, were they involved in an accident, would be unable to compensate those who experienced loss as a result of the accident.

In addition, the fault system as it relates to motor vehicle insurance and accident compensation has proved to be both inefficient and insufficient in a great number of cases. It is estimated that the average claim settlement takes between nine and twelve months to complete. Months, if not years, may pass while

investigations are made, hearings held, and charges and countercharges exchanged. During this period, no benefits are paid. In the end, the injured parties may receive nothing at all. They might win big. But they might just as easily win little or nothing at all. Approximately 25% of those involved in automobile accidents receive no compensation at all under our present fault system. This is particularly true in the case of hit and run or single car accidents where there is no one to sue. (1 out of every 4 accidents in Hawaii last year was a single car accident.) Such a system can hardly be considered acceptable.

It would be well to note at this point, that the victims who are most likely to suffer from the present fault system are those whose incomes prevent them from obtaining the assistance of highly skilled legal counsel, i.e., the poor and lower middle class members of the community.

PURE NO-FAULT

What does pure no-fault mean? Basically, a pure no-fault plan completely eliminates the fault system, the right to sue or be sued in tort. Benefits are provided to all without regard to fault.

In our considered opinion, the pure no-fault concept as proposed by Dr. John Haldi is decidedly superior to any partial no-fault plan now pending before the Legislature.

Under the pure no-fault plan, all injured persons have a guaranteed right to recover and it is guaranteed without regard to fault. Moreover, the benefits of this guaranteed right to recover are payable almost immediately after an accident. Indeed, if payments are not made within a 30 day period, the plan requires the insurance company to pay interest on those benefits to the injured party. Investigations, trials, attorneys and waiting for benefits are completely eliminated. It is our position that the benefits provided by a pure no-fault plan are sufficiently generous that it is more than an equitable substitute for the lottery system inherent in the right to sue. We have no doubt that a pure no-fault plan would serve our society better in the future than the right to sue has served it in the past.

PURE NO-FAULT PROVISIONS

An essential feature of the pure no-fault system is the requirement that insurance be compulsory. Proof of insurance will be a condition to the registration of all motor vehicles in the State. Quite obviously, compulsory insurance is a vast improvement over our present situation which allows drivers who are neither insured nor financially responsible to operate motor vehicles. Under the pure no-fault proposal, failure to maintain insurance subjects the owners of the uninsured vehicle to criminal penalties including a fine up to \$1,000, imprisonment for up to one year, or both. In addition, an uninsured owner cannot recover any no-fault benefits and he is subject to civil suit by insurance companies who paid the injured occupants of his vehicle on his behalf.

As stated earlier, the major objectives to be derived from eliminating our present fault system of accident compensation are equitable benefits, promptly received. What, then, are the benefits provided by the pure no-fault plan.

Under the pure no-fault proposal, every person sustaining bodily injury, other than death, would be compensated without limit for all of his medical and rehabilitation expenses; without regard to fault. Loss of wages would be replaced to a maximum of \$600 a month, indefinitely. Household-type services would be provided for up to one year. In addition, victims would receive fixed benefits for specific losses such as disfigurement. Such benefits could total as much as \$20,000. These payments would be in addition to all medical payments paid to the injured party. In the event of death, funeral and burial expenses would be paid up to \$2,000 and the deceased's wife would receive monthly payments up to \$600 until such time as she died or remarried. In cases where there is no surviving spouse or the victim was not employed at the time of the accident, lump sums would be paid to the surviving children or estate of the deceased.

At this time it is difficult to predict what a system of pure no-fault insurance would save the consumer. This is true for the simple reason that there are no pure no-fault plans in existence today.

However, there are several features in the no-fault proposal which are expected to have a positive effect on the presently spiralling cost of insurance premiums. (Premium rates have more than doubled in Hawaii during the past decade.) Primarily, these savings would occur in the elimination of the fault-finding process; including fees for investigators, attorneys, and court costs. These presently eat up a considerable amount of each premium dollar paid by the consumer - nearly 50% including overhead costs.

Moreover, the pure no-fault proposal includes reform of the present rate-setting process. Under the present system, motor vehicle insurance companies apply for rate changes as a group. Thus, companies which operate efficiently are lumped together with those which operate inefficiently and all are allowed to charge the same premium rates. The plan proposes that each insurance company justify rate increases on an individual basis.

While it is true that it is impossible to calculate absolute savings under a pure no-fault system, Dr. Haldi's proposal has estimated that the reduction of premium costs under his plan would range from 16% to 23% of our present rates for the average driver. These savings would be even greater if mass merchandising were accepted with the pure no-fault plan.

Additionally, Dr. Haldi suggests that the present system of rate-setting is discriminatory and recommends that all higher rates based solely on age, sex, or marital status be eliminated. The result of higher rates for such groups is that many are forced into a premium category which they cannot afford and, consequently, choose to drive without insurance at all; a condition which adds to the already large group of uninsured motorists in the State. It is the intent of the pure no-fault proposal to eliminate all such discriminatory insurance practices including arbitrary policy cancellations, policy non-renewals, and premium surcharges.

PARTIAL NO-FAULT

A partial no-fault plan provides lesser no-fault benefits, but retains, in certain circumstances, the right to sue or be sued. Thus, partial no-fault is a peculiar hybrid

retaining the fault system to an extent and adopting the no fault approach to some extent. Plans which advocate partial no-fault arbitrarily set a financial ceiling, such as \$2,500 for medical costs and \$10,000 for medical and financial loss. If an accident victim sustains costs which exceed these ceilings, he is entitled to sue for recovery. If his costs fall below these ceilings, he receives benefits on a no-fault basis only. In other words, under partial no-fault an injured person will not have the right to sue for intangible losses in all cases but rather only in serious cases.

However, the same dangers exist under a partial no-fault plan that exists under our present fault system. Because an injured person has the right to sue, does not, necessarily, mean that he is going to recover. The right to sue is only meaningful if the one to be sued is adequately insured or otherwise solvent, and it is meaningful only if the person exercising the right to sue did not negligently cause or contribute to the accident from which his injuries resulted. It is quite possible under a partial no-fault system, just as it is possible today, that an

injured person will be unable to recover for economic or intangible losses through the fault system. In addition, under this system you must carry liability insurance for the protection needed in the event of a suit.

CONCLUSION

It is obvious that reform of our present motor vehicle accident compensation system is long overdue. It is equally obvious that the reform plan chosen must be the one which provides the greatest benefits to the largest number of people within our community. We note at this point that a high level partial no-fault measure with a ceiling of \$10,000 would be, in essence, a pure no-fault system for 95% of all accidents. We conclude that what is admittedly prudent and wise 95% of the time has a very good chance of being prudent and wise 100% of the time.

NOTE: All figures and statistics used in this paper are taken from "A Study of Hawaii's Motor Vehicle Insurance Program" conducted by Haldi Associates, Inc., January, 1972.

51ST DAY

Monday, April 3, 1972

The House of Representatives of the Sixth Legislature of the State of Hawaii, Regular Session of 1972, was called to order at 11:00 o'clock a.m.

The Speaker presided.

The Divine Blessing was invoked by Reverend Paul Robinson of the Waialua United Church of Christ.

Roll call of the members of the House of Representatives showed that all members were present with the exception of Representatives Carroll, Fong, Kimura, Kondo, O'Connor and Wakatsuki, who were excused.

The Clerk proceeded to read the Journal of the House of Representatives of the Fiftieth Day.

On motion by Representative Ushijima, seconded by Representative J. Garcia and carried, reading of the Journal was dispensed with and the Journal of the Fiftieth Day was approved.

GOVERNOR'S MESSAGES

The following messages from the Governor (Gov. Mess. Nos. 77 and 78) were read by the Clerk and were disposed of as follows:

A message from the Governor (Gov. Mess. No. 77) transmitting copies of a report prepared by the University of Hawaii in response to House Resolution No. 185 of the Regular Session of 1971, which requested the Teacher Education Coordinating Committee to submit its annual report to the Legislature during the 1972 session was placed on file.

A message from the Governor (Gov. Mess. No. 78) informing the House that he had signed Senate Bill No. 1318-72 as Act 2 on March 28, 1972 was placed on file.

The Chair directed the Clerk to note the presence of Representative Kimura.

SENATE COMMUNICATION

A communication from the Senate (Sen. Com. No. 70) transmitting Senate Bill No. 2008-72, SD1, entitled, "A Bill for an Act relating to electricians and

plumbers," which passed Third Reading in the Senate on March 30, 1972 was read by the Clerk and was placed on file.

On motion by Representative Ushijima, seconded by Representative J. Garcia and carried, S. B. No. 2008-72 passed First Reading by title and further action was deferred until later in the calendar.

MISCELLANEOUS COMMUNICATIONS

The following communications (Misc. Com. Nos. 38 to 42) were read by the Clerk and were disposed of as follows:

A communication from David K. Trask, Jr., Immediate Past President, State Association of Hawaiian Civic Clubs (Misc. Com. No. 38) transmitting four resolutions which were adopted at their 14th Annual Convention held in Honolulu, Hawaii on February 12, 1972 were placed on file.

A communication from Mrs. Iwalani F. S. Mottl, Counselor, Palolo School, (Misc. Com. No. 39) expressing appreciation for the adoption of House Resolution No. 202 during the Regular Session of 1972 was placed on file.

A communication from the Honorable Spark Matsunaga, Member of Congress (Misc. Com. No. 40) acknowledging receipt of House Resolution No. 145 adopted during the Regular Session of 1972 was placed on file.

A communication from D. W. Peck, Assistant Zone Manager, General Motors Overseas Distribution Corporation, (Misc. Com. No. 41) acknowledging receipt of and expressing appreciation for the adoption of House Resolution No. 134 during the Regular Session of 1972 was placed on file.

A communication from Allen J. Ellender, U. S. Senator, (Misc. Com. No. 42) acknowledging receipt of House Resolution No. 145 adopted during the Regular Session of 1972 was placed on file.

At this time, the following introductions were made to the members of the House:

Representative Uechi introduced 90 students from Hickam Elementary

School, with their teachers, Mrs. Sasaki, Mrs. Chun and Mrs. Goda.

Representative Soares introduced 33 students from the fourth, fifth and sixth grades at Hahaione School, with their principal, Mrs. Yoshida and teachers, Mrs. Tamashiro and Mrs. Clement.

Representative Ushijima introduced 30 students from Island Paradise School, with their teacher, Mrs. Otani.

Representative Saiki introduced 50 eighth grade students from Kaimuki Intermediate School, with their teachers, Mrs. Sentani and Mrs. Bow.

The Chair directed the Clerk to note the presence of Representatives Kondo and Wakatsuki.

ORDER OF THE DAY

COMMITTEE REFERRALS

The following bill (S. B. No. 2008-72) was disposed of as follows:

S. B. No. 2008-72 was referred to the Committee on Judiciary.

DEFERRED RESOLUTIONS

The following resolutions (H. R. Nos. 337 to 359) and concurrent resolutions (H. C. R. Nos. 44 to 50) were disposed of as follows:

H. R. No. 337 was referred to the Committee on Higher Education.

H. R. No. 338 was referred to the Committee on Higher Education and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 339 was referred to the Committee on Public Health, Youth and General Welfare.

H. R. No. 340 was referred to the Committee on Judiciary.

H. R. No. 341 was referred to the Committee on Judiciary.

H. R. No. 342 was referred to the Committee on Finance.

H. R. No. 343 was referred to the

Committee on Lands and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 344 was referred to the Committee on Finance.

H. R. No. 345 was referred to the Committee on Lands and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 346 was referred to the Committee on Public Health, Youth and General Welfare and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 347 was referred to the Committee on Tourism.

H. R. No. 348 was referred to the Committee on Housing and Consumer Protection and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 349 was referred to the Committee on Public Health, Youth and General Welfare and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Higher Education.

H. R. No. 350 was referred to the Committee on Housing and Consumer Protection and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 351 was referred to the Committee on Agriculture and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 352 was referred to the Committee on Hawaiian Homes and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 353 was referred to the Committee on Tourism and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 354 was referred to the

Committee on Housing and Consumer Protection.

H. R. No. 355 was referred to the Committee on Housing and Consumer Protection.

H. R. No. 356 was referred to the Committee on Agriculture and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. R. No. 357 was referred to the Committee on Finance.

H. R. No. 358 was referred to the Committee on Education.

H. R. No. 359 was referred to the Committee on Housing and Consumer Protection and after consideration by it, the Committee was instructed to refer the resolution to the Committee on Finance.

H. C. R. No. 44 was referred to the Committee on Finance.

H. C. R. No. 45 was referred to the Committee on Lands and after consideration by it, the Committee was instructed to refer the concurrent resolution to the Committee on Finance.

H. C. R. No. 46 was referred to the Committee on Lands.

H. C. R. No. 47 was referred to the Committee on Finance.

H. C. R. No. 48 was referred to the Committee on Finance.

H. C. R. No. 49 was referred to the Committee on Finance.

H. C. R. No. 50 was referred to the Committee on Finance.

STANDING COMMITTEE REPORTS

Representative Akizaki, for the Committee on Legislative Management, presented a report (Stand. Com. Rep. No. 440-72) informing the House that House Resolution Nos. 330 to 359, House Concurrent Resolution Nos. 44 to 50 and Standing Committee Report Nos. 441-72 to 462-72 had been printed and distributed.

On motion by Representative Akizaki,

seconded by Representative Kishinami and carried, the report of the Committee was adopted.

Representative Lunasco, for the Committee on Public Institutions, presented a report (Stand. Com. Rep. No. 441-72) approving the intent and purpose of H. C. R. No. 17 and recommending its referral to the Committee on Finance.

On motion by Representative Lunasco, seconded by Representative Nakama and carried, the report of the Committee was adopted and H. C. R. No. 17 was referred to the Committee on Finance.

Representative Kunimura, for the Joint Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives, presented a report (Stand. Com. Rep. No. 442-72) approving the intent and purpose of H. R. No. 81 and recommending its referral to the Committee on Lands, with certain amendments.

On motion by Representative Kawakami, seconded by Representative Duponte and carried, the report of the Committee was adopted and H. R. No. 81, as amended, was referred to the Committee on Lands.

Representative Yap, for the Committee on Housing and Consumer Protection, presented a report (Stand. Com. Rep. No. 443-72) approving the intent and purpose of H. R. No. 169 and recommending its referral to the Committee on Finance.

On motion by Representative Yap, seconded by Representative R. Garcia and carried, the report of the Committee was adopted and H. R. No. 169 was referred to the Committee on Finance.

Representative Yap, for the Committee on Housing and Consumer Protection, presented a report (Stand. Com. Rep. No. 444-72) approving the intent and purpose of H. B. No. 2263-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Yap, seconded by Representative R. Garcia and carried, the report of the Committee

was adopted and H. B. No. 2263-72 passed Second Reading and was referred to the Committee on Finance.

Representative Yap, for the Committee on Housing and Consumer Protection, presented a report (Stand. Com. Rep. No. 445-72) approving the intent and purpose of H. B. No. 2359-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Yap, seconded by Representative R. Garcia and carried, the report of the Committee was adopted and H. B. No. 2359-72 passed Second Reading and was referred to the Committee on Finance.

Representative Sakima, for the Committee on Education, presented a report (Stand. Com. Rep. No. 446-72) approving the intent and purpose of H. B. No. 1841-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Sakima, seconded by Representative Yap and carried, the report of the Committee was adopted and H. B. No. 1841-72 passed Second Reading and was referred to the Committee on Finance.

Representative Sakima, for the Committee on Education, presented a report (Stand. Com. Rep. No. 447-72) approving the intent and purpose of H. B. No. 1842-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Sakima, seconded by Representative Yap and carried, the report of the Committee was adopted and H. B. No. 1842-72 passed Second Reading and was referred to the Committee on Finance.

Representative Sakima, for the Committee on Education, presented a report (Stand. Com. Rep. No. 448-72) approving the intent and purpose of H. B. No. 2188-72 and recommending its passage on Second Reading and its referral to the Committee on Finance.

On motion by Representative Sakima, seconded by Representative Yap and carried, the report of the Committee was adopted and H. B. No. 2188-72 passed

Second Reading and was referred to the Committee on Finance.

Representative Kunimura, for the majority of the Joint Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives, presented a report (Stand. Com. Rep. No. 449-72) approving the intent and purpose of H. B. No. 2376-72 and recommending its passage on Second Reading, with certain amendments.

On motion by Representative Kawakami, seconded by Representative Duponte and carried, the report of the majority of the Committee was adopted and H. B. No. 2376-72, as amended, entitled, "A Bill for an Act relating to home manufacture of wine," passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, April 4, 1972.

Representative Kunimura, for the majority of the Joint Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives, presented a report (Stand. Com. Rep. No. 450-72) approving the intent and purpose of H. B. No. 2382-72 and recommending its passage on Second Reading.

On motion by Representative Kawakami, seconded by Representative Duponte and carried, the report of the majority of the Committee was adopted and H. B. No. 2382-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, April 4, 1972.

Representative Kunimura, for the Joint Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives, presented a report (Stand. Com. Rep. No. 451-72) approving the intent and purpose of H. B. No. 2383-72 and recommending its passage on Second Reading, with certain amendments.

On motion by Representative Kawakami, seconded by Representative Duponte and carried, the report of the Committee was adopted and H. B. No. 2383-72, as amended, passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow,

April 4, 1972.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 452-72) approving the intent and purpose of H.B. No. 2331-72 and recommending its passage on Second Reading, with certain amendments.

On motion by Representative Kimura, seconded by Representative Yim and carried, the report of the Committee was adopted and H. B. No. 2331-72, as amended, passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, April 4, 1972.

The Chair here directed the Clerk to note that H. B. Nos. 2376-72, 2382-72, 2383-72 and 2331-72 had passed Second Reading not earlier than 11:11 o'clock a.m.

Representative O'Connor, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 453-72) approving the intent and purpose of H. B. No. 2065-72 and recommending its passage on Third Reading, with certain amendments.

By unanimous consent, consideration of Stand. Com. Rep. No. 453-72 on H. B. No. 2065-72, as amended, was deferred until tomorrow, April 4, 1972.

Representative Kunimura, for the Joint Select Committees of Kauai Representatives, Maui Representatives, Oahu Representatives and Hawaii Representatives, presented a report (Stand. Com. Rep. No. 454-72) approving the intent and purpose of H. B. No. 2360-72 and recommending its passage on Third Reading, with certain amendments.

By unanimous consent, consideration on Stand. Com. Rep. No. 454-72 on H. B. No. 2360-72, as amended, was deferred until tomorrow, April 4, 1972.

The Chair here directed the Clerk to note that printed copies of H. B. Nos. 2065-72, HD2, and 2360-72, HD1, were made available to the members of the House at 11:12 o'clock a.m., in accordance with Article III, Section 16 of the Constitution of the State of Hawaii.

Representative Kawakami, for the Committee on Lands, presented a report

(Stand. Com. Rep. No. 455-72) approving the intent and purpose of H. B. No. 1866-72 and recommending its passage on Second Reading.

On motion by Representative Kawakami, seconded by Representative Kaneshiro and carried, the report of the Committee was adopted and H.B. No. 1866-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, April 4, 1972.

The Chair here directed the Clerk to note that H. B. No. 1866-72 passed Second Reading at 11:12 o'clock a.m.

The Chair declared a recess at 11:12 o'clock a.m., subject to the call of the Chair.

At 11:17 o'clock a.m., the House of Representatives reconvened and resumed the Order of Standing Committee Reports.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 456-72) approving the intent and purpose of H. B. No. 1750-72 and recommending its passage on Second Reading.

On motion by Representative Suwa, seconded by Representative Akizaki and carried, the report of the Committee was adopted and H. B. No. 1750-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, April 4, 1972.

The Chair directed the Clerk to note that H. B. No. 1750-72 passed Second Reading at 11:18 o'clock a.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 457-72) approving the intent and purpose of H. B. No. 2515-72 and recommending its passage on Second Reading, with certain amendments.

On motion by Representative Suwa, seconded by Representative Akizaki and carried, consideration of Stand. Com. Rep. No. 457-72 on H. B. No. 2515-72, as amended, was deferred until tomorrow, April 4, 1972.

The Chair directed the Clerk to note that printed copies of H. B. No. 2515-72,

HD1, were made available to the members of the House at 11:18 o'clock a.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 458-72) approving the intent and purpose of H. B. No. 1758-72 and recommending its passage on Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 458-72 on H. B. No. 1758-72 was deferred until tomorrow, April 4, 1972.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 459-72) approving the intent and purpose of H. B. No. 2110-72 and recommending its passage on Third Reading, with certain amendments.

By unanimous consent, consideration of Stand. Com. Rep. No. 459-72 on H. B. No. 2110-72, as amended, was deferred until tomorrow, April 4, 1972.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 460-72) approving the intent and purpose of H. B. No. 2161-72 and recommending its passage on Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 460-72 on H. B. No. 2161-72 was deferred until tomorrow, April 4, 1972.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 461-72) approving the intent and purpose of H. B. No. 2179-72 and recommending its passage on Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 461-72 on H. B. No. 2179-72 was deferred until tomorrow, April 4, 1972.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 462-72) approving the intent and purpose of S. B. No. 1348-72 and recommending its passage on Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 462-72 on S. B. No. 1348-72 was deferred until tomorrow, April 4, 1972.

The Chair here directed the Clerk to note that printed copies of H. B. Nos. 1758-72, 2110-72, HD2, 2161-72 and 2179-72 and S. B. No. 1348-72 were made available to the members of the House at 11:19 o'clock a.m., in accordance with Article III, Section 16, of the Constitution of the State of Hawaii.

Representative Kawakami, for the Committee on Lands, presented a report (Stand. Com. Rep. No. 463-72) approving the intent and purpose of H. B. No. 2222-72 and recommending its passage on Second Reading.

On motion by Representative Kawakami, seconded by Representative Kaneshiro and carried, the report of the Committee was adopted and H. B. No. 2222-72 passed Second Reading and was placed on the Order of the Day for Third Reading tomorrow, April 4, 1972.

The Chair directed the Clerk to note that H. B. No. 2222-72 passed Second Reading at 11:20 o'clock a.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 464-72) approving the intent and purpose of S. B. No. 174 and recommending its passage on Third Reading, with certain amendments.

By unanimous consent, consideration of Stand. Com. Rep. No. 464-72 on S. B. No. 174, as amended, was deferred until tomorrow, April 4, 1972.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 465-72) approving the intent and purpose of H. B. No. 2357-72 and recommending its passage on Third Reading, with certain amendments.

By unanimous consent, consideration of Stand. Com. Rep. No. 465-72 on H. B. No. 2357-72, as amended, was deferred until tomorrow, April 4, 1972.

The Chair directed the Clerk to note that printed copies of S. B. No. 174, SD1, HD1, and H. B. No. 2357-72, HD1, were made available to the members of the House at 11:20 o'clock a.m., in accordance with Article III, Section 16, of the Constitution of the State of Hawaii.

Representative Kawakami, for the Committee on Lands, presented a report (Stand. Com. Rep. No. 466-72) approving the intent and purpose of H. R. No. 270 and recommending its adoption, with certain amendments.

By unanimous consent, consideration of Stand. Com. Rep. No. 466-72 on H. R. No. 270, as amended, was deferred to the end of the calendar.

Representative Yap, for the majority of the Committee on Housing and Consumer Protection, presented a report (Stand. Com. Rep. No. 467-72) approving the intent and purpose of H. R. No. 293 and recommending its adoption.

By unanimous consent, consideration of Stand. Com. Rep. No. 467-72 on H. R. No. 293 was deferred to the end of the calendar.

The Chair declared a recess at 11:21 o'clock a.m., subject to the call of the Chair.

At 11:55 o'clock a.m., the House of Representatives reconvened and the Chair directed the Clerk to note the presence of Representative O'Connor.

SUSPENSION OF RULES

On motion by Representative Ushijima, seconded by Representative J. Garcia and carried unanimously, the rules were suspended for the purpose of taking up bills on Third Reading on the basis of a modified consent calendar.

THIRD READING

The following bills, which were on the calendar for Third Reading, were read throughout and the following actions taken:

Third Reading of S. B. No. 1498-72.

On motion by Representative Kawakami, seconded by Representative Kaneshiro, S. B. No. 1498-72 passed Third Reading by a vote of 49 ayes, with Representatives Carroll and Fong being excused.

Third Reading of S. B. No. 1422-72.

On motion by Representative O'Connor, seconded by Representative

Kimura, S. B. No. 1422-72 passed Third Reading by a vote of 49 ayes, with Representatives Carroll and Fong being excused.

Third Reading of H. B. No. 1845-72.

Representative O'Connor moved that H. B. No. 1845-72, having been read throughout, pass Third Reading, seconded by Representative Kimura.

Representative O'Connor then rose and spoke in favor of the measure as follows:

"Mr. Speaker, I rise to speak in favor of H. B. No. 1845-72.

Mr. Speaker, during the interim period, a committee investigated thoroughly the landlord-tenant problems in Hawaii and your committee referred a report to you regarding this matter, which indicated among many other things, that certain tenants in apartment situations were being discriminated against if they in fact formed any sort of an organizational activity in their apartment building.

Mr. Speaker, the landlord-tenant code under consideration did not contain, in and of itself, a provision as to this particular problem. Therefore, this piece of legislation, House Bill No. 1845-72, was introduced in order to aid in the solution of this problem.

Mr. Speaker, it is unthinkable that the residents of an area can form a community association and through that community association derive certain benefits for their area in a variety of ways and simultaneously, the residents of an apartment building cannot form the same type of association in order to better their lot and still not stand liable to discriminatory practices by a landlord who seeks to terminate such an activity.

Therefore, Mr. Speaker, I urge all of the members of this House to vote aye for this particular bill.

Thank you, Mr. Speaker."

The motion was put by the Chair and H. B. No. 1845-72 passed Third Reading by a vote of 49 ayes, with Representatives Carroll and Fong being excused.

Third Reading of H. B. No. 1950-72.

Representative Kunimura moved that H. B. No. 1950-72, having been read throughout, pass Third Reading, seconded by Representative Kawakami.

Representative Kunimura then rose to speak in favor of the bill as follows:

“Mr. Speaker, I rise to speak in favor of the bill.

Mr. Speaker, the thrust of this bill is to bring back to the citizens a small right that they justly deserve. With government growing ever so big and ever so cumbersome, many times public records contain detrimental things and information about an individual citizen. This will provide a procedure for the poor citizen to correct public records, by empowering the Ombudsman to correct any misinformation about an individual in public records.

The Committee amended the bill so that the Ombudsman notify a person of whatever changes were made in the public records about that individual.

Thank you, Mr. Speaker.”

The motion was put by the Chair and H. B. No. 1950-72 passed Third Reading by a vote of 49 ayes, with Representatives Carroll and Fong being excused.

The Chair directed the Clerk to note that S. B. Nos. 1498-72 and 1422-72 had passed Third Reading at 11:56 o'clock a.m.; H. B. No. 1845-72 at 11:58 o'clock a.m.; and H. B. No. 1950-72 at 11:59 o'clock a.m.

UNFINISHED BUSINESS

Consideration of H. B. No. 323 on Third Reading, which had been deferred to this day.

Representative R. Garcia moved that H. B. No. 323, having been read throughout, pass Third Reading, seconded by Representative Iha.

Representative Akizaki then rose and spoke in favor of the measure as follows:

“Mr. Speaker, I rise to speak in favor of this bill.

We are all familiar with the saying that an ‘ounce of prevention is worth a pound of cure.’ Well, Mr. Speaker, I would like to state that in the case of venereal disease, the enactment of this bill will be that ounce of prevention.

The purpose of House Bill No. 323 is to permit the public sale of prophylactics in vending machines in the State of Hawaii. The bill defines ‘prophylactic’ as being a device, appliance, or medicinal agent used or to be used for the prevention of venereal disease. Our present law makes it, quote, ‘unlawful for any person to publicly vend prophylactics in mechanical, coin-operated machines in the State.’, unquote.

Now, while I believe that one of the primary functions of law is to reflect the prevailing values and mores of contemporary society, I am not here to argue this point with anyone. Nor am I here to pass judgment on the mores or values of our present day society, or to discuss the ills which others would attribute to a permissive society. To allow the public sale of prophylactics through vending machines is not intended, and should not be construed, as advocating the promotion of sexual relations or the approval of license in any physical relationships between the sexes. Rather, it is intended to reflect our growing concern at the astounding increases in the incidence of venereal disease.

House Bill No. 323 simply reflects the change in attitudes of our citizenry, and ourselves as lawmakers, to do whatever we can to encourage the prevention of VD—not, as in the past, to avoid all mention of the subject. It is sad but true that our society is too often cure-oriented rather than prevention-oriented. I do not believe that in this case we can afford to continue to seek a universal cure—a philosopher’s stone, so to speak—to wipe out an ill which has plagued mankind throughout our recorded history. We have not been successful in the past in deterring the actions or activities through which venereal disease is transmitted—neither by the imposition of arbitrary religious or societal dogmas nor by laws seeking to regulate behavioral patterns between the sexes.

Mr. Speaker, we spend enormous amounts of tax dollars in all kinds of VD education programs, especially for our

youth, and yet VD rates continue to climb. We deploy enormous amounts of manpower and time to sex education and to reports and statistics on VD, and yet stop short of providing easier access to preventive devices and measures.

We adopted a House Resolution last session requesting a study on all aspects of the venereal disease problem. This Honorable Body has, just this session, received a Joint Report from the Departments of Health and Education and the Hawaii Medical Association in response. The report states that in Hawaii, there was an increase of 400% in gonorrhea and syphilis cases over a five-year period, from 1967 to 1971, as compared to a 50% nationwide increase for the same period. It points out that nationally, as well as in our State, the greatest increases have been in the young age groups, with about 80% of VD infection occurring in the 'under 30' group.

A recent article in the 'Hawaii Health Messenger,' a newsletter published by the State Department of Health, pointed out that gonorrhea may soon be as prevalent as the common cold. It goes on to state that 'Condoms, one of the best devices for preventing the spread of venereal disease, are not always easy for young people to obtain. Although they are sold in drug stores and do not require a prescription, they are usually kept behind the pharmacist's counter, making the youthful purchaser relatively conspicuous. Some pharmacists have refused to sell to minors, even though such sales are legal.'

Mr. Speaker, the citizens of Hawaii have a right to protect themselves from venereal disease with medically approved preventive devices. This right should not be limited by the convenience of either the locations or the business hours of clinics or pharmacies; it additionally should not be limited by individual reluctance to publicly request such items across the counter.

Mr. Speaker, we have often heard that it is 'better to be safe than sorry.' This bill which is before us today, is a very practical implementation of that saying. Nonetheless, there are those who would attempt to impose their moral standards upon all of our citizenry—who feel that those who were pure would not need the

cure—who seek to impose upon all others, measures of detection and detention rather than those of prevention. To these I would say, 'Curing is good but preventing is better.'

I therefore urge all of the members of this Honorable Body to vote 'aye'.

Thank you, Mr. Speaker."

Representative J. Garcia then rose to speak against the bill and stated that condoms are publicly displayed at drug counters now.

Representative R. Garcia then rose to speak for the bill as follows:

"Mr. Speaker, I rise to speak in favor of House Bill No. 323.

Mr. Speaker, several educational studies in the State of Washington in recent years have proven and I quote, 'One of the most powerful barriers to the use of condoms is their psychological unavailability. The fact they are under the counter, and in many instances have to be purchased from female clerks are strong factors that make them unavailable to young men.'

Mr. Speaker, I want to differ with the previous speaker concerning the sale of condoms by pharmacies. The University of Hawaii, School of Social Work, last year in February, 1971, did a study conducted with 64 pharmacists throughout the State. 85% of these do not display condoms on self-service counters. The largest number who do not display them had reasons like: misconceptions regarding the legality of the sale; personal feelings; public disapproval; and pilferage.

Mr. Speaker, Representative Akizaki and myself are not the only ones in support of this bill. Organizations include the Department of Health, The Family Planning Council of Hawaii, the Hawaii Medical Association, the Comprehensive Health Planning Council, and, I don't know why, the Democratic Action Group.

So, Mr. Speaker, I urge members of this House to vote 'aye' on House Bill No. 323, HD1.

Thank you, Mr. Speaker."

The motion was put by the Chair and roll call vote having been requested, H. B. No. 323 passed Third Reading by a vote of 30 ayes to 19 noes, with Representatives Aduja, Aki, Chong, Devereux, Duponte, J. Garcia, Hansen, Judd, Lee, Leopold, Medeiros, Poepoe, Saiki, Soares, Uechi, Wasai, Yamada, Yim and Young voting no, and Representatives Carroll and Fong being excused.

Consideration of Stand. Com. Rep. No. 434-72 on H. B. No. 1672-72, as amended, which had been deferred to this day.

Representative Suwa moved that the report of the majority of the Committee be adopted and that H. B. No. 1672-72, as amended, having been read throughout, pass Third Reading, seconded by Representative Akizaki.

Representative Kimura then rose to speak in favor of the measure as follows:

“Mr. Speaker, I rise in support of House Bill No. 1672-72, HD2, and in so doing join the initiation of a relatively new educational concept in the State of Hawaii—the ‘open university’ or ‘external degree’ program.

I say relatively new because the University of Hawaii College of Continuing Education has always performed as if it were an open University, offering a variety of courses to students who wish to pursue certain specified interests during hours which are not of the usual, workaday world. Older students who work, mothers who no longer can attend day classes, interested people who want to continue to learn have entered classes on the Manoa Campus as well as other continuing education centers located throughout the State.

In a sense, it is these students we remember as we initiate the research and development study called for by the program authorized in this bill. These students form the first group who have experienced the educational benefits of the ‘open university’ or ‘external degree’ idea. They are among those who have received benefits from a non-traditional way, method, or manner of delivering educational services.

The open university, though, technically is best known through the British Model. It is a separate institution authorized under a Queen’s charter with 250 multi-media study centers, a main University center that prepares materials, and a staff of technical specialists. A special feature of the British model is its wide use of educational television and correspondence study, short residential courses, meetings with other students and tutors, and a series of interdisciplinary courses.

By contrast, there is an ‘external degree’ model, of which the New York State Board of Regents’ degree is one particular example. The degree is external to a university campus in that a student may take correspondence courses, enroll in instructional television classes, attend seminars, read, travel, or engage in other individual educational experiences. When the student feels he is ready, he presents himself for a series of oral and written examinations prepared and administered by the Regents’ degree staff. The degree is awarded on the individual’s ability to pass examinations geared to either a two or four-year program.

These models are not the only two that are available. Each University system, it seems, Mr. Speaker, as it grows and expands in terms of its own state-wide needs, is finding the use of newer media such as television, cassettes, tape recorders, and visual displays an increasingly more meaningful way of varying educational experiences to fit individual learners. Similarly, many campuses are also discovering that experiences in the broadest, most practical sense can be ‘counted’ for college credit—if someone should have, at age thirty, learning experiences for which a degree might be awarded, why not evaluate him accordingly and place him at a level of collegiate competence geared to his particular interests and academic needs and accomplishments.

There is no need, in this day of diversified educational opportunities, to penalize the mature student who is returning to pursue a college education. He need not, although he might want to, mingle with freshmen as they pursue their more youthful interests in the classroom. On the other hand, he might have a family, and might not want to come to

the classroom at all. If the concept of an open university or external degree, based on whichever model best suited to the needs of the University of Hawaii, were studied, then perhaps we might find some interesting discoveries about how a variety of student age groups best learn in this island State.

The University has been developing a state-wide plan for higher education based on open admissions and selected academic excellence. I believe that both principles are relevant to the idea of the open University which broadens educational opportunities, primarily, though not restricted to those pursuing bachelor's degrees. It would seem that passage of this bill which would provide for a one-year research and development study of the idea with specific reference to Hawaii is particularly feasible at this time.

Alternatives for varying the ways of delivering educational services seem necessary especially when state-wide priorities are being planned. House Bill No. 1672-72, as amended, would initiate the research and development phase, and I emphasize, research and development phase, of a study of what essentially are more flexible college degree-granting opportunities. Moreover, such opportunities would be seen in state-wide perspective. At present, there is no provision in the redrafted bill endorsing either the 'open university' or 'external degree' programs. Models cited in the Higher Education Committee Report are examples upon which the University has based its present considerations.

Guidelines, however, must be provided as indicated by the Standing Committee Report transmitted to you by your Committee on Finance. A plan or course of action, it is clear, must be submitted, and for this plan, \$100,000 is budgeted. Of this, the State portion would be the \$30,000 reappropriated from curriculum development monies authorized for fiscal year 1971-72 under Act 68 of the Regular Session of 1971.

President Cleveland, according to recent testimony, has met with local and national foundations who enthusiastically support study of the idea at our University, and will assist in the project, financially. Furthermore, I am hopeful that the research survey of alternatives

for our University and potential clientele here in Hawaii will be forwarded to us for adequate study before the next legislative session, before we go all out on this program, if at all.

We can thus look forward to further refinement of the models and distinctions provided to us in this session. We can await the concretizing of an idea we now endorse in principle. We can look toward suggestions for the implementation of 'open university' or 'external degree' ideas at the University of Hawaii's system of campuses.

As Chairman of your Committee on Higher Education, Mr. Speaker, I heartily concur with the bill, as amended, and strongly urge its passage. House Bill No. 1672-72, HD2, will mean, Mr. Speaker, a new way of delivering educational services to the many who aspire toward more creative and contemporary ways of learning on their own.

Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the majority of the Committee was adopted and H. B. No. 1672-72, as amended, passed Third Reading by a vote of 48 ayes, to 1 no, with Representative Yim voting no, and Representatives Carroll and Fong being excused.

Consideration of Stand. Com. Rep. No. 436-72 on H. B. No. 1959-72, as amended, which had been deferred to this day.

On motion by Representative Suwa, seconded by Representative Akizaki and carried, the report of the Committee was adopted and H. B. No. 1959-72, as amended, passed Third Reading by a vote of 49 ayes, with Representatives Carroll and Fong being excused.

The Chair declared a recess at 12:25 o'clock p.m., subject to the call of the Chair.

At 12:27 o'clock p.m., the House of Representatives reconvened and resumed the order of Unfinished Business.

Consideration of Stand. Com. Rep. No. 437-72 on H. B. No. 2524-72, which had been deferred to this day.

Representative Suwa moved that the report of the majority of the Committee be adopted and H. B. No. 2524-72, having been read throughout, pass Third Reading, seconded by Representative Akizaki.

Representative Unemori then rose to speak against the measure as follows:

“Mr. Speaker, I rise to speak against House Bill No. 2524-72, relating to the acquisition and disposition of lands for agricultural purposes. This bill which authorizes the creation of agricultural parks is a glamorous and a beautiful concept, a concept which the author of the bill wishes to be a wonderful innovation in solving the problems of farming.

However, this is far from the truth, for this is another creation conceived by experts without any true knowledge of farming or the farmers.

First of all, we should confine our meddling in agriculture lands to a minimum. Our concern should be limited to state-owned lands which we have in abundance. Secondly, could a program such as this have prevented the phasing-out of operation in Kilauea, Kahuku or the one in progress in Kohala and the others that have gone out prior to this? Could this program have kept the pineapple operation of Kauai Pine, Hawaiian Canneries, Libby's and Haserot from going out of business? No, I do not think so.

Thirdly, to emphasize my opening statement, this seems more of a beautiful creation on paper, with very little knowledge of economic involvement by the State. The sugar and pineapple crops require a financial input of five to six hundred dollars annually per acre. Could the State subsidize such a program? Do we have other crops which could bring in the equivalent income? No.

I would like to cite the noble experiment by the State on the island of Molokai. The State spent a few million dollars to create this farm subdivision in one of the most ideal sections of the island, climatically, in soil fertility and terrain. Several miles of tunnel were dug and many miles of pipeline were installed for irrigation. The experimental farm was established to prove its feasibility.

However, several years lapsed before one farmer ventured into potato farming. This ended in a dismal failure and the land was finally leased to a pineapple operation.

Should we really be concerned with the continuation of the farming industry in Hawaii and bold enough to subsidize a program as suggested in House Bill No. 2524-72, a better approach would be to increase the funds of the State farm loan program for a bolder financing program. This route, with enough flexibility, is a much more realistic and a viable approach. This would also help those incumbent in farming over difficult periods.

I therefore urge the members of this Honorable Body to vote against House Bill No. 2524-72.

Thank you, Mr. Speaker.”

Representative Suwa then spoke in favor of the bill as follows:

“Mr. Speaker, I rise to speak in favor of House Bill No. 2524-72.

Mr. Speaker, this bill is one alternative measure that will aid the agricultural pursuit of the State of Hawaii, by authorizing the Department of Land and Natural Resources to acquire by lease, direct purchase or eminent domain, private property for agricultural purposes, including, agricultural parks, per se.

Mr. Speaker, for too long the livestock owners have been chased out from their private property because of urban encroachment. This measure will give these owners an alternative for the type of industry or farming, in which they were engaged. The Attorney General is of the opinion that this bill can meet the test of constitutionality.

For this reason, I urge the members to vote ‘aye’ on this measure.

Thank you, Mr. Speaker.”

Representative Roehrig then rose to speak in favor of the bill as follows:

“Mr. Speaker, I rise to speak in favor of House Bill No. 2524-72.

Mr. Speaker, it is an acknowledged fact that there is a growing scarcity of

agricultural lands throughout the State of Hawaii, especially on the island of Oahu, caused primarily by the urban encroachment, which has made it difficult if not impossible, for budding agricultural enterprise to survive and has thereby caused the continued erosion of our agricultural base and economy.

A case in point, Mr. Speaker, is the urban encroachment in the Mikilua Valley area where we have a number of pig farmers who are slowly being forced out of business there because of the urban sprawl, the encroaching residential development of that area, the continued neighbor complaints because of the smell related with hog farming—in effect, Mr. Speaker, we are forcing those people in Mikilua Valley to either find new facilities which are very scarce on Oahu or go out of business. Enactment of this bill may be their only recourse at this time. Another case in point is the forced relocation of the hog farmer from Kalama Valley which received so much attention in the press recently.

This measure is an administration effort, Mr. Speaker, an effort to correct the ills of urban encroachment which face agriculture and to provide also a sensible planning for the future of agriculture in the State of Hawaii.

Agriculture must comply with Federal environmental quality control standards. This factor, coupled with the realized economics of joint production in the sharing of common facilities makes the advent of agricultural parks which this bill provides highly desirable, if not mandatory, for the economic survival of our Oahu small farmers. It is anticipated that an agricultural park will be implemented in the Kahuku area, Mr. Speaker. Displaced farmers, such as I have mentioned before, will have a priority in leasing such lands. Employees who were employed by phased-out sugar companies, such as the Kahuku area, can find potential employment in this type of an agricultural park.

Mr. Speaker, this enabling legislation will give the state the necessary power to insure that our small farmers, many of whom are on short-term leases, the tenure, the security, so that they will be able to better qualify for commercial and other financial assistance.

Some objections have been raised to this bill, Mr. Speaker, to the use of private lands. I would say this, Mr. Speaker, that the State really means business in agriculture if we are going to, as the saying goes, 'put our money where our mouth is,' we have got to realize that on the island of Oahu, there is a scarcity of land which are suited for agricultural use and, if this is the only alternative, I think that in the long range planning of the State, this is not unreasonable.

Another matter has been raised whether or not this would have helped in such areas as Kahuku, Kohala and Kilauea. Mr. Speaker, I think that the answer to that is a resounding, Yes. For the reason that had this legislation been on the books, the State would have had the power to deal with those plantations before any phase-out was implemented.

This is an administrative measure, Mr. Speaker. There has been input from experts in all areas of farming, including the University, the private sector, especially the hog farmers themselves, the Department of Land, the Department of Agriculture—they all testified in favor of this—also, the Chairman of the Governor's Agricultural Coordinating Committee.

We have, this session, provided increased farm loan assistance, especially for the new farmer program—some 2 million dollars, another 1.2 million dollars as well.

Mr. Speaker, I urge all members of this body to vote in favor of this measure.

Thank you, Mr. Speaker."

Representative Suwa then rose and stated as follows:

"Mr. Speaker, may I clarify one statement made regarding to the effect of this bill as pertains to Kohala and those areas.

Mr. Speaker, the Attorney General's opinion is to the effect that this bill applies to situations where it can be shown that there is a public use and necessity. At the present time, the situation faced by the hog raisers seems to fall within this bill and I cannot relate this measure to Kohala or any other place.

Thank you, Mr. Speaker.”

The Chair declared a recess at 12:36 o'clock p.m., subject to the call of the Chair.

At 12:38 o'clock p.m., the House of Representatives reconvened and the Chair recognized Representative Kawakami.

Representative Kawakami then rose to speak in favor of the bill as follows:

“Mr. Speaker, I rise to speak in favor of House Bill No. 2524-72.

Mr. Speaker, during the interim, the Lands Committee and the State Agricultural Coordinator concentrated their efforts in developing legislation in terms of enhancing or expanding our economic base through the expansion of our agricultural pursuits.

House Bill No. 2524-72 is one of the measures that will give the State the vehicle to implement our agricultural plans especially in the area of noxious type farming.

This new concept of agricultural parks is the land-use planning for a total agricultural community. That is, the placement of noxious type farming as far away from urban areas and the development of natural barriers to seclude this type of farming. These natural barriers may be vegetable crops or grain feed production and as we get closer to the urban fringes, horticulture or ornamental plant culture can take place.

Mr. Speaker, it has been mentioned that the State owns a great deal of land and should not have this additional right to lease or to purchase private lands for agriculture purposes. True, Mr. Speaker, the State owns an abundance of land, but a great deal of these lands are in the mauka areas unsuitable for farming. Lands that are arable are already in intensive agricultural use.

Mr. Speaker, I urge all members of this House to vote ‘aye’ on this bill.

Thank you, Mr. Speaker.”

Representative J. Garcia then rose and questioned whether or not the Chairman of the Agriculture Committee would yield to a question, to which

Representative Roehrig consented.

Representative J. Garcia then asked, “Representative Roehrig, in your prepared statement you mentioned that had this measure, House Bill No. 2524-72 already been in effect that the State would have dealt with Kahuku, Kilauea and Kohala before those sugar companies gave an indication of going out of business. I wonder if you could amplify just exactly how this State could have prevented the sugar companies from going out of business.”

Representative Roehrig then replied,

“Mr. Speaker, this bill would not in any way have prevented any of the plantations from going out of business. That was a matter of private decision of private enterprise. The only implication this bill would have, and I'm speaking specifically of the Kahuku area, which is the case in point, is to give the power to the State at the time the phase-out was anticipated, to plan for an agricultural park in that area which they are presently planning for now.

As far as Kohala and Kilauea, Mr. Speaker, my remarks are not intended to in any way involve the phasing-out of either of those two places. But in the Kahuku area where the State is anticipating an agricultural park complex, my understanding is that some of the land is former sugar land and to that extent, it would have affected the previous phase-out and hopefully some of the employees from the Kahuku Plantation area will find employment in this new park.”

The Chair declared a recess at 12:44 o'clock p.m., subject to the call of the Chair.

At 1:04 o'clock p.m., the House of Representatives reconvened.

The motion was put by the Chair and carried, and the report of the majority of the Committee was adopted and roll call vote having been requested, H. B. No. 2524-72 passed Third Reading by a vote of 40 ayes to 8 noes, with Representatives Duponte, J. Garcia, Hansen, Kato, Lee, Nakama, Soares and Unemori voting no and Representatives Carroll, Fong and Sakima being excused.

The Chair directed the Clerk to note that H. B. No. 323 had passed Third Reading at 12:03 o'clock p.m.; H. B. No. 1672-72 at 12:22 o'clock p.m.; H. B. No. 1959-72 at 12:24 o'clock p.m.; and H. B. No. 2524-72 at 1:06 o'clock p.m.

DEFERRED MATTERS

Consideration of Stand. Com. Rep. No. 466-72 on H. R. No. 270, as amended, which had been deferred to this time.

On motion by Representative Kawakami, seconded by Representative Kaneshiro and carried, the report of the Committee was adopted and H. R. No.

270, as amended, was adopted.

Consideration of Stand. Com. Rep. No. 467-72 on H. R. No. 293 which had been deferred to this time.

On motion by Representative Yap, seconded by Representative R. Garcia and carried, the report of the majority of the Committee was adopted and H. R. No. 293 was adopted.

At 1:10 o'clock p.m., on motion by Representative Ushijima, seconded by Representative J. Garcia and carried, the House of Representatives adjourned to 11:00 o'clock a.m., tomorrow, April 4, 1972.