

SCRep. 605 Agriculture and Water, Land Use, Development, and Hawaiian Homes on H.C.R. No. 104

The purpose of this concurrent resolution is to (1) request the Department of Land and Natural Resources to develop a coordinated-comprehensive plan for the most efficient use of State pasture lands, the leases for which have expired, and to submit the plan to the Speaker of the House of Representatives and the President of the Senate twenty days prior to the first day of the Regular Session of 1976 and (2) request the Board of Land and Natural Resources to dispose of State lands, the pasture leases for which have expired, in accordance with the recommendations of the plan; provided that if any such disposition is made prior to the submittal of the plan to the Speaker and the President, such disposition shall be made only if the said board first determines it to be in the best interest of the State and consistent with the recommendation to be included in the plan.

The concurrent resolution is particularly applicable to approximately 81,000 acres of State lands on the island of Hawaii, the pasture leases for which expired about two years ago and which lands are currently under revocable permits.

In developing the comprehensive plan, the Department of Land and Natural Resources should coordinate its efforts with the Department of Agriculture, the College of Tropical Agriculture and other departments and the County of Hawaii, as necessary.

Your Committees on Agriculture and Water, Land Use, Development, and Hawaiian Homes are in accord with the intent and purpose of H.C.R. 104 and recommend its adoption.

Signed by all members of the Committees except Representative Ikeda.

SCRep. 606 Youth and Elderly Affairs on H.R. No. 182

The purpose of this resolution is to bring about the re-institution of reduced interisland air fares for Hawaii's senior citizens.

Your Committee finds that high air fares presents an often insurmountable barrier to interisland travel for many of Hawaii's senior citizens, who depend on such mobility to maintain contact with their families and for much needed and well-deserved recreation, as well as for medical services in the case of neighbor island residents.

Your Committee further finds that, while there is a possibility that the Civil Aeronautics Board has the authority to authorize re-institution of senior citizen discount fares, there is also the possibility that the Civil Aeronautics Board will find that federal law prohibits this. An additional "be it resolved" clause has therefore been added to provide for this contingency, requesting Hawaii's Congressional delegates to introduce whatever legislation may be necessary to pave the way for re-establishment of lower fares for the aged, and to take whatever action is necessary to ensure that such legislation is passed.

This clause originally requested the interisland airlines to re-establish the reduced fares; it now supports any airline's application to the Civil Aeronautics Board to re-establish such fares. This amendment is in accord with testimony presented to your Committee by both Aloha and Hawaiian Airlines indicating their inability to lower senior citizen fares without Civil Aeronautics Board authorization; further testimony revealed that Aloha Airlines had already petitioned for Civil Aeronautics Board sanction.

Your Committee on Youth and Elderly Affairs is in accord with the intent and purpose of H.R. No. 182, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 182, H.D. 1.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 607 Youth and Elderly Affairs on H.R. No. 386

The purpose of this resolution is to express the support of the House of Representatives, Regular Session of 1975, for the establishment of a comprehensive system of on-job-site, on-campus child care and services, and to encourage all possible participants in such a program, including groups, corporations, labor organizations, individuals

and government agencies, to give high priority to its development.

A large percentage of parents in our State who are responsible for the care of children find it necessary to work outside their homes.

At present such parents choose from a number of child-care arrangements which often involve, singly or in combination, problems of cost, transportation, long, unbroken separation of parent and child, and children's supervision by adults who, however loving and conscientious, may lack adequate training in child care and development.

Your Committee therefore finds it desirable to offer to parents throughout the State the alternative of financially accessible child care by professionals, in close proximity to the parents' place of work or study.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.R. No. 386 and recommends its adoption.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 608 Youth and Elderly Affairs on H.C.R. No. 85

The purpose of this concurrent resolution is to request the House Committee on Youth and Elderly Affairs to join with the Senate Committee on Human Resources in reviewing the progress, performance and working relationships of the Commission on Children and Youth, the Community Coordinated Child Care Committee, and all agencies, offices, and departments with program responsibilities for child development and youth services, and to report their findings to the legislature not less than twenty days prior to the Regular Session of 1976.

Your Committee has, throughout this session, heard testimony indicating that the State is falling behind in the important areas of child care and development. This lack of progress has repeatedly been attributed to the failure of the Commission on Children and Youth to meet the responsibilities assigned to it under Act 209, SLH 1973. Persons testifying upon these matters before the legislature have cited many reasons for this failure; including administrative problems and internal conflict within the Commission, lack of cooperation from existing agencies and departments, ambiguity in the assignment of roles, functions and responsibilities, understaffing and inadequate funding of the Commission and its subcommittees, and the withdrawal of support by HUD from the nationwide 4-C program.

Your Committee wishes to resolve for once and for all, the questions of whether a problem exists; if so, what is causing the problem, and what can be done to eradicate it and accelerate progress in this area. This resolution therefore requests an objective body to make a definitive finding of the nature of the obstacle that is preventing our State from making the strides now possible due to research in the area of child development and by the availability of federal funds to establish programs which implement the findings of this research.

The fact that agencies most affected by this resolution--the Commission on Children and Youth, the State 4-C subcommittee, the Department of Social Services and Housing and the Hawaii Association for the Education of Young Children--appeared to testify in its support attests both to the severity of the problem and the propriety of this step in its solution.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.C.R. No. 85 and recommends its adoption.

Signed by all members of the Committee except Representatives Hakoda and Ikeda.

SCRep. 609 Housing on H.C.R. No. 73

The purpose of this resolution is to request the Hawaii Housing Authority to acquire land for the purpose of constructing low cost sales housing in Haleiwa or Waiialua.

Your Committee finds that the population trend on Oahu is moving towards the north shore. This surge in population will cause economic dislocations among the residents of that area, more particularly low and moderate income families. In order to help

these families who might suffer housing dislocation, the Hawaii Housing Authority is requested in this resolution to accord the same attention to Haleiwa and Waialua as Waianae has received.

Your Committee on Housing recommends a technical amendment to this resolution by adding a provision directing that printed copies be transmitted to the Chairman and Executive Director of the Hawaii Housing Authority.

Your Committee on Housing concurs with the intent and purpose of H.C.R. No. 73, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 73, H.D. 1.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 610      Education on H.R. No. 301

The purpose of this Resolution is to urge that the present facilities at Pohukaina School continue to be used for training mentally retarded children until it is necessary to demolish these facilities. Further, the Department of Education is directed to provide an opportunity for parents and teachers of Pohukaina School children to review proposed plans and make comments thereon.

Testimony received during the public hearing pointed to the fact that the present location of the facilities is ideal because it affords great accessibility to many learning experience resources. The area also has a medical advantage in that it receives a very small amount of rain, which is an advantage to these children who seem particularly prone to colds and the flu.

The Resolution calls for new and well-designed facilities for the mentally retarded children as part of the overall plans for the area. Testimony presented urged that the proposed plans be reviewed by the parents and teachers who work with the children directly, for they are the ones who really know their needs.

The Department of Education testified that they are "presently moving in the direction cited by this Resolution." Your Committee feels that this Resolution presents information of great merit and should be taken into serious consideration.

Your Committee on Education concurs with the intent and purpose of H.R. No. 301 and recommends its adoption.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 611      Legislative Management

Informing the House that House Resolution Nos. 659 to 667, House Concurrent Resolution No. 125, and Standing Committee Report Nos. 612 to 619, have been printed and distributed.

Signed by all members of the Committee.

SCRep. 612      Public Assistance and Human Services on H.C.R. No. 63

The purpose of this concurrent resolution is to request the Legislative Auditor to conduct a management audit of the Progressive Neighborhoods Program and its various subprograms to determine how the organization and management processes can be improved to promote the effective and efficient achievement of program objectives.

Your Committee on Public Assistance and Human Services has conducted a review of the Progressive Neighborhoods Program as directed by H.R. No. 132 adopted by the Regular Session of 1975. Your Committee's findings were incorporated in Special Committee Report No. 6. Your Committee feels that a management audit is necessary and so recommended in the Special Committee Report.

Your Committee on Public Assistance and Human Services is in accord with the intent and purpose of H.C.R. No. 63 and recommends its adoption.

Signed by all members of the Committee except Representative Clarke.

SCRep. 613      Water, Land Use, Development, and Hawaiian Homes on  
H.R. No. 109

The purpose of this resolution is to request the House Standing Committee on Water, Land Use, Development, and Hawaiian Homes to review the land use studies done in recent years for the Hawaiian Homes Commission and to report its findings to the House of Representatives prior to the adjournment of this Regular Session.

Four land use studies have been conducted relating to Hawaiian Home lands. These include: the Legislative Reference Bureau Study (1964), the Evaluation of Hawaiian Home Lands Programs (Clegg - 1971), the Aikanaka-Land Inventory and Land Use Study (1972), and the Spencer, Koebig and Koebig General Plan for Department of Hawaiian Home Lands (1975).

Your Committee recognizes that the best uses of Hawaiian Home lands involve difficult economic and social decisions for the Hawaiian Homes Commission, and that there have been problems with lease policies, long waiting lists of applicants, and a need for a coordinated program for best use. The intent of the four studies has been to address these problems as well as to establish some general guidelines for land use in order to minimize fragmented planning. Since the results of these studies then, will have important impact on the Hawaiian Home Lands Program, and as such, are vital matters of legislative policy, your Committee agrees with the necessity of a review of the findings and recommendations made by each of the studies.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.R. No. 109 and recommends its adoption.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 614      Water, Land Use, Development, and Hawaiian Homes on  
H.C.R. No. 98

The purpose of this concurrent resolution is to support the Hawaii State Veterans Council proposal for a living memorial park at Fort DeRussy.

Hawaii's veterans have served courageously with great distinction on battlefields around the world. Your Committee feels that it is fitting that Hawaii express its gratitude and deep respect to the bravery displayed by the men and women for all they did and gave for their country.

Your Committee can think of no better way to honor Hawaii's veterans than through a living memorial park at Ft. DeRussy. This park will further recognize the sacrifices Hawaii's veterans have made for peace throughout the world, as well as enhance Oahu's recreational system.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.C.R. No. 98 and recommends its adoption.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 615      Water, Land Use, Development, and Hawaiian Homes on  
H.R. No. 460

The purpose of this resolution is to request the setting aside of state lands to be used for off-road and trail riding.

Presently, dirt bike scramblers on the Big Island have only one place to train for competition, and there exists a need for a motorcycle park for dirt riders from the Hilo and Waimea areas.

The least objectionable site for scrambling is Pohakuloa Area 6, Hamakua, which is presently leased to the U.S. Army for training purposes. This area is also used as a public hunting area, but fish and game sportsmen have given their full support as to the location of this motorcycle park.

There presently exists a motorcycle park at Waialeale, Kahuku, Oahu. If a park is implemented on the Big Island, the following policies will be maintained as they are at Waialeale: 1) riding is to be limited only to weekends and legal holidays, 2)

motorcycle associations will be allowed to use the park only on a permit basis, 3) park maintenance to be performed by the motorcycle associations, and 4) all riders must sign liability waivers.

Your Committee feels that an off-road motorcycle park, such as Waialea on Oahu, is needed for recreational and safety purposes. A park will keep riders off cane haul roads and other private properties.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.R. No. 460 and recommends its adoption.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 616      Water, Land Use, Development, and Hawaiian Homes on  
H.R. No. 359

The purpose of this resolution is to request the members of Hawaii's Congressional delegation to investigate the possibility and feasibility of returning Bellows Field to the State.

Bellows Field is a limited-facility air station that is reserved primarily for minimal, nonstrategic air traffic use.

Bellows is blessed with some of the finest shorelines in the state, with acres of lush green foliage and stretches of clean, white beaches, much like Ala Moana and Hanauma Bay. These beaches have a strong appeal due to the lack of strong wave action that makes swimming safe for beginner and un-expert swimmers.

Your Committee feels that it would be a great benefit to the people of the state to have Bellows returned to them for their recreational use and enjoyment.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.R. No. 359 and recommends its adoption.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 617      Water, Land Use, Development, and Hawaiian Homes on  
H.R. No. 103 (Majority)

The purpose of this Resolution is to study a program of water use regulation in order to control public owned water resources to best serve the public good.

Your Committee feels that the Legislature should establish overall policies regarding the regulation of water resources in the state and this study will enable the committee to understand the problems and to provide input necessary to guide the adoption of practical policies.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.R. No. 103, and recommends its adoption.

Signed by all members of the Committee except Representative Ikeda.

Representative Larsen did not concur.

SCRep. 618      Education on H.R. No. 60

The purpose of this Resolution is to request the Department of Education to review its policies on the placement of vice-principals, to consider placing them according to need rather than based on student enrollment. The Department is also requested to estimate how many new vice-principals will be needed to implement the placement of vice-principals by need. The Department is further requested to submit a report of its findings to the House Committee on Education twenty days prior to the convening of the 1976 legislative session.

Testimony received by your Committee from the Hawaii Government Employees Association and the Hawaii Federation of Teachers was in favor of this concept. Both unions felt that ridding the system of the "numbers game" was a favorable step

forward.

Your Committee believes that the placement of vice-principals by need rather than enrollment could be a more logical and efficient use of personnel. Your Committee would like to see the Department set a list of criteria for this system of placement.

Your Committee recommends two amendments. The first amendment changes the due date of the report from April 1 to twenty days prior to the convening of the 1976 legislative session, due to the time constraints. The second amendment adds a section to the report which deals with an estimate of how many more vice-principals would be needed to implement a system of placement by need rather than enrollment.

Your Committee on Education concurs with the intent and purpose of H.R. No. 60, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 60, H.D.1.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 619 Youth and Elderly Affairs on H.R. No. 491

The purpose of this resolution is to request the House Committee on Youth and Elderly Affairs to review the progress, performance and working relationships of the Commission on Children and Youth, the Community Coordinated Child Care Committee, and all agencies, offices, and departments with program responsibilities for child development and youth services, and to report its findings to the legislature not less than twenty days prior to the Regular Session of 1976.

Your Committee has, throughout this session, heard testimony indicating that the State is falling behind in the important areas of child care and development. This lack of progress has repeatedly been attributed to the failure of the Commission on Children and Youth to meet the responsibilities assigned to it under Act 209, SLH 1973. Persons testifying upon these matters before the legislature have cited many reasons for this failure, including administrative problems and internal conflict within the Commission, lack of cooperation from existing agencies and departments, ambiguity in the assignment of roles, functions and responsibilities, understaffing and inadequate funding of the Commission and its subcommittees, and the withdrawal of support by HUD from the nationwide 4-C program.

Your Committee wishes to resolve for once and for all the questions of whether a problem exists; if so, what is causing the problem, and what can be done to eradicate it and accelerate progress in this area. This resolution therefore requests an objective body to make a definitive finding of the nature of the obstacle that is preventing our State from making the strides now made possible by research in the area of child development and by the availability of federal funds to establish programs which implement the findings of this research.

The fact that agencies most affected by this resolution--the Commission on Children and Youth, the State 4-C subcommittee, the Department of Social Services and Housing and the Hawaii Association for the Education of Young Children--appeared to testify in its support attests both to the severity of the problem and the propriety of this step in its solution.

Your Committee has made amendments deleting references to joint review by the Senate Committee on Human Resources and the House Committee on Youth and Elderly Affairs, and substituted review by the House Committee alone because it was found to be inappropriate to request Senate action in a House resolution. A House Concurrent Resolution, H.C.R. No. 85, has therefore been introduced requesting joint review by the two committees.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.R. No. 491, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 491, H.D. 1.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 620 Legislative Management

Informing the House that House Resolution Nos. 668 to 676, House Concurrent Resolu-

tion No. 126, and Standing Committee Report Nos. 621 to 630, have been printed and distributed.

Signed by all members of the Committee.

SCRep. 621 Water, Land Use, Development, and Hawaiian Homes on S.B. No. 1332

The purpose of this Act is to clarify the regulatory responsibilities of state and county agencies in regard to maintenance, repair, and improvement of fishponds and aquaculture areas, and to ensure that proper environmental safeguards are coupled with conditions encouraging retention of fishponds and aquaculture areas.

Your Committee finds that the natural fishponds of the State are a precious environmental, economic, and social resource worthy of systematic protection. However, past expressions of concern by the legislature have created an unwieldy bureaucracy which fishpond owners must face to obtain permission to make repairs, and aspects of repair are under various jurisdictions within the State. Your Committee feels that these jurisdictions and procedures should be clarified.

Your Committee on Water, Land Use, Development, and Hawaiian Homes is in accord with the intent and purpose of S.B. No. 1332, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Environmental Protection.

Signed by all members of the Committee except Representatives Uechi, Fong and Ikeda.

SCRep. 622 Water, Land Use, Development, and Hawaiian Homes on S.B. No. 537

The purpose of this Act is to provide for the administering of oaths.

At present, the officer who issues a summons or citation must subscribe to it under oath administered by a prosecuting officer. This Act will permit the officer who issued the summons or citation to subscribe to it under oath administered by another official of the Department of Land and Natural Resources whose name had been submitted to the prosecuting officer and who had been designated by the Chairman of the Board of Land and Natural Resources to administer the same.

This Act will speed up the processing of summons or citations.

Your Committee on Water, Land Use, Development, and Hawaiian Homes is in accord with the intent and purpose of S.B. No. 537 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Uechi, Fong and Ikeda.

SCRep. 623 Water, Land Use, Development, and Hawaiian Homes on S.B. No. 335

The purpose of this Act is to repeal statutory provisions providing for the Land Study Bureau and the Economic Research Center.

This is an administrative sponsored bill for housekeeping purposes. The University of Hawaii has phased out the two units involved.

Your Committee on Water, Land Use, Development, and Hawaiian Homes is in accord with the intent and purpose of S.B. No. 335 and recommends that it pass Second Reading and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representatives Uechi, Fong and Ikeda.

SCRep. 624 Water, Land Use, Development, and Hawaiian Homes on S.B. No. 33

The purpose of this Act is to add a new section relating to allow an owner to petition for exemption from real property taxes by dedicating his property for hotel use, under the stipulations provided in section 1 (b) of this Act.

The intent of the Act is to provide a viable vehicle which will facilitate the preservation of Hawaii's diminishing open space while also protecting hotel sites which have become of cultural, historical and aesthetic value.

Your Committee strongly feels that it is imperative to act now to preserve what is left of a more graceful Hawaii. Existing laws, pondering to the economically profitable practice of making every single inch of land usable, overshadow the psychological and physical necessity of open spaces and lush vegetation. These present laws, by their very existence, mandate the continuing destruction of older, low density, low rise hotels.

Your Committee further finds that the stipulations of this bill are not without precedent. Present real property law provides for the dedication of land for agricultural use, residential use, golf course use, and open space use. Under open space use, land is fully exempted. This Act would place appropriate hotel sites under the same auspices as the more general open space provision now enjoys.

Your Committee on Water, Land Use, Development, and Hawaiian Homes is in accord with the intent and purpose of S.B. No. 33, S.D.2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives  
Uechi, Fong and Ikeda.

SCRep. 625      Water, Land Use, Development, and Hawaiian Homes on  
H.C.R. No. 102 (Majority)

The purpose of this Resolution is to find methods of avoiding high density development in areas of public concern, as in the vicinity of cultural or historic sites, in environmentally fragile areas, and the like, through the transfer of development rights.

Your Committee finds that current planning tools create problems of excessive public cost and possible inequitable treatment of landowners, and as such the concept of transferring development rights is a promising technique for achieving the State purpose at a reasonable social and economic cost.

The full significances of this concept should be developed by the Legislative Reference Bureau in a study of the legal, economic, and planning suitability thereof as a governmental planning power the various alternative uses, possible strengths and weaknesses; and the experience of others. This study shall be delivered to the legislature not less than 20 days prior to the start of the 1976 session and shall contain recommended strategies and legislation for implementing transfer of development rights consistent with the long and short range planning, economic, social and environmental policies of the State.

Your Committee on Water, Land Use, Development, and Hawaiian Homes is in accord with the intent and purpose of House Concurrent Resolution No. 102, and recommends that it be adopted.

Signed by all members of the Committee except Representative Ikeda.

Representative Abercrombie did not concur.

SCRep. 626      Water, Land Use, Development, and Hawaiian Homes on  
H.R. No. 545 (Majority)

The purpose of this Resolution is to find methods of avoiding high density development in areas of public concern, as in the vicinity of cultural or historic sites, in environmentally fragile areas, and the like, through the transfer of development rights.

Your Committee finds that current planning tools create problems of excessive public cost and possible inequitable treatment of landowners, and as such the concept of transferring development rights is a promising technique for achieving the State purpose at a reasonable social and economic cost.

The full significances of this concept should be developed by the Legislative



Reference Bureau in a study of the legal, economic, and planning suitability thereof as a governmental planning power the various alternative uses, possible strengths and weaknesses; and the experience of others. This study shall be delivered to the legislature not less than 20 days prior to the start of the 1976 session and shall contain recommended strategies and legislation for implementing transfer of development rights consistent with the long and short range planning, economic, social and environmental policies of the State.

Your Committee on Water, Land Use, Development, and Hawaiian Homes is in accord with the intent and purpose of House Resolution No. 545, and recommends that it be adopted.

Signed by all members of the Committee except Representative Ikeda.

Representative Abercrombie did not concur.

SCRep. 627 Labor and Public Employment on S.B. No. 559

The purpose of this bill is to amend the Workmen's Compensation Law in order to remove an ambiguity in section 386-43(b) relating to the payment of death benefits to surviving spouses and dependent children.

Section 386-43(b) presently provides that the maximum liability of an employer on account of a death resulting from a work accident is 312 times the applicable maximum weekly benefit rate under the law. The limitation, however, does not apply to benefits payable to an unmarried surviving spouse who is physically or mentally incapable of self-support and benefits payable to a child. Said section, however, contains an ambiguity in that the language can be read to terminate benefits to a child who is incapable of self-support, unmarried, and over the age of eighteen before he can become self-supporting.

This bill proposes to clarify the section to assure the continuation of benefits to a child in the foregoing situation during the period he is incapable of self-support.

Your Committee agrees that an unmarried child over the age of eighteen who is incapable of self-support should be treated in the same manner as an unmarried surviving spouse who is incapable of self-support and other children; the limitation in employer liability should also be inapplicable in his case. The language of section 386-43(b) should be clarified to clearly express the foregoing intent.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of S.B. No. 559, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Yuen.

SCRep. 628 Labor and Public Employment on S.B. No. 1345

The purpose of this bill is to provide that the employees of the Labor and Industrial Relations Appeals Board, other than clerical and stenographic personnel, would be exempt from the civil service law and the position classification plan.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of S.B. No. 1345, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 629 Tourism on H.C.R. No. 55

The purpose of this Concurrent Resolution is to establish an interim committee to investigate the problem of hotel overbooking in the hotel industry and for the committee to recommend alternative solutions to the problem.

Your Committee finds that proposals currently before the legislature are inadequate and that further consideration is required before any specific form of legislation can be enacted. It is also felt that since the tourist industry is the mainstay of the State's

economy and legislation affecting the industry should be given serious consideration as to how it may affect the industry and the State's economy.

Your Committee has amended H.C.R. 55 by establishing a joint House and Senate interim committee rather than to have the committee comprised of non-legislative bodies. It is felt that the joint legislative committee would be better able to decide upon and develop recommendations since the legislature will have to make the final recommendations and decision.

Your Committee on Tourism concurs with the intent of H.C.R. No. 55, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 55, H.D. 1.

Signed by all members of the Committee.

SCRep. 630 Health on S.B. No. 1049

The purpose of this bill is to update the listing of controlled substances contained in Chapter 329, Hawaii Revised Statutes, to conform with the Federal Uniform Controlled Substances Act. The Department of Health is required by Section 329-11(e), Hawaii Revised Statutes, to report annually to the legislature any recommended changes to the schedule of substances. This bill is the result of such a report to bring Hawaii's controlled substances schedules into conformity with Federal Law.

Your Committee on Health is in accord with the intent and purpose of S.B. No. 1049, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 631 Legislative Management

Informing the House that House Resolution Nos. 677 to 686, House Concurrent Resolution Nos. 127 and 128, and Standing Committee Report Nos. 632 to 646, have been printed and distributed.

Signed by all members of the Committee.

SCRep. 632 Health on S.B. No. 110

The purpose of this bill is to provide for the administrative transfer of Leahi Hospital from the University of Hawaii to the Department of Health.

Your Committee finds that all State hospitals, with the exception of Leahi Hospital, are under the control of the Department of Health. In testimony presented to your Committee, the transfer would have an immediate effect of centralizing control of all State hospitals under a single jurisdiction resulting in simplifying policy implementation, whereby under direct supervision, there could occur a streamlining of operations and the pinpointing of accountability on health care programs now under the responsibility of the State. This in turn would lead to improved coordination that would result in better use of facilities and savings in operational costs.

Your Committee also acknowledges that the transfer of Leahi Hospital to the Department of Health would not adversely affect the educational and health programs currently being administered by the University of Hawaii, School of Medicine.

Employees of the hospital were also consulted by Department of Health relating to the transfer. The employees agreed to the enactment of this transfer to the Department of Health.

Your Committee on Health is in accord with the intent and purpose of S.B. No. 110, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Higher Education.

Signed by all members of the Committee.

SCRep. 633 Water, Land Use, Development, and Hawaiian Homes on  
H.R. No. 416

The purpose of this Resolution is to determine the suitability of canoe storage facilities.

Testimony presented before your Committee stresses a need to obtain adequate facilities to house canoes on or near the water. Presently, canoes are left on the beach unattended, an invitation for vandalism, theft and outright destruction. Because of the lack of storage facilities, insurance cannot be obtained to cover the losses.

Hawaiian canoes are not easily hauled to and from the sea on trailers. The canoes, made of either koa logs or fiberglass, are fragile due to their length. Their length alone is an invitation to damage. Koa canoes, which take years to complete, cost upwards of \$10,000.

Your Committee feels that storage facilities are urgently needed, to shield the canoes from vandals. Canoe racing is a unique and colorful heritage of Hawaii that is now a nationally recognized sporting event, and the future of Hawaiian canoe racing may be jeopardized due to the lack of storage facilities.

The Department of Land and Natural Resources is to manage this in-house study, to be presented to the Legislature twenty days prior to the convening of the Regular Session of 1976.

Your Committee suggests the following amendment:

In the second BE IT RESOLVED clause, insert after "Association" the phrase "and the Hui Wa'a Canoe Racing Association".

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.R. No. 416, as amended herein, and recommends that it be referred to the Committee on Energy and Transportation, in the form attached hereto as H.R. No. 416, H.D. 1.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 634 Public Assistance and Human Services on H.C.R. No. 72

The purpose of this Concurrent Resolution is to urge Congress to pass a bill which would provide grants to "gateway" states and cities with disproportionate populations of foreign-born persons.

Hawaii has experienced problems common to other "gateway" states with relatively large proportions of foreign immigrants. In the last four years, almost 29,000 immigrants entered Hawaii. Your Committee believes that because immigration is a matter of national policy, the financial burden of meeting the needs of immigrants should in part be carried by the federal government.

Your Committee has amended H.C.R. No. 72 to reflect the fact that the bill in question has been reintroduced during the current session as House of Representatives 2285.

Your Committee on Public Assistance and Human Services concurs with the intent and purpose of H.C.R. No. 72, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 72, H.D. 1.

Signed by all members of the Committee.

SCRep. 635 Water, Land Use, Development, and Hawaiian Homes on  
H.C.R. No. 105

The purpose of this Concurrent Resolution is to request hearings and the release of 1,324 acres of ceded land to the State.

The Department of the Army advised the Armed Services Committees of the Congress on June 28, 1974 of its plans to dispose of 1,324 acres of ceded land in Disposal Report No. 495. However, due to a lengthy agenda and the reluctance of the Chairman to consider any FRESH projects, Disposal Report No. 495 was not taken up.

Your Committee recommends the following amendments:

In the fourth WHEREAS clause, after the word "Congress", delete "of" and insert "on".

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.C.R. No. 105, as amended herein, and recommends it be adopted in the form attached hereto as H.C.R. No. 105, H.D. 1.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 636      Water, Land Use, Development, and Hawaiian Homes on  
H.C.R. No. 54

The purpose of this Concurrent Resolution is to request the President of the United States to support Senator Dan Inouye's bill, S. 116, providing for the return of Kahoolawe.

Kahoolawe is located near populated areas on the island of Maui, and the people of Maui have long endured the effects of the aerial and shore bombardment. It is rapidly being rendered unfit for human or animal habitation, which is an unforgivable waste of resources in a state where land is at a premium.

Your Committee feels that Kahoolawe has a potential for development as a resort area with its scenic beaches, valleys, cliffs and ravines.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.C.R. No. 54 and recommends its adoption.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 637      Water, Land Use, Development, and Hawaiian Homes on  
H.C.R. No. 47

The purpose of this Concurrent Resolution is to recommend immediate implementation of a Diamond Head Crater State Park.

The large area within the crater and under state jurisdiction is one of the last open spaces within urban Honolulu. Your Committee feels that any future use of the crater should be predicated on the principal that this open space area be preserved and the crater be open to the general public for park, recreational, historic and cultural use.

Your Committee has amended the language of the Concurrent Resolution for brevity and clarity without effecting any substantive change thereof.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.C.R. No. 47, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 47, H.D. 1.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 638      Water, Land Use, Development, and Hawaiian Homes on  
H.C.R. No. 82

The purpose of this Concurrent Resolution is to request a financial audit and program evaluation of the Department of Land and Natural Resources.

Your Committee feels that because of the impact on the economic development of the State by almost all of the programs within the Department, an audit and program evaluation should be conducted.

Your Committee also feels that it is imperative that the Department maintain a high level of program effectiveness in all areas under its jurisdiction.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.C.R. No. 82 and recommends its adoption.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 639 Water, Land Use, Development, and Hawaiian Homes on  
H.R. No. 456

The purpose of this resolution is to request a financial audit and program evaluation of the Department of Land and Natural Resources.

Your Committee feels that because of the impact on the economic development of the State by almost all of the programs within the Department, an audit and program evaluation should be conducted.

Your Committee also feels that it is imperative that the Department maintain a high level of program effectiveness in all areas under its jurisdiction.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.R. No. 456 and recommends its adoption.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 640 Water, Land Use, Development, and Hawaiian Homes and Housing  
on H.R. No. 111

The purpose of this resolution is to request the House Committee on Water, Land Use, Development, and Hawaiian Homes to undertake a comprehensive review of the housing programs of the Department of Hawaiian Homes Lands, with particular concern for housing needs, the adequacy of funding for home replacement loans, the commitment of lands to other uses and the general land use plan now being developed by the Department, and to report its findings to the House prior to the adjournment of this Regular Session.

It has been reported that there exists a great demand for housing as evidenced by the number of applicants on the Department of Hawaiian Homes Lands waiting list which not only far exceeds the actual number of homesteaders, but, also includes individuals still awaiting action on applications submitted more than 20 years ago.

Testimony received by your Committees confirms these reports and reveals that there has also been a lack of public input into the Department's planning procedures in the past. In addition, your Committees were informed that the general use plan referred to in the resolution is currently being developed by Spencer, Koebig and Koebig for the Department.

Because of these housing problems associated with the Department and Hawaiian Home Lands as it relates to these housing programs, your Committees feel that there is a need for a review of the Department's housing programs.

Your Committees on Water, Land Use, Development, and Hawaiian Homes and Housing concur with the intent and purpose of H.R. No. 111, and recommends its adoption.

Signed by all members of the Committees except Representatives  
Takamura, Ikeda and Hakoda.

SCRep. 641 Water, Land Use, Development, and Hawaiian Homes on  
H.R. No. 398

The purpose of this resolution is to allow present development and use of the Kahala Heights Park prior to the finalization of land exchange negotiations and title transfer.

Presently, land exchange negotiations are in progress between the Board of Water Supply and the State Department of Land and Natural Resources, which will eventually culminate in effectuation of a transfer in title of the park site in exchange for other land.

Your Committee feels that during the interim, until the transfer is actually culminated, there exists a need for a park that will provide the people with much needed park facilities.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.R. No. 398 and recommends its adoption.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 642      Water, Land Use, Development, and Hawaiian Homes on  
H.R. No. 475

The purpose of this Resolution is for the submittal of long range masterplan of Kakaako Shoreline Lands.

The State of Hawaii has not yet devised a long range plan to utilize the lands located between Ala Moana Beach Park and Honolulu Harbor.

Your Committee feels that swimming beaches would greatly enhance the recreation assets of the area and the accompanying public use. Also, that the park would make an attractive front yard for the downtown civic center of Honolulu.

Your Committee recommends the following amendments, to read as follows:

In the first BE IT RESOLVED clause, "Governor of the State of Hawaii" is deleted and the "Department of Land and Natural Resources" inserted.

In the last BE IT RESOLVED clause, after "Hawaii," add "and the Director of the Department of Land and Natural Resources."

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.R. No. 475, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 475, H.D. 1.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 643      Water, Land Use, Development, and Hawaiian Homes on  
H.R. No. 566

The purpose of this resolution is to request a study of property boundaries in Waipio Valley.

Title to land in Waipio Valley is a problem because the Waipio River floods fields several times a year and takes a somewhat different course each time it recedes.

Property lines have been established in reference to the river, thus creating a situation in which the title to lands adjacent to it is not always free of dispute, and farmers are farming and paying taxes on land which may be the property of others.

Your Committee recommends the following amendments:

In the first BE IT RESOLVED clause, "the County of Hawaii" is deleted and "the Department of Accounting and General Services" inserted.

Also, after the phrase "is requested to" insert "make a preliminary study to determine the scope of a survey needed to explore sites for condemnation for future state parks and to solve the problem of indeterminate boundaries in Waipio Valley, as well as the hours and costs necessary for the implementation of the study and the placement of appropriate markings for property boundaries"; and

A "BE IT FURTHER RESOLVED" clause is added to read: "BE IT FURTHER RESOLVED that this preliminary study be submitted to the House of Representatives prior to the adjournment of the Eighth Legislature, Regular Session of 1975; and".

In the last "BE IT FURTHER RESOLVED" clause, "Mayor of the County of Hawaii" is deleted, and "Director of the Department of Accounting and General Services." is inserted.

Your Committee on Water, Land Use, Development, and Hawaiian Homes is in accord with the intent and purpose of H.R. No. 566, as amended herein, and recommends it be adopted in the form attached hereto as H.R. No. 566, H.D. 1.

Signed by all members of the Committee except Representatives Morioka and Ikeda.

SCRep. 644 Water, Land Use, Development, and Hawaiian Homes on H.R. No. 543

The purpose of this resolution is to provide for sanitary facilities for campers in Waipio Valley.

Waipio Valley, because of its natural scenic wonders, is a popular picnicking, camping, hiking and fishing destination for many residents and visitors alike.

Your Committee recognizes the need for the development of adequate sanitary facilities in the valley will add to the enhancement of the various activities at the site.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.R. No. 543 and recommends its adoption.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 645 Water, Land Use, Development, and Hawaiian Homes on S.B. No. 714

The purpose of this Act is to provide a method by which three or more adult landowners may cooperatively assemble and develop their lots, and thereafter receive their pro-rata share of the profits or revenues generated from the housing project.

Your Committee recommends an amendment to read:

Page 4, line 4: after the word "preliminary", insert "or".

Your Committee on Water, Land Use, Development, and Hawaiian Homes is in accord with the intent and purpose of S.B. No. 714, S.D. 1, as amended herein, and recommends that it pass Second Reading and be referred to the Committee on Finance in the form attached hereto as S.B. 714, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Abercrombie, Inaba, Kihano, Roehrig, Yap and Ikeda.

SCRep. 646 Tourism on H.R. No. 664

The purpose of this resolution is to encourage the Board of Directors of the National Golden Gloves to consider Hawaii as its selection site for the 1977 National Golden Gloves Championship Tournament.

Your Committee finds that Hawaii would make an ideal site in which to hold the Tournament. It is acknowledged that the people of Hawaii are very sports conscious and would wholeheartedly support this event.

Your Committee concurs with the intent and purpose of H.R. No. 664 and recommends its adoption.

Signed by all members of the Committee except Representatives Abercrombie, Roehrig, Ikeda and Santos.

SCRep. 647 Legislative Management

Informing the House that House Resolution Nos. 687 to 699, House Concurrent Resolution Nos. 129 and 130, and Standing Committee Report Nos. 648 to 660, have been printed and distributed.

Signed by all members of the Committee.

SCRep. 648 Education on S.B. No. 591

The purpose of this Bill is to set up funding for high school driver education programs

through the No-Fault Insurance Driver Education Fund Underwriters' fee.

Based on the estimated personnel and operating costs necessary to maintain the services presently provided by the courts' remedial driver program and the advent of the high school program, this Bill provides a sliding percentage scale of funding. The funding will come from a \$1 levy upon each insurer and self-insurer on each motor vehicle insured, remitted to the commissioner of motor vehicle insurance, which shall be deposited in a special driver education fund account. In 1975-76, 70 per cent of the special education fund account will go to the commissioner of motor vehicle insurance and 30 per cent to the Superintendent of the Department of Education. In 1976-77, the percentages will be 60 per cent to the commissioner and 40 per cent to the Superintendent. Finally, in 1977-78, the percentages will be 50 and 50.

Your Committee offers technical amendments to this Bill. On page 2, the subsections were headed by small case letters and have been changed to numbers. The last paragraph of Section 286-140 is included in this House Draft so as to complete the description of the Section; although it is deleted when printed by the Revisor of Statutes. These are not substantive, but technical changes.

Your Committee on Education is in accord with the intent and purpose of S.B. No. 591, S.D.2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 591, S.D.2, H.D.1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 649 Education on S.B. No. 553

The purpose of this Bill is to amend certain provisions of Chapter 297 of the Hawaii Revised Statutes which relate to substitute teachers. These amendments constitute a definition of long-term substitute teachers and a revision of pay rates and classifications for such teachers.

Your Committee offers the following amendments to this Bill. There are added new Sections 1 and 2. Section 1 is a definition of long-term substitute teachers. Section 2 deals with benefits for substitute teachers (cumulation of periods of employment). The new Section 3 of this Bill was the original Section 1. This Section is altered in two ways. The first makes the new rates effective as of September 1, 1974, rather than 1975. The second amends the formula for pay rates to read as follows: Per Diem Rate = Annual Salary Rate divided by 180 days. Your Committee feels that this formula is more equitable.

Your Committee on Education is in accord with the intent and purpose of S.B. No. 553, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 553, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 650 Higher Education on H.R. No. 298

The purpose of this resolution is to request the University of Hawaii, the Department of Agriculture, and the Department of Land and Natural Resources to coordinate programs and services with regard to the New Farmer Program in order to facilitate development of the program.

The objective of the New Farmer Program is to enable new farmers to become self-sufficient in the management of their businesses. The program addresses: (1) education for new farmers; (2) land availability; and (3) financing for new farmers.

Your Committee has heard testimony that supports the goals and general functions of the New Farmer Program and, in addition, specifies certain problems in program implementation. For example, the Department of Agriculture has testified that a major problem it has encountered is finding applicants who are qualified for loans under the definition of "New Farmer." Since May, 1972, there have been 166 inquiries; the Department has made 16 New Farmer Program loans. In addition, for most of those people who do qualify under the program, suitable lands are not readily available.



Your Committee believes that although problems such as these are not of crisis proportions, they are nevertheless serious hinderances to the encouragement of new farmers in the State. Your Committee believes further that better coordinated programs and services between the University of Hawaii, the Department of Land and Natural Resources, and the Department of Agriculture would be a primary step toward resolving program problems and furthering the development of a diversified agriculture industry in Hawaii.

Your Committee on Higher Education concurs with the intent and purpose of H.R. No. 298 and recommends that it be referred to the Committee on Water, Land Use, Development, and Hawaiian Homes and the Committee on Agriculture.

Signed by all members of the Committee.

SCRep. 651 Youth and Elderly Affairs on S.B. No. 1405

The purpose of this bill is to require the Department of Social Services and Housing to develop and encourage protective services for elderly persons--services which are necessary to maintain mental and physical health and which an elderly person is unable to perform or obtain for himself.

A change has been made in the wording on page 2, line 17. The subparagraph concerned defines services necessary to maintain mental and physical health to include the provision of "adequately heated and ventilated shelter"; this has been amended so as to delete the words "and heated" because the State's climate does not require heating.

Three provisions--sec. 346- (b), page 3, line 23; sec. 346- (a), page 4, line 23; and sec. 346- (b), page 6, line 23--have been identically amended for a single purpose. Your Committee has in each case amended the subsection to provide that any interested person or organization may institute legal actions on behalf of an aged person to seek the provision to him of protective services. In the bill as received, authority to take such action was limited to the Department of Social Services and Housing. The purpose of this amendment is twofold: (1) it allows ordinary citizens and agencies who deal with the elderly to participate in the process of bringing protective services to senior citizens in need of such services, thereby making the program more effective in terms of numbers of people served; and (2) it takes some of the burden off the Department of Social Services and Housing by allowing people other than the Department's staff members to do the necessary work to remove the barriers to providing services.

In connection with the provisions of this bill regarding appointment of attorneys for elderly persons who are unwilling or unable to consent to receipt of protective services, your Committee finds it will be more economical to provide indigent elderly with attorneys from the Legal Aid Society than to have the court provide private counsel at state expense. Sec. 346- (a), page 6 has therefore been amended accordingly, and lines 14-19, page 8, relating to attorney compensation have been deleted.

Pursuant to a request made in testimony submitted by Hugh Laing, representing the Christian Science Committee on Publication for the State of Hawaii, the following provision has been inserted as subsection (c) on page 7, line 16, to protect the personal rights of those persons in this State who are adherents of the Christian Science religion:

"Nothing in this act shall be construed to mean a person is in need of protective services for the sole reason he is being treated by spiritual means alone through prayer in accordance with the tenets and practices of a recognized church or religious denomination of which he is a member or adherent, in lieu of medical treatment."

Subsection (c) on page 7 has been changed to subsection (d) for purposes of consistency with the preceding amendment.

Sec. 346- , page 8, Payment for Protective Services, has been amended to provide that an elderly person found capable of paying for protective services rendered him shall reimburse the private agency for the costs of providing such services. The bill as received by your Committee provided only for repayment to the State. This addition was made to conform to Sec. 346- (a) on page 3 which states that the Department of Social Services and Housing may arrange for the provision of services rather than providing them itself. In such cases, your Committee sees no reason to route payments through the State; it will be more efficient for all concerned for reimburse-

ment to be made directly to the private agency concerned.

Your Committee would like to state clearly that although it concurs with the provision for payment for services by those senior citizens with adequate resources, this section is not to be interpreted so as to delay the provision of services pending determinations of financial eligibility by the Department of Social Services and Housing.

Your Committee on Youth and Elderly Affairs is in accord with the intent and purpose of S.B. No. 1405, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1405, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 652 Youth and Elderly Affairs on S.B. No. 360

The purpose of this bill is to make appropriation for the planning and operation of a pilot program for senior citizens who shall participate as observers in the legislature for a one-week period during the 1976 legislative session.

Your Committee finds vigorous support on the part of the elderly to develop broader interest in their local, state and national governments. They also seek to function more fully and effectively in our governmental system.

Your Committee on Youth and Elderly Affairs is in accord with the intent and purpose of S.B. No. 360, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 653 Consumer Protection and Commerce on S.B. No. 91 (Majority)

The purpose of this bill is to regulate the motor vehicle repair industry.

This bill, as passed by the Senate, provided for registration of all motor vehicle repair dealers, the prohibition of certain unfair or deceptive acts in connection with repair work, enforcement by the Office of Consumer Protection, and voluntary industry boards in the various counties to assist the Office of Consumer Protection in dealing with complaints against motor vehicle repair dealers. Another Senate Bill, S.B. No. 94, S.D. 3, provides for certification and registration of mechanics by a government board and is related to this bill.

Upon consideration of this measure and S.B. No. 94, S.D. 3, your Committee finds that more effective regulation of the industry would result if both motor repair dealers and mechanics were regulated by a single government board and has, therefore, amended this bill to combine the intent and purpose of this bill and S.B. No. 94, S.D. 3, into one bill.

Under this bill, as amended, the motor vehicle repair industry would be regulated as follows:

(1) A motor vehicle repair industry board is established consisting of seven members appointed by the Governor. Three members of the board are to be persons in the industry and four members are to be public members. All persons engaged in the motor vehicle repair industry as motor vehicle repair dealers or mechanics would be registered by the board. Further, the board is empowered to make rules to effectuate the purpose of the bill and to take disciplinary action against persons who violate the provisions of the bill. Disciplinary action authorized include fines, ordering that restitution be made, and suspension, revocation, or nonrenewal of a registration. Employees of the county, state, and federal governments and employees of business or commercial enterprises who engage in the repair of motor vehicles which are owned, maintained, and operated exclusively by such business or commercial enterprises are exempted from the provisions of the bill.

(2) The board is directed to contract and cooperate with the State Director of Vocational Education to establish and administer a mechanic certification program and certification would be a condition precedent to registration as a mechanic. Mechanics who have been engaged as such for at least one year prior to January 1, 1976, would

be exempt from being certified before registration. However, two classes of registration are provided for - registered mechanics and registered-certified mechanics - in order to provide an incentive for "grandfathered" mechanics to become certified.

(3) The repair of passenger cars, trucks, truck tractors, motorcycles, and motor scooters, as those terms are defined in Section 286-2, Hawaii Revised Statutes, would be covered by the provisions of this bill.

(4) Certain requirements in dealing with customers are set forth in the bill. They are: (a) supplying a customer with an invoice listing all work done and parts supplied; (b) returning all replaced parts to the customer or showing the replaced parts to the customer; (c) giving a written estimate for the job to be done and not charging more than ten per cent over the estimated price if the estimated price is over \$100 and not more than fifteen per cent over the estimated price if the estimated price is less than \$100, without the prior consent of the customer. This provision may be waived in writing by the customer provided that even if waived, the person making the repairs must make a reasonable effort to contact the customer before proceeding with the extra work.

(5) Based on the recommendation of the Department of Regulatory Agencies, the sum of \$198,000 has been appropriated to carry out the purpose of this bill during the biennium 1975-1977. The anticipated expenditures are as follows:

	<u>1975-76</u>	<u>1976-77</u>
Contract with State Director of Vocational Education for Certification Program	\$ 65,770	\$56,650
Executive Secretary	15,750	16,800
Stenographer	7,578	8,088
Investigator	12,336	13,164
Equipment and Supplies	<u>1,864</u>	<u>--</u>
TOTAL	\$103,298	\$94,702

Your Committee finds that persons who lack the proper training and experience are incapable of providing quality motor vehicle repair services and that substandard repair services present a danger to the public. This bill, as amended, will help to insure the availability of the highest quality of repair work and benefit both the public and those engaged in the motor vehicle repair industry.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 91, S.D. 3, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 91, S.D. 3, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

Representatives Carroll, Fong, Hakoda and Sutton did not concur.

SCRep. 654      Education on H.R. No. 291

The purpose of this Resolution is to make the 'Ohana Project available to all public schools which wish to incorporate it as a pilot project.

Your Committee offers an amendment in the form of clarification in the first Be It Resolved clause. This amendment changes the words but does not alter the intent of making the Project an optional program.

Your Committee on Education concurs with the intent and purpose of H.R. No. 291, H.D.1, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 291, H.D.2.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 655 Consumer Protection and Commerce on S.B. No. 959

The purpose of this bill is to amend Chapter 417E, Hawaii Revised Statutes, relating to take-over bid disclosures, to correct certain defects, to eliminate ambiguities, and to add three exemptions to registration of take-over bids.

The bill would amend Chapter 417E as follows:

(1) Section 1 of the bill amends Section 417E-1(7) to clarify the definition of "take-over bid" by deleting the undefined words "tender offer" and "request or invitation for tenders", and substituting clearer language taken from the Virginia take-over bid statute. The term "shares or other units" is used because "equity security" is defined in terms not only of stock but also of convertibles, warrants, and rights.

(2) Section 2 of the bill amends the definition of "exempt offer" in Section 417E-1(8) so as to broaden such exemptions.

Section 417E-1(8) presently provides that an offer made by a corporation to purchase shares of a subsidiary at least fifty-one per cent of which is owned by the parent is an exempt offer. The change made by this bill would expand the definition to apply where at least fifty-one per cent of the voting stock of a subsidiary is owned "directly or indirectly".

Further, Section 417E-1(8) presently provides that an offer to acquire shares of a corporation with less than 100 shareholders and \$1,000,000 in assets is an exempt offer. The proposed change breaks this into two parts, so that an offer to acquire shares of a corporation with less than 100 shareholders is an exempt offer and an offer to acquire shares of a corporation with less than \$1,000,000 of assets is also an exempt offer.

Section 2 of the bill also adds three completely new definitions of exempt offers.

First, a proposed new exemption is provided for in connection with offers to purchase shares effected by a registered broker-dealer on a stock exchange or on the over-the-counter market if the broker performs only customary functions and receives no more than customary broker commissions and the broker-dealer neither solicits nor arranges to solicit shares or offers to sell shares of the offeree company. Section 417E-1(8) presently provides that an isolated offer to purchase shares from individual shareholders and not made to shareholders generally is an exempt offer. This exemption permits customary and usual trading transactions. While the broker-dealer exemption is provided for in other state take-over bid disclosure statutes, your Committee believes that it is unnecessary in view of the "isolated offer" exemption. Therefore, the bill has been amended to delete this additional proposed exemption.

Second, a proposed new exemption is provided for situations where the board of directors of the offeree company consents to the offer. Since the purpose of the statute is to provide appropriate disclosure for the benefit of the stockholders, the disclosure should be required regardless of any consent by the board of directors of the offeree company. For this reason, your Committee has amended the bill to delete this proposed new exemption.

Third, a proposed new exemption is provided for where an equity security is exchanged for another security if the offered security is registered under the Securities Act of 1933 or the Hawaii Blue Sky Law (Chapter 485, Hawaii Revised Statutes). Your Committee believes that since the purpose of the take-over bid statute is to provide for disclosure, the disclosure should be made regardless of whether cash or securities are used to effect a take-over bid. Further, registration under the Securities Act of 1933 or under the Hawaii Blue Sky Law would not in either case insure the disclosure of the information required by the present take-over bid statute. Moreover, the present take-over bid statute provides for a hearing at the request of the offeree company and authorizes the Commissioner of Securities to determine whether or not the take-over bid is fair and equitable to offerees and is made on substantially equal terms to all stockholders. For the foregoing reasons, your Committee has amended the bill to delete this proposed new exemption.

(3) Section 3 of the bill amends Section 417E-1 by adding a definition of "offeror's presently owned shares", a term used in the definition of "take-over bid", as amended by this bill. The present statute does not appear to include an offeror's associates' shares in the ten per cent measure used to determine whether an offer is a take-over bid, and the proposed definition would cause such shares to be counted. This provision

eliminates an opportunity to evade the provisions of the statute by not counting associates' shares or those to be purchased at a later date.

In order to be consistent with the change to the definition of "take-over bid" proposed by this bill, your Committee has amended the phrase "offeror's presently owned shares" to "offeror's presently owned shares or other units" and the phrase "aggregate number of shares" to "aggregate number of shares or other units".

(4) Section 4 of the bill amends Section 417E-3(c) to require the application for registration to include the name and address of the offeror company and the aggregate consideration the offeror may be bound to pay. Further, a new clause is added to require that the application include a statement as to whether any other filings have been made under federal or state laws and, if so, that copies of such filings accompany the application. This requirement would allow the Commissioner of Securities to coordinate his review with other governmental agencies.

(5) Section 5 of the bill amends Section 417E-3(e) to correct an error in the law as enacted where the word "offeree" was used when "offeror" was intended. Further, the minimum and maximum registration is set at \$200 and \$1,000, respectively.

(6) Section 6 of the bill amends Section 417E-9(c) by deleting from the civil remedies section the provision which would permit an offeror who acquired shares in violation of the statute but who no longer owned the shares concerned to bar any suit by an offeree by offering "to pay damages". Just what form such an offer would take is not clear, but it is possible that under the present statute, an offeror could sell or give away the shares acquired in violation of the law, immediately offer a minimum amount in damages to each offeree, and thereby insulate himself from suit. The proposed change to the law would eliminate this possibility.

(7) Section 7 of the bill amends Section 417E-12 by providing that appeals from the decision of the Commissioner of Securities shall be confined to the record rather than be a trial de novo. This will avoid a duplication of the hearing held by the Commissioner.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 959, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 959, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 656 Consumer Protection and Commerce on S.B. No. 703

The purpose of this bill is to amend the provisions of the Collection Agency Law, Section 443-9, Hawaii Revised Statutes, to require that the surety on bonds executed by an applicant or licensee be insurers authorized by the State Insurance Commissioner to engage in the insurance business.

Under existing law, the surety need not be authorized to engage in the insurance business if a certified financial statement is filed with the bond. The collection agency board testified before your Committee that the rights of clients of collection agencies will be better protected if they are bonded only by an authorized surety bonding company.

Your Committee has amended the bill to correct typographical errors.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 703, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 703, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 657 Consumer Protection and Commerce on S.B. No. 165

The purpose of this bill is to add the regulation of mortuaries to the responsibilities of the present cemetery board.

The present cemetery board which regulates cemetery and pre-need funeral authorities is composed of four cemetery members and three public members. This bill establishes a nine member cemetery and mortuary board composed of three cemetery members, three morticians, and three public members. Your Committee has amended this bill to reduce the size of the board to a seven member board to be composed of two cemetery members, two morticians, and three public members.

Under the provisions of this bill, mortuaries would be subject to the same controls currently being exercised over cemeteries and pre-need funeral authorities. Regulation of mortuaries would help protect the general public in its acquisition of at-need funeral services.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 165, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 165, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 658      Consumer Protection and Commerce on H.R. No. 35

The purpose of this resolution is to encourage effective coordination between the Consumer Protector and the Ombudsman.

Your Committee finds that government agencies which receive citizen complaints at times justifiably refer complaints received to another government agency. However, such referrals should be done expeditiously so as not to cause delay in processing the complaint. The Office of Consumer Protection and the Ombudsman's Office both receive citizen complaints and close cooperation and coordination between the two agencies is a desirable goal.

Your Committee on Consumer Protection and Commerce concurs with the intent and purpose of H.R. No. 35 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 659      Consumer Protection and Commerce on H.R. No. 358

The purpose of this resolution is to request that the Federal Trade Commission add a staff attorney to its Honolulu office.

Your Committee finds that Honolulu is the only city its size in the United States which does not have a staff attorney in its Federal Trade Commission branch office and that this position is needed to enforce the federal consumer protection laws in Hawaii and to more effectively protect the consumers of this State.

The resolution has been amended to delete the words "the Senate Concurring" in the "Be it resolved" clause, and the word "Concurrent" in the last paragraph as the resolution is not a concurrent resolution.

Your Committee on Consumer Protection and Commerce concurs with the intent and purpose of H.R. No. 358, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 358, H.D. 1.

Signed by all members of the Committee.

SCRep. 660      Consumer Protection and Commerce on S.B. No. 960

The purpose of this bill is to increase the fines levied for violations by insurers of the Hawaii Insurance Law.

This bill adds a new section to Chapter 431, H.R.S., granting the Insurance Commissioner the power to fine an insurer not less than \$500 nor more than \$25,000 in addition to or in lieu of suspending, revoking or refusing to extend the insurer's certificate of authority. The bill increases the present fines as follows: Section 431-707 and 431-725 relating to insurers & rating organizations, from \$50 - \$500 to \$500 - \$5,000 (maximums apply to wilful violations); Section 431-405 relating to

general agents, subagents, solicitors, nonresident agents, adjusters, and surplus line brokers from \$25 - \$500 to \$100 - \$1,000; Section 431-407 relating to general agents, subagents, solicitors, nonresident agents, adjusters, and surplus line brokers from a maximum of \$500 to a maximum of \$1,000.

Your Committee finds that the existing level of fines, enacted twenty years ago, are merely token fines and are no longer realistic and do not serve as either a deterrent for the future or as a fitting penalty for a conviction. However, the alternative of suspension or revocation of license may be too harsh a penalty in some instances. Empowering the commissioner to impose fines at a meaningful level will provide more effective sanctions against the small number of violators whose activities detract from the image of the entire industry. Licensees will maintain rights to a hearing and appeal to the Circuit Court of the First Judicial Circuit.

Your Committee has amended the bill to correct typographical errors.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 960, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 960, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 661      Legislative Management

Informing the House that House Resolution Nos. 700 to 709, House Concurrent Resolution No. 131, and Standing Committee Report Nos. 662 to 681, have been printed and distributed.

Signed by all members of the Committee.

SCRep. 662      Legislative Management on S.B. No. 717

The purpose of this bill is to establish liaison between the legislature of the State of Hawaii and the federal government.

Your Committee finds that the increasing complexity and inter-relationship of government at all levels require that adequate liaison be maintained between the legislature of the State of Hawaii and the federal government. Such liaison has not been sufficiently maintained and this bill provides that the Legislative Auditor shall serve in this capacity insofar as relationships between the legislature and the federal government are concerned.

Your Committee recommends an amendment to Section 2 of this bill to allow the Legislative Auditor to report more frequently than annually and as conditions in the federal administrative and congressional cycle warrant state legislative consideration.

Your Committee on Legislative Management is in accord with the intent and purpose of S.B. No. 717, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 717, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 663      Consumer Protection and Commerce on S.B. No. 1139

The purpose of this bill is to clarify the responsibilities of landlords to disclose information to tenants regarding the persons responsible for dealing with the tenant and to require written disclosure of such information for oral as well as written rental agreements.

Under present law, the landlord is required to disclose in written rental agreements, the name and address of each person authorized to manage the premises and each person who is an owner or who is authorized to act for the owner for the purpose of service of process and receiving and receipting for rents, notices, and demands.

This bill provides for disclosure of similar information but makes written disclosure

required for oral as well as written rental agreements in contrast to the present law which requires written disclosure only in written rental agreements with written disclosure for oral agreements required only upon demand by the tenant. This bill further makes any person who is authorized to enter into a rental agreement and who fails to disclose the required information the agent of the landlord for the purpose of service of process and receiving and receipting for notices and demands as well as for performance of the obligations of the landlord or making available and expending for the purpose all rent collected from the premises.

Your Committee has amended the bill as follows:

- (1) Page 2, line 1 - substituted the word "Each" for "The" to require disclosure of each person authorized to manage the premises.
- (2) Page 2, line 2 - Added the words "Each person who is" before the word "an" and substituted the words "who is" for the words "a person" to require disclosure of each person who is an owner or who is authorized to act on behalf of the owner. Further, the word "rents" has been added to line 5 of page 2 to require that the person authorized to act on behalf of the owner must also be authorized to receive and receipt for rents as well as receive service of process and receive and receipt for notices and demands.
- (3) Page 2, line 12 - added the word "rents" to make the person an agent for receipt of rents as well as for service of process and receipt of notices and demands.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 1139, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1139, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 664 Consumer Protection and Commerce on S.B. No. 1140

The purpose of this bill is to add a definition to the residential landlord-tenant code, regarding "normal wear and tear".

This bill amends Section 521-8, Hawaii Revised Statutes, by defining "normal wear and tear" as deterioration or depreciation in value by ordinary and reasonable use but not including items that are missing from the dwelling unit.

"Wear and tear" is referred to in two sections of the residential landlord-tenant code, but it is not defined. This has led to some uncertainty regarding the intent of the law and this bill will provide clarification.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 1140 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 665 Consumer Protection and Commerce on S.B. No. 92

The purpose of this bill is to afford tenants greater protection in the areas of dealing with agents of the landlord, repair of defects, termination of the tenancy, unreasonable demands for access, and retaliatory evictions.

The various sections of the law affected by this bill are as follows:

- (1) Section 521-43. The bill would require that any landlord who resides outside the State or on an island other than where the rental unit is located must designate an agent on the island where the rental unit is located to act on his behalf. The name of the agent must be given to the tenant.
- (2) Section 521-64. Under the present law, a defect in the rental unit which endangers the health or safety of the tenant or is in violation of the rental agreement which would cost \$100 or less to repair may be repaired by the tenant when no action is taken by the landlord after twenty days written notice of the defect. If the defect



would cost more than \$100 to repair, the tenant must first ask the Department of Health to inspect the premises to determine if the defect constitutes a health violation and if so, the landlord has twenty days after receiving notification from the Department of Health of the health violation to repair the defect. If the landlord fails to make the repairs within the twenty days, the tenant must get two estimates for the repair work and present the estimates to the landlord at least twenty days before allowing the workman who gave the lower estimate to commence work to repair the defect. In the case of repairs costing less than \$100, the tenant can deduct up to \$100 from his rent to cover the cost of the repairs. If the cost of the repairs exceeds \$100, and the tenant follows the procedure described above, he can deduct up to one month's rent to cover the cost of repairs.

This bill would increase the \$100 limit described above to \$200 so that a tenant would not need a determination from the Department of Health of a health violation to deduct \$200 from his rent for repairs if the landlord does not make the necessary repairs within the specified time limits. Regarding repairs costing in excess of the new \$200 limit, the bill would reduce the time limit in which the landlord must make repairs after receiving notification from the Department of Health to five business days. Further, if the landlord fails to take action within five business days, the time after which the tenant can start repairs after supplying the landlord with estimates for the repairs is reduced to five business days.

Your Committee agrees that the \$100 limit should be raised to \$200 and that the time before the tenant is allowed to start repairs should be reduced. However, your Committee believes that the time limit after the landlord has been given estimates should be reduced to ten business days rather than five business days and the bill has been amended accordingly. In addition, the bill has been amended to reduce the time limit within the landlord must repair defects which would cost less than \$200 to repair from twenty days to ten business days.

(3) Section 521-71. The bill adds a provision requiring a landlord to give ninety days notice of termination of tenancy in the case of demolition of the dwelling unit. Presently, the landlord is required to give twenty-eight days notice of termination; however, demolition of dwellings, especially buildings with a large number of units, causes a temporary swelling of the number of people in the market who are seeking new rental units. This change will provide tenants adequate time to resettle.

(4) Section 521-73. The bill provides for a fine not exceeding \$100 to be assessed against a landlord in addition to the other remedies available to a tenant for repeated demands for unreasonable access by a landlord.

(5) Section 521-74. Presently, this section prohibits a landlord from raising the rent or evicting a tenant because the tenant has complained in good faith to the Department of Health of possible health violations. The bill would expand this provision by prohibiting such retaliatory action by the landlord if the tenant complains to the landlord, building department, Office of Consumer Protection, or any other governmental agency concerned with landlord-tenant disputes, as well as the Department of Health.

The bill also amends Section 521-74(b)(2) by adding the words, "or that of his immediate family", after the present subsection which permits the landlord to recover possession of the unit if he seeks the dwelling in good faith for his own purposes. This change is being proposed so that the landlord can recover the unit for his family members without such action being considered as a retaliatory eviction.

Section 2 of the bill amended the section of the law dealing with security deposits by adding a provision stating that security deposits held by the landlord are held in trust for the use and benefit of the tenant. Your Committee has deleted this provision from the bill as the statute already provides that security deposits are held by the landlord for the tenant and the claim of the tenant to the security deposit is prior to the claim of any creditor of the landlord.

Your Committee has made other technical amendments to the bill and corrected typographical errors.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 92, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 92, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 666      Public Assistance and Human Services and Health on H.C.R. No. 119

The purpose of this Concurrent Resolution is to request the Governor, when he submits his next budget, to include sufficient funds for the Department of Social Services and Housing to pay Hawaii's physicians, dentists, and other professional health providers their customary fees to the extent that federal rules permit.

Currently, the Department pays Hawaii's professional health providers 75% of their customary fees up to 75% of the maximum permitted by federal rules. Federal rules permit payment of customary fees up to the seventy-fifth percentile. Your Committees believe that the long term effect of inadequate medical assistance payments will be to discourage Hawaii's professional health providers from accepting patients who rely upon public assistance. Your Committees feel that citizens of Hawaii who rely upon public assistance have the right to receive the same quality of health care and receive treatment from the same physicians and dentists as other citizens.

Your Committee on Public Assistance and Human Services and your Committee on Health concur with the intent and purpose of H.C.R. No. 119 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees.

SCRep. 667      Public Assistance and Human Services and Health on H.R. No. 640

The purpose of this resolution is to request the Governor, when he submits his next budget, to include sufficient funds for the Department of Social Services and Housing to pay Hawaii's professional health providers their customary fees to the extent that federal rules permit.

Currently, the Department pays Hawaii's professional health providers 75% of their customary fees up to 75% of the maximum permitted by federal rules. Federal rules permit payment of customary fees up to the seventy-fifth percentile. Your Committees believe that the long term effect of inadequate medical assistance payments will be to discourage Hawaii's professional health providers from accepting patients who rely upon public assistance. Your Committees feel that citizens of Hawaii who rely upon public assistance have the right to receive the same quality of health care and receive treatment from the same physicians and dentists as other citizens.

Your Committees have made minor changes in the wording of the resolution which do not affect its substance.

Your Committee on Public Assistance and Human Services and your Committee on Health concur with the intent and purpose of H.R. No. 640, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 640, H.D. 1.

Signed by all members of the Committees.

SCRep. 668      Water, Land Use, Development, and Hawaiian Homes on  
H.C.R. No. 111

The purpose of this concurrent resolution is to request those land areas which should be protected by their inclusion in the Constitution of the State of Hawaii.

Because of the finite nature of the natural resources in Hawaii and because of increasing urban expansion and development pressures towards utilizing our valuable areas for more intensive uses, your Committee recognizes the need to place our most valuable resources under a protective status, not only for the present, but for the future generations to follow.

Your Committee feels there is an urgent need to determine those areas without regard to their present classification. These natural resources are vitally necessary for protecting watershed and water sources; preserving scenic and historic areas, beaches and their adjacent waters; conserving endemic plants, fish and wildlife; preventing floods and soil erosion; maintaining land and marine areas of value for recreational purposes; providing park lands, wilderness, forestry and other open space areas whose existing openness, natural condition, or present state of use, if retained, would enhance the present or potential value of abutting or surrounding

communities or would maintain or enhance the conservation of natural or scenic resources.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.C.R. No. 111 and recommends its adoption.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 669      Water, Land Use, Development, and Hawaiian Homes on  
H.R. No. 589

The purpose of this resolution is to request those land areas which should be protected by their inclusion in the Constitution of the State of Hawaii.

Because of the finite nature of the natural resources in Hawaii and because of increasing urban expansion and development pressures towards utilizing our valuable areas for more intensive uses, your Committee recognizes the need to place our most valuable resources under a protective status, not only for the present, but for the future generations to follow.

Your Committee feels there is an urgent need to determine those areas without regard to their present classification. These natural resources are vitally necessary for protecting watersheds and water sources; preserving scenic and historic areas, beaches and their adjacent waters; conserving endemic plants, fish and wildlife; preventing floods and soil erosion; maintaining land and marine areas of value for recreational purposes; providing park lands, wilderness, forestry and other open space areas whose existing openness, natural condition, or present state of use, if retained, would enhance the present or potential value of abutting or surrounding communities or would maintain or enhance the conservation of natural or scenic resources.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.R. No. 589 and recommends its adoption.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 670      Water, Land Use, Development, and Hawaiian Homes on  
H.C.R. No. 112

The purpose of this concurrent resolution is to request the Department of Land and Natural Resources to identify all public lands lacking public access and to submit an inventory of such lands, along with recommendations for access routes.

The open spaces of the mountains and lands and beaches and sea are the essence of the quality of life enjoyed by generations of Island people.

Your Committee feels there is an obligation of the State and County governments not only to protect those public rights-of-way which already exist but also to provide access to areas presently denied to the public. Activities such as swimming, surfing, fishing, scuba-skin diving, hiking, hunting, picnicking, and camping have been limited due to the lack of access.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.C.R. No. 112 and recommends its adoption.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 671      Higher Education on H.R. No. 395

The purpose of this resolution is to request the Administration and the Board of Regents of the University of Hawaii to consider the immediate establishment of a School of Human Resources Development within the College of Tropical Agriculture.

Your Committee has held a public hearing on this resolution, received testimony from the Chancellor of the University, the Chairman of the Department of Food and Nutritional Sciences, Fashion Design, Textiles and Merchandizing, Human Development, and Home Economics, the Hawaii Home Economics Association, the State Commission on the Status of Women, and faculty and students, and finds as follows:

1) Presently, the Departments of Food and Nutritional Sciences, Home Economics, Human Development, and Fashion Designs, Textiles, and Merchandising constitute a division of Human Resources Development within the College of Tropical Agriculture. The effectiveness of these four departments is mitigated by cumbersome organizational structure; the structure is not conducive to coordinated programming, budgeting, and delivery of courses.

2) Extensive investigation and planning have gone into the proposal to remedy certain organizational problems by establishing a School of Human Resources Development. An abridged history of the proposal is as follows:

#### 1968

Proposal for a School of Human Resources Development submitted to central administration by Dean Wilson of the College of Tropical Agriculture.

Acting President Hiatt approved establishment of four separate departments within the College instead of the School structure.

#### December, 1969

Request for School of Human Resources transmitted to University Council on Human Development for recommendation to central administration. (Council agreed on a School consisting of all departments except the Department of Human Development which the Division of Human Resources considered as central to the HRD program.)

#### April 22, 1970

Memo to President Cleveland from Dean Wilson.

"The College of Tropical Agriculture has proposed and the Council of Human Development has recommended that a School of Human Resources Development be created---. I am recommending that his proposal be implemented effective July 1, 1970."

#### May 13, 1970

Memo to Dean Wilson from President Cleveland.

"After receiving your memorandum of April 22, I discussed the matter of creation of a School of Human Resources Development with Dean Melendy. It appears to Dean Melendy and to me that the creation of a School or College of Human Resources Development has strong enough academic consequences that we probably ought to wait until the new Academic Vice President arrives before making a final decision. Consequently, I am going to defer the decision until he has had a chance to review it, but we will certainly make sure that the School of Human Resources Development is one of the first items he will find on his desk."

#### March 31, 1971

Mainland Review Committee (including Dean David Knapp, College of Human Ecology, Cornell University, Dean Glen Hawkes, Family and Consumer Science Programs, U.S. Davis, and Dr. Beatrice Paolucci, College of Human Ecology, Michigan State University) submitted their report stressing that the Division "provides through its philosophy a unifying theme essential to the University which has unfortunately been neglected in most academic institutions until recently, and on which this University has defaulted in its decisions too long."

#### October, 1971

Memo from Chancellor Takasaki, to Dean Wilson recommending that a revised proposal incorporation suggestions of the review committee be forwarded to the Council on Human Development for a second review by them.

#### February 1, 1972

Submission of new proposal by Dean Wilson to Chancellor Takasaki, including new prospectus for revised proposal of Human Resources Development. Dean

Wilson stated, "We believe that the next step must be immediate approval and commitment on the part of central administration to a formal structure for Human Resources Development."

March 30, 1972

Revised proposal sent by Chancellor to University Council on Human Development.

A motion for approval of a Division of Human Resources Development with the four departments was made, seconded and passed by the Council with the stipulation that consideration be given removing the Division from the College of Tropical Agriculture. Subsequently this action was submitted to the President in the Annual Report of the Council.

May, 1972

The matter of the formal structure was placed before the Council of Deans and the Senate Executive Committee with no objection forthcoming and Dean Wilson was informed by the Chancellor's office (Takasaki) that it would be on the agenda of the July meeting of the Board of Regents.

August, 1972

Stuart Brown returned the documents before sending them on to the Regents, with an accompanying memo stating that -- "I find real difficulty with the concept of a division that includes the instructional programs only and leaves the research and public service programs outside, still presumably with the programs in the College. Yet if human resources development is to flourish in the University and serve the people of the State, instruction, research and public service programs must as much as possible be a single, sharply focused and integrated effort."

September, 1972

Proposal for the new structure integrating all three activities forwarded to Dean Wilson. Dean Wilson checked with newly appointed Chancellor Gorter and was advised to submit a program and accompanying PBS material for the integrated program. Dean Wilson authorized the Division to prepare the proposal.

July 31, 1973

Since no action has yet been taken by central administration on the recommendation of Dean Wilson, the Chancellor's office has placed the program review for the Division of Human Resources Development on the schedule of those to be considered the first year of the 1973-78 sequence.

June, 1974

Dean of the College of Tropical Agriculture submitted HRD Program Reviews to the office of the Manoa Chancellor.

November, 1974

Dean Wilson, at the request of the Chancellor, solicited a revised proposal for a School of Human Resources Development prepared according to the University of Hawaii System Wide PPBS #10.

January 6, 1975

Proposal according to University of Hawaii System Wide PPBS #10 submitted to Dean Wilson.

January 20, 1975

Dean Wilson submitted proposal to Chancellor's office.

3) Implementation of the reorganization plans may begin without additional appropriations to the University. Further, "consideration" of the establishment of the school appears to be unnecessary.

Therefore, your Committee believes that in the interest of students, faculty, and the College of Tropical Agriculture, a school of Human Resources Development should be established immediately according to approved plans.

Your Committee has amended the title and the body of this resolution to reflect this belief.

Your Committee on Higher Education concurs with the intent and purpose of H.R. No. 395, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 395, H.D. 1.

Signed by all members of the Committee.

SCRep. 672 Higher Education on H.R. No. 555

The purpose of this resolution is to request the Institute of Astronomy of the University of Hawaii, the Hawaii Institute of Geophysics, and Hilo College to permit Hilo College students to use the telescope and related facilities at Mauna Kea. The intent of this resolution is to enable big island students to develop technical skills and receive enriching educational experiences in astronomy.

Your Committee has heard testimony from the Chancellor at the University of Hawaii Hilo and the Director of the Institute for Astronomy and finds that positive steps have been taken towards providing Hilo College students with experiential opportunities in astronomy. The Institute for Astronomy has assisted Hilo College in setting up an astronomical observatory on the Hilo Campus. The Institute sought, and was granted permission from the University of Arizona to move their observatory structure from Puu Poliahu on the Mauna Kea summit and has made this building and dome available to Hilo College. Appropriately, Hilo College is contemplating the expansion of its course offerings in astronomy.

As the next step, your Committee believes that the Institute and Hilo College should cooperatively develop an astronomy program that provides both technical skills and general knowledge to Hilo College students. The long-term benefits of such a program would accrue to the big island and the state from residents who are competently trained to participate in astronomical research and from the fuller public understanding of a "natural" educational area of the State to which the University of Hawaii is committed to achieving excellence.

Your Committee has amended portions of the third, fourth, sixth, and seventh clauses of the resolution to more accurately represent the facts as they have been presented. The intent and purpose of the resolution remain unchanged by the amendments.

Your Committee on Higher Education concurs with the intent and purpose of H.R. No. 555, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 555, H.D. 1.

Signed by all members of the Committee.

SCRep. 673 Water, Land Use, Development, and Hawaiian Homes and Environmental Protection on S.B. No. 1665

The purpose of this bill is to provide statutory authority that would satisfy the requirements of Section 6(c) (1, 3, 4 and 5) of Public Law 93-205, also known as the "Endangered Species Act of 1973" and will qualify Hawaii to enter into a cooperative agreement with the U.S. Department of Interior. Such an agreement would:

- (1) preclude Federal pre-emption of Hawaii's authority to regulate the "taking" of resident threatened or endangered fish or wildlife, and
- (2) make Hawaii eligible to receive Federal grant-in-aid funds up to two-thirds of approved program costs.

Part II of Chapter 191 (Act 49 of 1972) which is limited to indigenous birds and mammals only is repealed. This bill will preserve and conserve Hawaii's plant and animal life, particularly threatened and endangered species.

Your Committees have amended S.B. No. 1665, S.D. 2 by adding a new section

after Section -4 which substitutes the wording of Section 191-56, Hawaii Revised Statutes, and adding the word "plant" wherever appropriate. This amendment was to be inserted into S.B. No. 1665, S.D. 1 by the Senate Committee on Judiciary but was inadvertently omitted from S.B. No. 1665, S.D. 2 that was transmitted to the House.

Your Committees on Water, Land Use, Development, and Hawaiian Homes, and Environmental Protection are in accord with the intent and purpose of S.B. No. 1665, S.D. 2, as amended herein, and recommend that it pass Second Reading and be referred to the Committee on Judiciary in the form attached hereto as S.B. No. 1665, S.D. 2, H.D. 1.

Signed by all members of the Committees except Representatives Abercrombie, Fong and Ikeda.

SCRep. 674 Public Assistance and Human Services and Health on S.B. No. 1046

The purpose of this bill is to set payments by the Department of Social Services and Housing for dental care at the seventy-fifth percentile of customary fees charged by dentists.

Currently, the Department pays 75% of usual and customary fees up to the seventy-fifth percentile of fees charged by all dentists. The Department testified that if medical assistance payments exceeded the seventy-fifth percentile, then the Department would lose all federal matching funds available under Title XIX of the Social Security Act.

Your Committees have amended the bill to require the Department to pay usual and customary fees of dentists up to the maximum which federal rules permit the Department to pay. This amendment will prevent the loss of federal funds and result in dentists being paid their customary fees or the maximum which federal rules permit the Department to pay, whichever is less.

Your Committee on Public Assistance and Human Services and your Committee on Health are in accord with the intent and purpose of S.B. No. 1046, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1046, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees.

SCRep. 675 Labor and Public Employment on S.B. No. 534

The purpose of this bill is to provide statutory safeguards to a government employee who may be indebted to the State, county or independent board or commission.

Under present law, the government is permitted to withhold monies from employees who are indebted to the government. The amendment proposed under this bill guarantees such debtors an opportunity to voluntarily acknowledge the indebtedness and agree to a repayment plan or an opportunity to have the issue of indebtedness resolved by a formal administrative hearing.

Your Committee is in accord with the intent and purpose of S.B. No. 534, S.D. 1 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 676 Energy and Transportation on S.B. No. 332

The purpose of this bill is to require exterior markings on vehicles which contain, carry, or are loaded with any hazardous material.

Your Committee has received testimony from representatives of the Honolulu Police Department and the Department of Transportation.

Your Committee finds that the exterior markings requirement will provide increased safety for the general public. The fire department, police and rescue personnel will be able to respond easily and appropriately to a highway crash involving a hazardous materials carrier.

Your Committee on Energy and Transportation is in accord with the intent and purpose of S.B. No. 332 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 677 Labor and Public Employment on S.B. No. 1188

The purpose of this bill is to enable two employees of the University of Hawaii to become regular civil service employees on the basis of their performance in their jobs over the past several years.

These employees were hired, through a procedural error, as non-civil service and non-regular employees. The situation was recently uncovered and partial restitution and correction of their plight has been made. They now occupy regular civil service jobs and have regular civil service employee rights and obligations except that they are not yet fully certified. This bill will grant them full status without the necessity of civil service examination redtape and will enable them to receive government employee benefits retroactive to the time they were employed.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of S.B. No. 1188 and recommends that it pass Second Reading and be referred to your Committee on Higher Education.

Signed by all members of the Committee.

SCRep. 678 Energy and Transportation on S.C.R. No. 45

The purpose of this concurrent resolution is to endorse Hawaiian Airlines' application to the Civil Aeronautics Board for the opportunity to operate between Vancouver, British Columbia, and Honolulu, Hawaii.

Your Committee has heard testimony from representatives of Hawaiian Airlines and United Airlines.

Your Committee finds that Hawaiian Airlines, as the nation's seventh oldest airline and the pioneer air carrier in the Pacific area, has clearly demonstrated its potential operational capabilities through its past outstanding performance records. Hawaiian Airlines has carried over 2.7 million passengers in 1974 and carried more passengers than Ozark or Southern Airway in 1973 while producing the best load factor in the U. S. air transport industry coupled with the industry's lowest passenger complaint record according to the Civil Aeronautics Board. Hawaiian Airlines has further demonstrated its operational expertise by providing essential passenger processing function for major airlines using DC-10 and 747 aircraft.

Hawaiian Airlines estimates that 125-150 new jobs will be created by the selection of a carrier for the Canada route. These new jobs will range from unskilled positions through catering, passenger and mechanical services to managerial and aircraft pilots. These positions will be filled by people of Hawaii.

In addition, Hawaiian Airlines' proposal will further enhance the State of Hawaii by carrying forth the Aloha spirit to the people of Canada as well as provide increase in tax revenues and jobs for the people of Hawaii.

However, after further consideration, your Committee has amended this concurrent resolution to show that the Legislature's endorsement of Hawaiian Airline's application is conditioned upon the Civil Aeronautics Board's thorough assessment that the competitive posture of Aloha Airlines will not be injured by such an award.

Your Committee on Energy and Transportation concurs with the intent and purpose of S.C.R. No. 45, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 45, H.D. 1.

Signed by all members of the Committee.

SCRep. 679 Environmental Protection and Water, Land Use, Development, and Hawaiian Homes on S.B. No. 42



The purpose of this bill is to establish special interim management of developments within an area along the shoreline while a general coastal management program is being developed.

The Congress of the United States enacted a Coastal Zone Management Act of 1972, Public Law 92-583, which authorized grants to the State to plan and develop programs with the cooperation of Federal agencies to set policies and processes for the effective control of coastal areas. Accordingly, the legislature in 1973 passed Chapter 205A, Hawaii Revised Statutes, Coastal Zone Management, a program which shall be prepared by the Department of Planning and Economic Development and will set forth objectives and policies in conformity with the Federal Act, and which will serve as a guide to all State and county agencies in exercising their authority to implement programs in the State's coastal zones.

However, your Committees find that since the Coastal Zone Management program will not be finished until 1978, there is a need for interim controls before permanent losses of valuable resources and management options occur. Your Committees have amended S.B. No. 42, S.D. 2 to establish needed interim controls of the shoreline until the program for coastal zone management is completed by the Department of Planning and Economic Development as follows:

The county planning departments, or other appropriately designated agency, shall have the authority to manage a coastal zone by the issuance of permits for all developments over the fair market value of \$25,000.

A special management area, not less than 100 yards inland from the shoreline or any area subject to salinity intrusion or tidal influence, is established. Within 90 days of the effective date of this Act, each county authority shall delineate the boundaries of the special management area. Shoreline is defined as the area along the upper reaches of the wash of the waves, usually evidenced by the edge of vegetation or the debris left by the wash of the waves.

The authority, in passing on permit applications, shall apply the following policies:

1. Maintain an undeveloped portion for recreational, scenic, scientific and educational uses to protect natural resources;
2. Protect shoreline areas from encroachment of man-made structures and improvements;
3. Encourage and coordinate inter-governmental and private agency management to protect the environment and natural resources; and
4. Encourage citizen participation.

The authority shall also adopt these guidelines:

1. All developments in the coastal zones are subject to terms and conditions to provide for adequate beach access, recreational areas, solid and liquid waste treatment with minimum adverse effects to the land by erosion, landslides and floods.
2. Any development must not cause any adverse environmental and ecological effects from a long or short term basis.
3. Dredging, filling or otherwise altering any bay or beach or public access thereto, or effects of water quality, including structures, fisheries and aquaculture shall be minimized.

Full and effective opportunity for public involvement in the permit system has been provided and an aggrieved party may file for a judicial review. A civil fine is provided for any violations.

The county authorities will implement this Act with existing planning department staff.

Your Committees have provided that this Act shall only be in effect until a coastal zone management program is enacted by the legislature pursuant to the Coastal Zone Management Act of 1972, and to Chapter 205A-1 and 205A-2, Hawaii Revised Statutes.

Your Committees have deleted Section 2, "appropriations", since the concern for

funding Chapter 115, Hawaii Revised Statutes, is covered by H.B. No. 40, H.D. 2 scheduled for decision making by the Senate Committee on Ecology, Environment and Recreation on March 27th, and the funding for Chapter 173A, Hawaii Revised Statutes, should also be handled separately.

Although there is substantial agreement with the "Coastal Zone Policy" and "Policy Guidelines" of S.B. No. 42, S.D. 2, your Committees believe that these objectives can be better realized by the designation of a management area with an authority to issue necessary permits prior to development within the management area. S.B. No. 42, S.D. 2 has been so amended.

Your Committees on Environmental Protection, and Water, Land Use, Development, and Hawaiian Homes are in accord with the intent and purpose of S.B. No. 42, S.D. 2 as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 42, S.D. 2, H.D. 1 and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Ikeda and Oda.

SCRep. 680      Consumer Protection and Commerce and Judiciary on  
S.B. No. 1556 (Majority)

The purpose of this bill is to increase the amount of the monetary fine for violations of the provisions of Chapter 444, Hawaii Revised Statutes, relating to contractors, to more effectively deter such violations.

Under present law, the penalty for unlicensed contracting is \$1,000. Because the activities of unlicensed contractors are costly to consumers, the construction industry and the State, this bill increases the fine to \$5,000 and provides for imprisonment for up to six months.

Your Committees agree that the fine should be increased as provided in this bill but does not believe that imprisonment is appropriate. Accordingly, the bill has been amended to delete the provision for imprisonment.

Your Committees on Consumer Protection and Commerce and Judiciary are in accord with the intent and purpose of S.B. No. 1556, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1556, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

Representative Sutton did not concur.

SCRep. 681      Energy and Transportation on S.B. No. 1458

The purpose of this bill is to allow the Department of Transportation to issue general obligation bonds for the Hawaii State Ferry System.

Your Committee on Energy and Transportation is in accord with the intent and purpose of S.B. No. 1458 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 682      Legislative Management

Informing the House that House Resolution Nos. 710 to 762, House Concurrent Resolution Nos. 132 to 147, and Standing Committee Report Nos. 683 to 706, have been printed and distributed.

Signed by all members of the Committee.

SCRep. 683      Labor and Public Employment on S.B. No. 182

The purpose of this bill is to amend Part I, Discriminatory Practices Law, Chapter

378, Hawaii Revised Statutes, to include employment discrimination because of physical handicap as an additional unlawful employment practice.

Further, a new sub-section to 378-9, Hawaii Revised Statutes, to protect employers from being forced to make major structural or expensive equipment alterations, to permit the employment of a handicapped person.

Presently, the law prohibits any employer, labor organization, and employment agency to discriminate in employment against any individual because of race, sex, age, religion, color, ancestry and arrest and court record that the individual is able to perform the work.

To avoid any discrimination, this bill would include physically handicapped persons. It is estimated that over 10% of our population suffers some form of handicap. These citizens are singled out from our society by the lack of statutory protection. In schools, public transportation, public accommodations, and private employment, handicapped people are excluded by physical design of buildings, lack of funds or interest or prejudice.

However, your Committee raised questions on Section 378-2, sub-section 2, as to the application of this sub-section to women and interruption of work due to maternity leaves. Accordingly, your Committee has amended Section 378-2, sub-section 2, of the bill by deleting the following phrase from page 4, line 4 through 6:

"which have a substantial relationship to the functions and responsibilities for prospective or continued employment; "

Your Committee learned from the Department of Labor and Industrial Relations that this deletion would not affect the intent and purpose of the bill.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of S.B. No. 182, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 182, S.D. 1, H.D. 1 and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 684      Finance on S.B. No. 1145

The purpose of this bill is to clarify county authority to reimburse county officers and employees for travel or other necessary expenses in the performance of their official duties. Such reimbursement is to be subject to procedures prescribed by the Director of Finance and approved by the Mayor.

This bill as originally introduced proposed to amend section 62-33, Hawaii Revised Statutes, which relates to the counties of Hawaii, Kauai and Maui. An amendment of section 62-33 would appear to be "special law" under findings of the State Attorney General. (Attorney General Opinion 61-36). Your Committee therefore, has amended this bill to meet the requirement that powers to the counties be conferred by general law in compliance with Article VII, section 1, Hawaii State Constitution. Your Committee has incorporated the proposed changes in a new section to be added to chapter 46, Hawaii Revised Statutes. This authorization does not conflict with provisions now in the various county charters.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1145, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1145, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 685      Consumer Protection and Commerce on S.B. No. 1560

The purpose of this bill is to empower the Office of Consumer Protection to adopt procedural and substantive rules and to clarify the authority of that office in enforcing consumer protection laws.

On February 28, 1975, the Supreme Court of Hawaii, in the case of Don Kauer,

dba Don's Aloha Chevron Service v. Ronald Amemiya, held that the Office of Consumer Protection is without power to promulgate substantive rules and regulations.

When the Office of Consumer Protection was established, it was presumed that the establishing Act provided full authority for its functions and duties. Your Committee agrees that one of the essential functions of that office is to adopt substantive and procedural rules to guide businessmen and protect consumers. This bill would clearly establish the authority of the Office of Consumer Protection to adopt procedural and substantive rules.

This bill also clarifies the authority of the Office of Consumer Protection in taking legal action to enforce certain provisions of Chapter 480, Hawaii Revised Statutes.

Your Committee has amended the bill by:

(1) Rewording the paragraph provided for in this bill granting specific authority to the Office of Consumer Protection to adopt rules. As amended by your Committee, that office is granted authority to adopt rules to interpret Section 480-2, which declares unfair methods of competition and unfair or deceptive acts or practices in the conduct of any trade or commerce unlawful. Section 480-2 is the main tool used by the Office of Consumer Protection to attack unfair or deceptive business practices and the general language of the statute makes it desirable that rules interpreting the statute be adopted to guide businessmen and protect consumers.

(2) Deleting Section 2 of the bill which amended Section 480-14, Hawaii Revised Statutes, to empower the Office of Consumer Protection in addition to the Attorney General, to sue on behalf of the State to recover damages sustained by the State as a result of anything declared unlawful by Chapter 480. Because this section is aimed primarily at antitrust violations which fall within the jurisdiction of the Attorney General, your Committee believes that the proposed amendment is inappropriate.

(3) Limiting the proposed concurrent jurisdiction of the Office of Consumer Protection to enforce the civil provisions of Chapter 480 to concurrent jurisdiction with the Attorney General for enforcement of the civil provisions only with regard to Section 480-2. The amendment was made because the Office of Consumer Protection is primarily concerned with violations of Section 480-2 and not the other sections of Chapter 480.

(4) Correcting a typographical error and making other minor changes relating to form which have no substantive effect.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 1560, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1560, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 686      Consumer Protection and Commerce on S.B. No. 1050 (Majority)

The purpose of this bill is to protect retail gasoline dealers from arbitrary and unreasonable termination of their franchise agreements with petroleum distributors.

Your Committee heard testimony from retail gasoline dealers that because of the unequal bargaining position between themselves and the large petroleum distributors, they feel threatened by the possibility of abrupt and arbitrary termination or nonrenewal of their franchise agreements with the petroleum distributors. Such termination would mean the loss of a business which many gasoline dealers have labored long and hard to establish.

Your Committee agrees that, as small businessmen, the retail gasoline dealers are at a disadvantage when dealing with the large petroleum distributors and that some reasonable protection for gasoline dealers is necessary. This bill would provide such protection by adding a new chapter to the Hawaii Revised Statutes governing the termination, cancellation, or nonrenewal of gasoline dealer franchise agreements. Under the bill, retail gasoline dealers are given a cause of action against petroleum distributors for wrongful or illegal termination or cancellation of the franchise agreement or unreasonable refusal to renew the franchise.

Upon consideration of this measure, your Committee has amended the bill as follows:

(1) Redefined "franchise" to make clear that the term includes both (a) dealers who own service stations or lease them from someone other than the petroleum distributor and who enter into an agreement with the distributor to sell its products; and (b) dealers who lease the station from the distributor and agree to sell the products of the distributor.

(2) Added a definition of the term "good faith".

(3) Deleted subparagraph (2) on page 4 of the bill as passed by the Senate, which disallowed certain enumerated defenses of the petroleum distributor to an action by a gasoline dealer if the distributor had not given ninety days prior notice of termination, cancellation, or nonrenewal of a franchise.

(4) Added a new section -3 requiring that a petroleum distributor give ninety days written notice before terminating, cancelling, or refusing to renew any franchise, provided that only five days notice is required if the termination, cancellation, or refusal to renew is for adulteration, substitution, contamination, or other degradation of petroleum products; abandonment of the franchise relationship by the dealer; conviction of the dealer of a crime involving the business involved in the franchise; and adjudication of bankruptcy of the dealer or his insolvency.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 1050, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1050, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

Representative Sutton did not concur.

SCRep. 687 Energy and Transportation on S.B. No. 1669

The purpose of the bill is to grant the Governor clear authority to control the distribution of petroleum products when shortages in supply occur or are anticipated that would have disruptive effects upon the public order and welfare. Under existing statutes, the Governor is without clear legal authority to control the distribution and sale of petroleum products and for their distribution and sale in an orderly, efficient and safe manner unless an "emergency" arises. As was demonstrated during the energy crisis of late 1973 and early 1974, the State government must act before events reach the "emergency" stage. Otherwise, the health, safety, morals, and well-being of our citizens will be detrimentally affected by the confusion and disruption generated.

Your Committee finds that during the 1974 energy crisis, it was found that not all counties had the same unique situation as Oahu. Therefore, your committee has amended Senate Bill 1669, S.D. 1 to permit a county having the power under its charter to declare an emergency and to carry out a plan to cope with the emergency to exempt themselves from all or a portion of the State plan by ordinance. Initial exemptions would be effective for not more than one hundred twenty days. After such a period, the counties would be required to satisfy certain notice and public hearing requirements prior to the adoption of exemptions from the State plan extending beyond the one hundred twenty day period. The notice and public hearing requirements are substantially similar to those found in Chapter 91, H.R.S. which the Governor must now follow under the bill. The requirements are set forth in the bill rather than by reference to Chapter 91, because Chapter 91 expressly excludes legislative bodies from its scope.

Your Committee has amended Senate Draft 1 of the bill further in the following ways:

- (1) Inserted "number" before "of" on page 2, line 18 of the bill because "number" was inadvertently omitted.
- (2) Amended paragraph (1)(D) in section \_\_\_-3, page 4, lines 6-9 of the bill by adding the words "where a county has not exempted itself pursuant to Sec. \_\_\_-11". This paragraph presently vests the Governor with the power to exempt the counties from the State plan. This amendment makes this part consistent to the bill made by your committee which vests the counties with the power to exempt themselves by ordinance.

- (3) Added the word "temporary" before the words "boards, agencies, officers, employees and other persons" in Sec. \_\_\_\_-8, line 2, page 7a of the bill to make the section consistent. Your Committee has also deleted the provision relating to the "delegation of powers and duties" by the Governor because your Committee believes that the Governor may hire and appoint persons to aid him in carrying out this chapter but cannot "delegate" his powers and duties.
- (4) Inserted the word "intentionally" before the phrase "fails to observe and comply with any rule promulgated under this chapter..." on page 9, line 9 of the bill. The amendment makes this violation consistent with the rest of the section prescribing violations deemed to be a misdemeanor.
- (5) Deleted the word "and," and inserted the word "but" in the last paragraph of section \_\_\_\_-11 before the words "shall coordinate..." to make clear that the county's plans shall be in consonance with the Governor's exercise of his authority in the control and distribution and sale of petroleum products.
- (6) Deleted Section 2 of the bill which would make an appropriation of \$100,000 for funding the petroleum products control fund because your Committee believes that appropriation is not presently needed.

Your Committee on Energy and Transportation is in accord with the intent and purpose of the bill, as amended herein, and recommends that S.B. No. 1669, S.D. 1, H.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 688      Energy and Transportation on S.B. No. 1214

The purpose of this bill is to provide a systematic means of coordinating the State's responsibilities for inter-island and major highway transportation planning and development with the counties intra-island surface transportation system planning and development based upon a continuing, cooperative, and comprehensive planning process carried on by the State and the respective counties.

Your Committee finds that the State Transportation Plan of 1961 is no longer responsive to the needs of the people of Hawaii. A new State Transportation Plan is needed which will reflect the State's emerging economic, social and environmental goals in the content of its dramatically changed socio-economic characteristics. Further, such a State Transportation Plan should be a product of more sophisticated planning techniques which relate system development to clearly defined land use goals and which involve all levels of government in an integrated planning process. County general planning and transportation planning agencies should be continuously involved with appropriate state planning agencies in a formalized, systematic process pointed toward the production of a new State Transportation Plan.

Your Committee finds that the first step in the Statewide Transportation Planning Program is the establishment of a Statewide Transportation Council. This council will involve itself with transportation policy and systems planning at the State level and to coordinate the update of the 1961 State Transportation Plan into a current and viable document with the Intra-County transportation plan which are the products of the respective county cooperative, comprehensive and continuing transportation planning process. The Council will have a significant role in the implementation of the recommendations of the Statewide Transportation Planning Program.

To achieve these objectives, this proposed legislation will mandate the development of a new State Transportation Plan and to establish a coordinated process for generating inputs from the respective county planning processes to the statewide transportation planning process. Thus a mechanism will be created which ensures that the State Transportation Plan will be in accord with the County Transportation Plans.

It should be noted that this bill does not alter in any respect the planning responsibilities which the State and the counties presently have for various transportation modes under the Hawaii Revised Statutes. What this legislation does is provide for a process through which each level of government can continue to discharge its respective planning responsibilities but in a fashion which will lead to greater functional inte-

gration between the various transportation systems.

Your Committee after further consideration has amended:

- (1) Section 4 to authorize and direct the Department of Transportation to furnish staff support to the council and that the staff may be exempt from Chapter 76, Civil Service Law and Chapter 77, Compension Law, H.R.S.
- (2) Section 5 is amended to include staff services as an authorized expenditure of funds.

Your Committee on Energy and Transportation is in accord with the intent and purpose of the bill, as amended herein, and recommends that S.B. No. 1214, S.D. 1, H.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 689 Finance on S.B. No. 1192

The purpose of this bill is to raise the permissible ceiling on county general obligation bond interest rates from seven per cent to eight per cent.

This bill utilizes language to classify the counties by providing that any county with a population in excess of 100,000, the rate or rates shall not exceed seven per cent. The effect is that the change to eight per cent will apply to the counties of Hawaii, Kauai and Maui. The City and County of Honolulu will still be under the seven per cent ceiling. The City and County finds this seven per cent rate is still an acceptable and desirable ceiling.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1192, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 690 Environmental Protection on S.B. No. 106

The purpose of this bill is to enhance the quality of our environment by providing protection to exceptional trees that may be destroyed through improper land development.

This bill will add a new chapter to the Hawaii Revised Statutes establishing a county arborist advisory committee appointed by the mayor of each county and shall have the following powers and duties:

1. Research, prepare, and recommend to the county council exceptional trees that should be protected by county ordinance or regulation and recommend the appropriate protective ordinances, regulations and procedures.
2. Advise property owners relative to the preservation and enhancement of exceptional trees.
3. Review all actions deemed by the county council that may endanger exceptional trees.

Exceptional trees are defined as those with historic or cultural value or which by reason of age, rarity, location, size, aesthetic quality, or endemis status has been designated worthy of preservation. The bill provides that the counties enact appropriate protective regulations and further provides for injunctive relief against the removal or destruction of such trees.

Your Committee on Environmental Protection is in accord with the intent and purpose of S.B. No. 106, S.D. 1 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Fong.

## SCRep. 691 Environmental Protection on S.B. No. 1332

The purpose of this bill is to clarify the regulatory responsibilities of state and county agencies in regard to the maintenance, repair, and improvement of fishponds and aquaculture areas and to insure that proper environmental safeguards are coupled with conditions encouraging retention of fishponds and aquaculture areas.

Your Committee is in accord with the findings and recommendations of your Committee on Water, Land Use, Development, and Hawaiian Homes.

Your Committee on Environmental Protection is in accord with the intent and purpose of S.B. No. 1332, S.D. 1 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Fong.

## SCRep. 692 Energy and Transportation on S.B. No. 1682

The purpose of the bill is to amend the existing statute to comply with the requirements of the Federal Aid Highway Amendments of 1974 relating to outdoor advertising.

The federal amendments changed the provisions of the Highway Beautification Act of 1965 with such provisions as extended control to include outdoor advertising located beyond 660 feet of the edge of the highway right of way; permit certain landmark signs lawfully in existence on October 22, 1965; and provide for the payment of just compensation for the removal of any outdoor advertising lawfully erected under State Statutes.

Your Committee finds that the intent and purpose of this bill ensures that the continuation of controls to help preserve our local environment will be reinforced.

Your Committee on Energy and Transportation is in accord with the intent and purpose of S.B. No. 1682 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

## SCRep. 693 Energy and Transportation on S.B. No. 1618

The purpose of the bill is to amend section 455-223, Hawaii Revised Statutes, to clarify the present phraseology of the law.

The intent and purpose of the bill is expressed in the title.

Your Committee finds that the passage of this bill still accomplishes the intent of the law to insure the safety of riders. It will also remove the necessity of persons operating such services to have additional checks than required under the Annual Safety Check requirements and remove the additional cost to the operators to transport their vehicles for the inspection which is a duplication of the inspection already received.

Your Committee on Energy and Transportation is in accord with the intent and purpose of S.B. No. 1618 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

## SCRep. 694 Labor and Public Employment on S.B. No. 1656

The purpose of this bill is to permit the Board of Trustees to designate a person other than the Secretary-Treasurer to countersignature on all Health Fund Payment Vouchers.

Your Committee finds that due to certain legal requirements of the Health Fund Law, four authorized signatures must be obtained before the Health Fund is able to pay its Trust Fund obligations. This process usually takes about two weeks before the Health Fund Payment Voucher is delivered to the payee. If this bill is enacted, only three authorized signatures will be required and the payee will receive his Health Fund Payment Voucher within a week.



Your Committee further finds that this proposed change in operating procedures will not diminish the financial control over budgeted and actual expenditures presently being provided by the Department of Budget and Finance and the Department of Accounting and General Services.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of S.B. No. 1656, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 695      Judiciary on S.B. No. 75

The purpose of this bill is to reconstitute the Board of Pardons and Paroles consisting of a full-time salaried chairman and part-time paid members in order to more effectively and efficiently achieve the dual and inseparable purposes of parole, the protection of society on the one hand the rehabilitation of the offender on the other.

The present part-time Board is often frustrated in its effort to provide the necessary services demanded by the needs of the present parole system. The constraints of time, lack of technical knowledge and personal hardship on commission members arising from the time they must take from their own jobs, have hampered the effectiveness of the Board.

The bill provides for a full time paid chairman and two part-time paid members to be selected through submission of not less than three names for each vacancy to the Governor for his action. Your Committee amended the bill to provide for compensation of the full-time chairman at the salary range of SR-31, G step, which as of July 1, 1975 will be \$25,224 annually, with the two part-time members receiving 90 per cent of the hourly wage paid the chairman. The Board's salary and compensation amounts were arrived at after comparing the present Department Administrative Salary structure, the expected scope of responsibility of the paroling authority chairman and part-time members as compared to Department heads. (The bill originally had tied the chairman's salary with that of District Court Judges which would place it higher than the deputy director's salary.)

Your Committee, as a result of its above mentioned comparisons and information received from the Department of Social Service and Housing, felt the SR-31, G step was the fair salary.

Your Committee believes that a full-time chairman will be better able to provide the required leadership in Hawaii's parole system by improving the decision making process and more effectively responding and reacting to the needs of the inmates and the general community.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 75, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 75, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 696      Judiciary on S.B. No. 1281

The purpose of this bill is to make the appropriation necessary to fund the Capital Improvement Projects and the operating budget for the Judiciary for the 1975-77 biennium.

Your Committee, after detailed examination of the budget presented by S.B. No. 1281, S.D. 2, has substituted the substance of H.B. 1614, H.D. 1, for the substance as presented by S.B. No. 1281, S.D. 2.

Your Committee, upon its previous review of H.B. 1614, H.D. 1, incorporated its comment on the worksheets presented to the Finance Committee, and accordingly, your Committee incorporates the same by reference.

Your Committee, upon further consideration, makes the following additional comments with respect to the respectively designated items of the bill:

(1) Section 8, Item 2. It is your Committee's desire that ultimately the Kekuanao'a Building be available for use by the University Law School.

It is your Committee's understanding that the Law School will be relocating downtown while awaiting the completion of renovation of the Kekuanao'a Building. It is expected that pending such relocation, the Judiciary, in conjunction with the University of Hawaii, shall improve the existing law school facilities by soundproofing and air conditioning where needed. It is hoped that such action will bring a reasonable measure of relief to the embattled law students and the faculty of the law school.

(2) Section 8, Item 4. It is your Committee's intent that the appropriation for planning purposes being considered by this portion of the bill should not be construed to indicate approval or disapproval of the proposed Wailuku Judiciary Complex in toto.

(3) Section 3, Item 1. Your Committee intends that this portion of the appropriations should not be construed to interfere with reclassification action by the Judiciary upon its personnel.

(4) Section 3, Item 3. Your Committee is aware of the urgent need for an additional judge in the Second Circuit and ancillary positions and costs in support thereof.

Additionally, your Committee expresses concern for the housing of the judge and his staff during the interim until a new courthouse can be constructed. Accordingly, the Judiciary is directed to present a recommendation with alternative solutions in this regard to your Committee by the next legislative session.

(5) Section 3, Item 5. Your Committee expresses concern that contemplated increase in Small Claims jurisdiction will require increased space, staffing, and equipment. Such increase is not reflected in the funds here being considered for appropriation. As such, your Committee expresses concern for the need for appropriate legislation to accommodate the same.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 1281, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1281, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 697      Housing on H.C.R. No. 83

The purpose of this concurrent resolution is to urge the two legislative bodies of the State of Hawaii to give more attention to and to consider incentives for providing housing for middle income families.

Your Committee on Housing, upon consideration of this concurrent resolution, recommends the following amendments:

1. Deletion of references toward a qualifying income figure.
2. Addition of a transmittal provision distributing certified copies of this concurrent resolution to the President of the Senate, Speaker of the House, and the respective Committees on Housing of both legislative bodies.

Your Committee on Housing concurs with the intent and purpose of H.C.R. 83, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 83, H.D. 1.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 698      Consumer Protection and Commerce on H.R. No. 682

The purpose of this resolution is to request that the Director of the State Tax Department and the Insurance Commissioner formulate and publish clearly defined guidelines regarding conditions of employment which establish the employment status of individual insurance solicitors as employees or independent contractors.

Insurance solicitors in Hawaii are presently assessed a two per cent general excise tax on their commissions from the sale of insurance. This tax assessment on insurance solicitors is unique to the State of Hawaii. It is common knowledge that the excise taxes levied under Chapter 237 are "passed on" to the consumers. However, insurance solicitors are unable to pass on the tax because under the State insurance laws, the Insurance Commissioner approves rates for various types of insurance coverage and, upon approval, the insurance must be sold at the approved rates without any added charges.

Certain insurance solicitors are exempt from the general excise tax and the exemption from the excise tax depends on their employment status as employees or independent contractors as determined by the State Tax Department. The criteria used by the Tax Department to make this determination contain certain ambiguities which make it difficult for other insurance solicitors to qualify for exemption from the excise tax.

Your Committee on Consumer Protection and Commerce concurs with the intent and purpose of H.R. No. 682 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Carroll.

SCRep. 699 Labor and Public Employment on S.B. No. 228 (Majority)

The purpose of this Bill is to make the Hawaii Public Health Fund subject to be excluded from the scope of negotiations.

Your Committee finds that Chapter 87, Hawaii Revised Statutes, provides the authority which created the Health Fund and the Board of Trustees with its powers and duties. Chapter 89, Hawaii Revised Statutes, permits the negotiations over the Hawaii Public Health Fund by the exclusive representatives of the 13 bargaining units.

Your Committee further finds that a joint bargaining effort has not been successful and as a result an increase in individual union activity to modify the Health Fund. As the pressures of negotiations increase, there exist a definite possibility of fragmenting the existing Health Fund into 14 different Medical, Dental and Group Life Insurance Plans. This fragmentation will only result in increased cost because it is more expensive to purchase a given level of benefits if the risk is spread over a smaller group and the requirement for additional staff to administer the many different plans. There is no direct benefit to the employees associated with cost increase of this nature. Further, this authority and responsibility of the Board of Trustees is clarified when the Health Fund is made non-negotiable.

Your Committee further finds that when the Public Employees Health Fund was enacted in 1961, the employees and employers contributions were to be as near as practicable to fifty-fifty. Presently, the employees contribute approximately sixty per cent and the employers, forty per cent. Your Committee has amended this bill to provide that contributions to the Health Fund be returned to a fifty-fifty basis between the employers and the employee-beneficiaries as originally intended.

The health benefits plan selected, for which the matching funds are provided, is the least expensive regular plan. In case a more expensive benefit plan is selected by the employee, the employer's contribution to the benefit plan shall not exceed an amount equal to fifty per cent of the total contributions under the least expensive regular plan. The employee shall pay all such additional costs of the benefit plan so selected which exceeds the cost of the least expensive regular plan.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of S.B. No. 228, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 228, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Fong.

Representatives Takamine, Larsen and Sutton did not concur.

SCRep. 700 Labor and Public Employment on S.B. No. 115

The purpose of this bill is to improve the collective bargaining law of the State

in order to insure that the State shall receive all the rights and benefits it should when bargaining with employees and to insure that the public employees receive all the rights and benefits they should receive when bargaining with the State.

Your Committee finds that it is important to strengthen the role of the Chief Negotiator and that the collective bargaining process does not function at its best when subjected to a "whipsaw" situation on cost items between the various bargaining units.

Your Committee finds that the staggered requests for legislative approval on negotiated cost items have caused planned budgets to be amended or modified in order to accommodate these items. This inevitably leads to inefficient government operations when programs have to be cut or funds taken away. Such effects cannot be deemed to be in the best of the public's interest.

Your Committee believes that S.B. No. 115, S.D. 2 will eliminate staggered requests for legislative approval on negotiated cost items. This in turn will help to eliminate last minute cuts, additions and other changes to the government's planned operating budget.

Your Committee has amended this bill by deleting page 3, lines 1 through 6:

"The parties may include provisions for a reopening date during the term of the collective bargaining agreement, provided that if such provisions allow for the reopening of an item relating to the total collective bargaining cost, the negotiations shall again be conducted jointly at the beginning of the even numbered fiscal year."

In its place, the following paragraph has been substituted:

"The parties may include provisions for the reopening date during the term of a collective bargaining agreement, provided that such provisions shall not allow for the reopening of cost items as defined in Section 89-2."

Your Committee on Labor and Public Employment is in accord with the intent and purpose of S.B. No. 115, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 115, S.D. 2, H.D. 1, and be referred to your Committee on Finance.

Signed by all members of the Committee except Representative Fong.

SCRep. 701      Labor and Public Employment on S.B. No. 1326

The purpose of this bill is to establish an office of collective bargaining within the office of the governor to serve the governor in discharging the duties set forth in the public employment collective bargaining act.

Your Committee finds that the chief negotiator of the State is currently a one-man office attempting to meet the demands of bargaining with the exclusive bargaining agents of the various units. This organization is not the most efficient way to cope with the demands made by collective bargaining. An immediate and urgent need for a team of trained negotiators is demanded in view of the upcoming program demands.

Your Committee has amended the appropriation for the office, and made a technical correction.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of S.B. No. 1326, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1326, S.D. 2, H.D. 1, and be referred to your Committee on Finance.

Signed by all members of the Committee except Representative Fong.

SCRep. 702      Labor and Public Employment on S.B. No. 637

The purpose of this bill is to eliminate the requirement that a policeman, fireman, or corrections officer be required to attain the age of fifty-five years before retiring without penalty from the police department or the fire department of the various counties.

Presently, the retirement formula for general members, including policemen, firemen, and corrections officers allows them to retire before attaining age fifty-five if they have twenty-five years of credited service, but at a reduced benefit rate. The maximum benefit of eighty per cent for policemen, firemen, and corrections officers is not reached until thirty-two years of service.

Your Committee finds that the deletion of the requirement that a person be fifty-five years of age before he can retire as a policeman, fireman, or corrections officer is in the best interest of the county and of the individual policeman, fireman, or corrections officer. For instance, statistics indicate that one out of every three police officers on the road in Honolulu have been assaulted during the year and that physical agility and strength is a necessary ingredient in the enforcement of the laws of the community. Similar arguments hold for the firemen and corrections officers in respect to the stresses and strains related to their occupational activities.

A matter of concern to the committee was the cost of eliminating this fifty-five year requirement. The Retirement System's position is that the annual cost for both policeman and fireman is \$5.5 million, on the assumption that fifty per cent of the policemen and firemen will choose the "twenty-five and out" option. Mr. Kim Tet Lee of the Retirement System agreed that this is probably too high and that probably \$3 million is a better estimate. Mr. Sid Abrams, Actuary of Benefit Plan Consultants, using actuarial figures presented by the Retirement System in 1973, estimated the cost for policemen only of a low of \$331,000 to a high of \$900,000 annually. He also stated that for the total cost of the deletion of the age requirement the cost for firemen could be computed mathematically as the firemen's cost is approximately forty per cent of the total cost of firemen and policemen.

Your Committee wishes to bring to your attention that this large discrepancy in cost is of some concern to it and suggests that this discrepancy be discussed and resolved by the parties prior to a hearing of the Finance Committee.

In the interests of maintaining vital forces in these occupations and in recognition of the physical and mental stress caused by the hazards of the occupations and finding itself in agreement that the cost figures originally submitted by the Retirement System are too high, your Committee has amended the bill to allow policemen, firemen, and corrections officers to retire with unreduced benefits if the member has at least twenty-five years of credited service, irrespective of age.

Further, your Committee has amended the bill by deleting the brackets on page 2, lines 6 and 9, to limit the maximum retirement allowance for each member to eighty per cent of his average final compensation.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of S.B. No. 637, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. 637, S.D. 1, H.D. 1, and that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Fong.

SCRep. 703 Labor and Public Employment on S.B. No. 846

The purpose of this bill is to defer incremental and longevity pay increases to employees of all bargaining units in any fiscal year that an increase in the applicable wage schedule is affected.

Further, the bill provides that those employees entitled to increments and longevity increases during fiscal year 1975-76 be granted, had they not deferred these increases through collective bargaining.

Your Committee finds that, prior to collective bargaining, the granting of incremental and longevity pay increases was an acceptable practice inasmuch as the State Legislature did not provide for general wage or salary increases on an annual basis.

Your Committee finds that the collective bargaining law does not invalidate sections of the Hawaii Revised Statutes that provide for the granting of increment and longevity pay increases but the continual granting of these increases is costly and inappropriate under the current collective bargaining system.

Your Committee finds that July 1, 1976, is an acceptable cut off date for implementing

the deferral concept because the majority of the collective bargaining contracts expire on June 30, 1976.

Your Committee finds that in order to bring all bargaining units up to a reasonable base upon which all bargaining units can start negotiation under the deferral concept, the bill allows for the granting of increments and longevity increases to those employees entitled to such increases during fiscal year 1975-1976, had they not deferred these increases through collective bargaining.

However, your Committee has clarified section 89-9 (d), sub-section 4, page 3, lines 6-9 dealing with bargaining units 7 and 8 by renumbering these sub-sections accordingly.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of S.B. No. 846, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 846, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Fong.

SCRep. 704      Labor and Public Employment on S.B. No. 142

The purpose of this bill provides an incentive not to abuse sick leave and should expedite retirement and the subsequent filling of the position. This bill also favors the conscientious employee who does not abuse sick leave benefits.

Your Committee finds that close to retirement there is a tendency to use as much sick leave as possible. Sick leave policies are most liberal and therefore abuse is very difficult to control. Consequently, production suffers due to the vacant position which cannot be filled.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of S.B. No. 142, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Fong.

SCRep. 705      Consumer Protection and Commerce on S.B. No. 607

The purpose of this bill is to put applicants for, and owners of, liquor licenses on notice as to the nature of their obligations regarding compliance with sound control laws in the operation of their establishments.

The changes to the present laws proposed by this bill would specifically authorize the liquor commissions of the various counties to consider the amount of noise which would emanate from an establishment in considering whether to grant a liquor license. Further, if there is a noise problem with an existing establishment, the issuance of a renewal license may be withheld until the problem is corrected.

The bill also provides that upon applying for a license, notice for the hearing on such application shall be given by regular mail, rather than certified mail as provided in the present law, and that notice be given to two-thirds, instead of a majority as provided under the present law, of the owners, or holders of recorded leases or real estate, within a distance of five hundred feet from the nearest point of the premises for which the license is being sought.

The reason for giving notice by regular mail is that the requirement that the notices of hearings be given by registered or certified mail is an annoyance to the recipients, many of whom are not at home when the mail is delivered. They are then obliged to make a special trip to the post office to pick up the notice.

The change to require that two-thirds, rather than a majority, of the persons owning or leasing property within five hundred feet of the proposed establishment be given notice is intended to insure that more persons who live relatively closer to the premises applying for the license are notified of the hearing. Under the present requirement, an applicant could send notices to those property owners and lessees at the outer limits of the five hundred feet radius where the noise and nuisance impact would be the least objectionable. By increasing the number to be notified to two-thirds,

the effect of this strategy will be diminished.

Another change proposed by the bill is to require that, in addition to the two-thirds notice requirement discussed above, a notice be sent to the management of each condominium project within five hundred feet of the applicant's premises. The notice is to be addressed to the condominium residents and the intent is to have the manager alert the residents if they have not been notified by direct mail.

Other changes to the law proposed by this bill are essentially of a "housekeeping" nature.

Your Committee has amended the bill by:

- (1) Requiring compliance to State or county noise or vibration codes rather than only county codes. This is because under present law, the counties are authorized to adopt noise and vibration codes but if there is a conflict between the county codes and State regulations, the requirement affording the greatest protection to the public will prevail.
- (2) Deleting references to accoustical engineers.
- (3) Deleting the proposed amendment to paragraph (2) of Section 281-56.
- (4) Inserting the word "project" after "condominium" on page 6, line 9 (page 6, line 8 of the bill as passed by the Senate), for clarification.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 607, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 607, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Carroll.

SCRep. 706 Finance on S.B. No. 535

The purpose of this bill is to appropriate funds for government programs for the 1975-77 fiscal biennium.

#### BACKGROUND TO THE BUDGET

##### ECONOMIC AND FISCAL CONSIDERATIONS

The economic and fiscal factors which affect the State at the present time have led your Committee to conclude that the prudent course is to enact a budget which holds proposed expenditures to current revenue sources. The resultant budget is one which restores to needed levels those government services which deteriorated during the austerity period of recent years, authorizes new programs or program levels only in cases of clearly demonstrated need, and defers to a later period those capital investments which are not immediately required.

The economic outlook suggests that the recovery from recession will be slow and sluggish. This accounts for the urgency which is attached to the enactment of a tax cut at the Federal level at the present time. In considering the question whether additional revenues are necessary to finance government programs over the next biennium, it is impossible to ignore the argument that State tax increases would run directly counter to the national policy of stimulating the economy through tax rebates and reductions. It is likely that an increase in taxes would have some restrictive effect on the Hawaiian economy, and the state of the economy is such that contemplating further contraction does not appear to be sound policy. For these reasons, your Committee believes that it is inappropriate to increase taxes at this time and that government programs and operations dependent on general revenues must be funded from existing sources.

As for the long-term financing needed to construct public facilities, it is quite clear that if the legislature were to authorize all of the capital investment proposals recommended by the executive for each of the two fiscal years of the biennium, this would move the State's legal debt position close to the constitutional debt ceiling. This would leave little or no margin for any emergency authorizations which an uncertain economy might require. The interim solution to this problem, and the one which

your Committee has pursued, is to authorize at this time the executive's capital investment proposals only for fiscal year 1975-76 and to defer until the 1976 session consideration of the appropriations recommended for 1976-77.

Over the longer term, it is evident that the State's debt policies need to be reviewed so that a determination can be made as to what debt margin should be preserved as a reasonable margin of safety and what action should be applied against older authorizations which have not been implemented. Your Committee expects this review to be conducted during the next interim period, and in the meanwhile, it calls on the executive to formulate its recommendations as to the debt margin to be preserved and to disclose its intentions with respect to specific project authorizations made in the past.

#### SPECIAL PROVISIONS FOR LEGISLATIVE CONTROLS

In the conduct of its review of the proposed budget and executive performance in executing prior budgets and other program appropriations, your Committee has made a special effort to determine how the executive branch can be held more accountable to the legislature in the exercise of its fiscal powers and authority. Over the years, it has become increasingly apparent that the legislature's traditional power of the purse has been eroded. This is partly because of the executive branch's inattention to legislative priorities and partly because the appropriation acts, in response to representations that budget flexibility was required, accorded substantial latitude to the executive branch. Whatever might have been the reason and however valid might have been the arguments for maximum flexibility in the past, the time has come for the legislature to reassert its powers through the appropriations process and to establish new controls to ensure that its policies and intent are adhered to. Therefore, your Committee has included as an integral part of the general appropriations act a number of special provisions. These provisions would provide the executive with some flexibility and at the same time provide for legislative controls.

#### DECISION-MAKING ON THE BUDGET

Under the principle that all standing committees should have a responsible role in making decisions on the budget, the role of your Committee on Finance is to provide the other standing committees with financial guidelines for their detailed budget review and to review their recommendations. This system provides for the broad participation of all committees in the important task of recommending a budget. Thus, it may be said of this particular budget that it represents the work of all of the subject matter committees, no less than it represents the work of your Committee on Finance.

#### PROGRAM APPROPRIATIONS, CONCERNS, AND INTENT

In this section of the committee report, your Committee reviews some of the major program appropriations, program concerns, and legislative guidelines. The review here is by no means exhaustive. More specific legislative intent with respect to program appropriations is to be found in specific program provisions contained in the bill itself, and less formally, legislative guidelines have also been expressed to the executive agencies during the course of hearings on the budget.

#### LOWER EDUCATION

Public education of high quality and easy accessibility has been one of the most enduring and acclaimed public policy commitments of the State of Hawaii. In the last two decades the State has made considerable progress toward satisfying this commitment. However, the past few years have seen a slowdown in this progress due to the State's financial austerity. The public education system has had to bear its share of budget restrictions and the resulting hardships. The legislature has empathized with students, teachers, and parents over how they have had to "make do" with what was available. While the economic picture may still be uncertain, your Committee believes that some of the reductions imposed on lower education in the past few years can be restored in the next biennium and new programs which had been held in abeyance can now be cautiously funded. We believe that it is now time to more systematically seek an educational system which is truly responsive to the individual student or community.



Alternative Schools. There are many students who, for various reasons, are not being reached by traditional teaching methods. A commitment to individual students means that we must provide for alternatives to the general education program. Some of these alternatives have been initiated by concerned individuals independently of the school system and have already-shown some success. Other alternatives have emerged from the programs of compensatory education. Whatever their origin or current status, your Committee believes that many of these alternative schools and programs offer real hope for those students for whom the traditional educational methods have failed. It is our expectation that the department of education will do everything possible to facilitate the transfer of these students into alternative programs and schools and their return, if and when desirable, to the traditional schools. The new funds provided for alternative schools permit the program to reach many more students than are currently being reached.

Vocational Education. Your Committee supports the contention of many that some schools have swung too far in the direction of encouraging their students to attend college and have thus neglected the very vital provision of more vocationally oriented programs. We believe that the meaningfulness of education can be enhanced greatly by the provision of not only more, but also more relevant, vocational education courses. Funds have been provided to enable such implementation to occur and thus to make available more alternatives for all students within the traditional educational system.

Special Education. The commitment to the individual student extends also to those "special" students who are handicapped by mental, emotional, or physical conditions which necessitate special educational arrangements. For too long the State has not fully implemented its policy commitment that all children have the right to education. This is to be corrected by making available those programs which these students need.

Diagnostic-prescriptive teams. Diagnostic-prescriptive teams and reevaluation procedures for students are currently inadequate to assure that children are placed properly and receive the needed educational prescription. Complaints about the long delays between teacher referral and testing and placement are numerous. Funds have therefore been appropriated to increase the number of teams serving the schools.

Gifted and talented students. For several years now no special effort has been expended on behalf of the gifted and talented students. We believe this to be wrong. As a category of "special" students, the gifted and talented have been deleted from consideration in the recently completed State plan for special education. Yet, these students clearly deserve and require special attention, even though your Committee does not advocate separate facilities or tracks. Funds have been included so that a proper program can be designed and to provide the inservice training necessary to get a program under way.

Counseling. Throughout the State, students, parents, and teachers have called for a stronger counseling program. There is now a Comprehensive Guidance Plan to guide the further development and expansion of the program. Your Committee recognizes the significance of the counseling program and it therefore has included funds to expand the program and begin the implementation of the Comprehensive Guidance Plan.

Reading Specialists. Reading is a basic tool for almost all other learning skills, and as such, reading programs deserve the highest priority. It is alarming, therefore, when statistics reveal that many school children are falling below minimum competence levels on reading tests. To help remedy this situation, funds have been included to hire additional reading specialists to serve the schools, including non-Title I schools.

Hawaii English Program. The Hawaii English program has been represented to be a successful individualized program of language arts for the majority of the students in the program. To the extent that it allows for some individual differences in the pace of learning as well as the manner in which a student learns, your Committee believes that it conforms to the commitment to the individual student. Funds have been provided for its vertical expansion as well as for the alleviation of difficulties encountered in the shared utilization of materials.

Art, music, and physical education specialists. Your Committee recognizes that, at the elementary level, the teacher is more often than not a generalist in subject matter preparation. If he is a specialist at all, he is more likely to be a specialist in language arts. This is perfectly reasonable, and perhaps even highly desirable.

However, the very nature of the general preparation or the language arts preparation precludes the elementary teacher from attaining the kind of expertise in art, music, and physical education that is attained by specialists in those fields. Your Committee believes that more needs to be done in the development of the visual senses and the motor skills of children. Accordingly, funds have been appropriated for arts, music, and physical education teams to serve the schools directly on some equitable basis.

Musical instruments. In a related area, the instrumental music program, your Committee has been made aware of the need for more instruments to enable students to participate in this program. Currently, many students have to rent or purchase their own instruments if they want to participate at all. This situation not only imposes a financial burden on the families who must rent or purchase instruments, but for those students whose families are without the economic means, this program is closed off to them completely. Funds have been appropriated for the purchase of new band instruments for the schools, with the intent of removing any economic barriers to the instrumental music program.

Sports for girls. The sports program in the schools has traditionally focused on sports for boys. However, with the increasing interest in sports activities expressed by girls and the conviction that equality of educational opportunity extends to athletics, your Committee has included funds to provide more opportunities for girls to develop their interests.

#### HIGHER EDUCATION

Instructional program, Manoa campus. As the most essential component in fulfilling the basic purposes of public higher education, the quality and types of instructional programs at the Manoa campus have a direct effect on the general economic and social health of our State. Students who receive instruction and training at the University are destined to leave the campus and contribute their resources and talent to our community. In light of recent statewide fiscal austerity, these instructional programs have suffered reductions in funding and it is the feeling of your Committee that these programs should not go on without adequate staffing and operating expenses. Your Committee has therefore restored funding to Manoa campus instructional programs in order to maintain a basic level of operations.

Your Committee concurs with the Administration's request for additional instructional positions in the College of Business Administration for workload increases which would allow the College to meet accreditation standards. It is also the feeling of your Committee that of the various instructional programs particularly hampered by recent cutbacks, the freshman composition program is in special need of funding support and resources. The English composition program is on the verge of collapse, having lost over a third of the participating faculty. In its attempt to provide students with the necessary skills to cope with present day society's increasing complexities and demands, it is incumbent upon the University to provide the means whereby effective skills in articulation, expression, and communication can be developed. Therefore, your Committee has included funds for the English composition program.

The Law School. Your Committee finds that since the establishment of the Law School at the University of Hawaii, the law program has been successfully meeting legislative intent and purpose. Your Committee finds that the need to meet increasing community interest in law, and to make quality legal education available in the community for Hawaii's residents has been substantiated through reports and the admissions records of the Law School. The Law School reports that since its opening in 1973 nearly 1300 applications have been received for 117 entering positions, and over 1200 applications for the 1975 fall term alone is anticipated. Further, the Law School reports that all but 2 of the 117 students admitted were residents of the State, coming from each island in the State.

Your Committee is in full support of the Law School as a whole, and would like to emphasize its particular support of programs that reach sectors of our community that would not, due to economic or employment constraint, otherwise have access to legal training opportunities. Your Committee believes that it is to the benefit of our State to have a law school that provides legal training for State residents in addition to facilitating general public understanding of the increasingly complex legal processes of Hawaii.

Medical School. Your Committee believes that the School of Medicine is moving steadily towards (1) providing trained health care professionals; (2) improving health

care delivery in Hawaii; and (3) increasing the educational and career opportunities for young men and women in Hawaii.

In addition to serving as a catalyst in improving general health care delivery systems in various communities, the School of Medicine has provided special consideration and rigorous guidance to socio-economically deprived individuals through such programs as Imi Ho'ola (Those Who Seek To Heal). Benefits to students are already apparent; benefits to the people of Hawaii are only beginning to accrue.

Your Committee has noted that the request for the School of Medicine's budget is consistent with the six-year projection made in 1973, and that the School has been most responsive to legislative directives with regard to the pattern of hospital affiliations and the development of a curriculum oriented to the needs of the State. Your Committee continues to support legislative commitment to the M.D. degree-granting School of Medicine. Your Committee finds that some expansion in the number of positions at the school is justified at this time, and has provided funds for expansion, though not to the extent requested by the University.

Hawaii Open Program. Your Committee has long been committed to the concept of equal educational opportunity and the principle of life-long educational opportunity. Despite the successful development of the Community Colleges and the College of Continuing Education, resulting in broadened higher education opportunities, a sizable segment of Hawaii's population remains untouched because of job or family responsibilities, geographical isolation, institutionalization or various handicaps or disadvantages. Your Committee believes that an alternative means of achieving a baccalaureate degree must be offered to these people. Your Committee is cognizant of the careful research and development of the Hawaii Open Program for the Excluded. Development of the Open Program is in its final stages. Curricula and delivery mechanisms designed to extend University offerings to students who have been excluded from campus opportunities are ready to be implemented. Further research and development are needed only to establish durable standards for lifework experience credits. Your Committee has included funds for the further development of this program.

Kapiolani Community College. Your Committee is aware that in 1975-76 many applicants were denied admission to Kapiolani Community College because the Pensacola site was operating at its maximum enrollment capacity. Since the 1965 "Kapiolani Community College Site Selection Study," Fort Ruger has been recognized as the best site for a community college located in East Honolulu. Plans were drawn up in the late 1960's to exchange state lands for the federally owned land at Fort Ruger. Two laws were passed by Congress, Public Law 91-564 in December 1970 and Public Law 93-166 in November 1973, to facilitate conveyance of the Fort Ruger land to the State of Hawaii at the appraised fair market value. Six million dollars had previously been appropriated, Act 155 of 1969 and Act 187 of 1970, for the purchase of the Fort Ruger land, reflecting the seriousness with which the legislature viewed the proposed move from present facilities to the larger Fort Ruger site.

On January 20, 1972 the Board of Regents stated "that Kapiolani Community College will eventually be discontinued at its present site through a phased transfer of programs to East Honolulu Community College." Your Committee is in agreement with this policy that reflects the long held view of the legislature that a new site is necessary.

Your Committee supports the proposed three-phase transfer of services and programs from the present Kapiolani site to Fort Ruger. The three phases are: (1) initial construction of East Honolulu Community College on 5.3 acres of Fort Ruger land allowing the transfer of liberal arts and allied health programs; (2) transfer of the Business Education program; and (3) transfer of the hotel-restaurant program.

West Oahu College. The University of Hawaii's revised plan for West Oahu College proposes delaying the opening of the College from September 1975 to January 1976; temporarily locating the college at the site of the Ewa plantation manager's former home; and beginning operation with 200 third and fourth year upper division students.

In scrutinizing this plan, your Committee's major concerns have been focused on educational need and educational planning. How badly do people of the State need a small liberal arts college? How appropriate is the educational concept behind the plan to establish a small four-year liberal arts college in West Oahu as an alternative to the University of Hawaii Manoa Campus? The current plan is rooted in an educational concept that differs significantly from the concept upon which the legislature ordinarily based its decision to establish the College. Original plans called for a "Second Manoa Campus"; present plans call for a satellite liberal arts campus.

Also, your Committee has found that throughout the nation few institutions of higher education have begun operations with just third and fourth year classes. Testimony presented by the University has indicated that course offerings and needed educational services (e.g., libraries, language laboratories) will be limited or non-existent. These are two of the examples that have led your Committee to seriously doubt that the plan under consideration is based on sound, well-planned educational policy. A college that is not based on sound educational planning can only be, in the long term, detrimental to its students.

Therefore, your Committee recommends the following: (1) that a feasibility study be undertaken to determine whether there is a statewide need for a second four-year campus, and that \$100,000 be appropriated to the Legislative Reference Bureau for the contractual services of an independent consultant; (2) all operating funds for West Oahu College be deleted for the biennium; (3) if the study determines that there is a need, any decision on the location of the campus be made after the recommendations of the study are made public; and (4) if the study determines that there is a need for a small liberal arts college, operational support should be appropriated by the legislature with an opening target date of September 1976.

#### TRANSPORTATION AND ENERGY

Energy conservation by State agencies. Your Committee, cognizant of the demonstrated need to reduce energy consumption, believes that the State government should take the leadership to promote energy conservation measures by reducing energy consumption of its own agencies. As an initial step, a five percent reduction in energy consumption over the biennium is a reasonable goal, and your Committee requests the Department of Planning and Economic Development to coordinate the efforts of State agencies to meet this goal.

There is also a need to restrict the purchase of State vehicles to those sizes and types adequate to perform the tasks required. Increased fuel consumption and the purchase costs of unnecessarily large and over-equipped government vehicles cannot be condoned or continued. The Department of Accounting and General Services is requested to review the guidelines for the purchase of motor vehicles, determine what practices actually exist, and formulate new guidelines, if necessary, to effectuate legislative intent that government vehicles and their equipment conform to their intended use, and no more.

Mass Transit. The need for some form of mass transit has been clearly expressed. However, definitive plans, including a comprehensive program design, are not yet available. As a result, the department of transportation has not and is not prepared to recommend funding of the various modes, including both fixed guideway and marine mass transit. Your Committee recommends that a thorough review and analysis be made by the department of transportation of the various proposals and that the matter be further reviewed by the legislature. The impact, both financial and social, of mass transit requires no less than a careful and considered review of a project that could significantly alter the economic and social life of Oahu.

Inter-island ferry. The administration's request for an appropriation to fund the design and construction of an inter-island ferry system has been amended to provide only for the funds necessary to complete the design of the system. Your Committee advises caution in proceeding, since the proposed system costs are unspecified at this time, but are likely to run into the millions. A program decision as to whether to proceed with full implementation can be made by the legislature when it receives a complete design of the system.

Highway fund. Action has been taken in other legislative measures to meet the problem of the projected insolvency of the highway fund. However, the solution is but an interim solution, designed to meet anticipated deficits over the next biennium. The problem is likely to surface again, and for this reason, your Committee expects the Department of Transportation, in consultation with the Department of Budget and Finance, to do a rigorous analysis of the problem so that a longer-term solution can be found.

Small boat harbors. Your Committee is concerned about meeting the needs of land-based boats which require adequate launching facilities. The problem of adequate facilities is especially critical in the leeward district of Oahu which has the largest number of launchings in the State but has only one public launching facility available at Pokai Bay. In 1970, this facility had over 21,000 boat launchings. The situation

is hardly better at Keehi Lagoon which had over 20,000 launchings in 1970. There are no other public boat launching facilities in the approximately 20 miles of shoreline separating these two sites. Thus, your Committee emphasizes its intent that priority should be given in the recreational boating program to meeting the needs of land-based boats especially in such areas as leeward Oahu.

Airports. It is noted that the Airport-Airline lease agreement is scheduled for renegotiation in 1977. The time is appropriate for the legislative committees to begin to conduct a thorough review of airport systems financing and to examine the existing agreement to determine the legislative policies which should be considered in any renegotiation.

## HEALTH

School health services. Funds for the statewide expansion of the school health services pilot project have been provided. This program, which delivers health services to students through a health aide at each school supported by a school nurse who supervises several health aides, was found by the Legislative Auditor to be a cost-effective approach in providing emergency health assistance services. The decision to expand the program to every public school in the State is supported by the evaluation findings of the Legislative Auditor who has reported that there is a definite need for readily accessible health assistance services in the schools.

In the implementation of the statewide expansion of the program as well as in the continuance of the program in those schools covered by the pilot project, your Committee expects the Department of Health and the Department of Education, within their respective responsibilities to take corrective action to remove those deficiencies in the program identified in the evaluation report. These include records showing that many students are not in compliance with immunization and tuberculin testing requirements, unclear accident reporting criteria and procedures, poor maintenance of health records at higher grade levels, doubtful value of height and weight screening as currently conducted, and other operational problems. Your Committee expects the Governor's Advisory Committee for the School Health Services Pilot Project to monitor corrective action by the departments and to submit its assessment of progress made by the agencies to the 1976 legislature.

It is legislative intent that the health aides provided for by the appropriation shall be utilized only for health-related duties, except in those situations where the size of the school is such that the health care activities would not occupy the full time of the health aide. However, in no instance should other duties take precedence. In a related aspect of school health services, it is also legislative intent that the free immunization program of the Department of Health be administered without any means qualification.

State/county hospitals. The high cost of hospital care continually brings forth the question of how to meet high costs under conditions of low volume of patient days at many of the neighbor island hospitals. The need for general fund support of these hospitals appears to be inevitable if quality medical care within reasonable costs is to be made available to all of the people of the State. However, it is the concern of your Committee that the Act 97 hospitals do everything within their control to reduce operational costs through better management practices.

Under P.L. 92-603, Sec. 233, the Federal government will reimburse the hospitals based on the usual and customary or reasonable charges, whichever is lower, beginning July 1, 1975. For this reason, the Department of Health must increase hospital rates, as current rates are based on 1972 costs and there will be a substantial loss in federal funds if rates are not adjusted. Your Committee understands that the Department is adjusting the rates to be effective on July 1, 1975, and the budget for the hospitals reflect these adjustments.

Leprosy. Because the State is committed to provide care and facilities for leprosy patients at Kalaupapa, there is a need for patients to be served by adequate facilities. However, because of recent advances in medical treatment of leprosy patients and the administration's testimony of possible phasing out of Kalaupapa in 15 to 20 years, further inquiry should be made to determine the feasibility of upgrading the present facilities to meet the required needs. Your Committee also understands that an analytical study is being conducted and that the administration's implementation of new capital investments at Kalaupapa is contingent upon its evaluation of the findings of that study. With respect to Hale Mohalu, in the event that plans for phasing out Hale

Mohalu are made over the next biennium, it is intended that the vacant positions accrued shall be restricted from filling.

Mental Health. It is a matter of great legislative concern to upgrade and improve mental health care at the Hawaii State Hospital as well as at the various mental health centers throughout the State. Staffing has been increased to strengthen the program. Even as the legislature proceeds to provide additional funds for the mental health program, it is badly in need of information to guide the future development of the program. A program evaluation is clearly needed, and your Committee requests the Department of Health, in consultation with the Department of Budget and Finance, to conduct an evaluation of program effectiveness of the mental health centers for both children and adults and the effectiveness of the treatment program at the Hawaii State Hospital.

The objective of the internship training program for mental health is to help assure the continuing availability of qualified program specialists. Inasmuch as the program is entirely State funded, interns should be trained to benefit the State. Therefore, the Department of Health is directed to contract with the interns so that they are obligated to work for the State for at least two years upon completion of their training.

Services for the mentally retarded. The mental retardation program has been strengthened. Personnel for the program have been substantially increased. It is the intent of your Committee to improve and upgrade the facilities and care at the Waimano Training School and Hospital. It is also the intent to support the decentralization of Waimano and to provide the required personnel and facilities at the neighbor island hospitals for the care and treatment of patients from the neighbor islands.

With respect to the program for Early Identification and Treatment for the Mentally Retarded, the program is intended to minimize the effects of mental retardation by providing early identification, evaluation, and treatment of developmental disabilities. Sufficient funds have been appropriated to staff the Jefferson Orthopedic School and infant development services, and to provide for services at the Variety Club School.

#### PUBLIC ASSISTANCE AND HUMAN SERVICES

Management and computer capabilities for public welfare administration. The legislature requests that the Department develop its computer capability to the extent that manual calculation of public assistance grants be automated. The legislature requests that the Department report annually to the legislature on quality control errors in the AFDC, GA, Medicaid, and Food Stamp Programs and how the Department plans to reduce the errors. The legislature also expects the Department to report annually to the legislature on (1) the average time for processing food stamp, public assistance, and medical assistance applications by county; (2) the nature of welfare applicants including but not limited to the length of time they have lived in Hawaii, why they came to Hawaii (if applicable), where they came from originally (if applicable), their employment skills, their income and its sources (if any), their family composition, their need for social services (if any), and if they have been on welfare before and if so how long; and (3) the nature of families leaving the welfare rolls and the reasons that they were able to do so.

Public assistance reform. Adequate funds have been appropriated to implement the public assistance reforms embodied in H.B. No. 35, H.D. 2, passed earlier this session by the House. In that bill, legislative determinations were made as to the maximum public assistance grants. The bill specifies the dollar amount each person or a family can receive for (1) basic needs allowance, and (2) shelter allowance under general assistance, aid to families with dependent children, and supplemental security income. The establishment of maximum public assistance grants will provide for an equitable way of making payments to all recipients, and it will simplify the administration of the State's public assistance program. There has been, especially in recent years, great concern over rising public assistance costs and overprojections of continued increases under the old system. Although there is need for additional funds to implement the concept of maximum public assistance grants, over the long term, the new system will enable future costs of the problem to be placed under greater scrutiny and control by the legislature.

Social problems - family discord. The family discord program of the Department of Social Services and Housing is intended to reduce the harmful effects of family discord and breakup and to keep the family unit intact by alleviating the causes of discord within troubled families. The legislature needs information as to how success-

ful this program is and as to the future direction of the program. Your Committee notes that the Department has reported that it is in the process of implementing an information system which will provide accurate data on the number served and the type of services provided as well as information on the effectiveness of services in meeting the objectives of this program. Therefore, your Committee requests the Department of Social Services and Housing to submit an evaluation report of the program to the 1976 legislature, and it requests the Department of Budget and Finance to assure that the evaluation is conducted under an appropriate evaluation design.

#### EMPLOYMENT

Because of the national recession, cutbacks in Federal spending in Hawaii, high unemployment in the mainland and considerable growth in the Hawaii labor force, unemployment rates within the State are at historic high levels, and are likely to rise sharply higher during the midyear period when unemployment normally peaks. Moreover, current economic analyses suggest that high unemployment rates may persist for some time to come. To reduce the severe social cost of unemployment, your Committee has provided funds for both long and short-term programs aimed at reducing unemployment, and designed to serve special target groups that sustain the highest rates of unemployment.

State assistance for employers. Funds have been provided for a new program to assist private employers who agree to train and permanently hire the disadvantaged, the ex-offender, Vietnam veterans, unemployed and underemployed heads of households, and needy youth. Employers who agree to participate in the program will be eligible for State subsidies to defray such costs as training and other expenses related to providing employment. The intent of the program is to use the subsidies for enrollees not covered under the Federal Comprehensive Employment and Training Act.

Committee to reduce unemployment. The legislature has, through HCR 81, H.D. 1, provided for the establishment of a committee to examine Hawaii's unemployment problem and to propose methods and programs by which the unemployment rate may be decreased. The committee is also to convene a statewide conference which will advise the committee on matters to be examined. Funds have been included to assure that the committee can proceed with this important effort to reduce unemployment.

Office of public employment relations. In the public sector, it is evident that the issues of collective bargaining are so important that a more formal mechanism needs to be established to assist the Governor in discharging the duties set forth in the Collective Bargaining Act. Therefore, funds have been provided to establish an Office of Public Employment Relations to be headed by a chief negotiator.

#### PUBLIC SAFETY

Hawaii state prison. It is the intent of your Committee with respect to the capital investment for projects 111 and 112 that modules identified as module number 1 - 9 and module numbers 11 - 16 shall be constructed in strict compliance with the program activities intended for the Oahu intake center/community correctional facility as submitted to the House Judiciary Committee by the administration, the State Law Enforcement and Juvenile Delinquency Planning Agency, and the Department of Social Services and Housing. It is also the intent of your Committee that portions of the modules identified as module numbers 12, 14, 15, and 16 shall contain sufficient floor space inside these specified modules as well as space outside the modules for the Hoomana schools of welding and auto mechanics. Finally, it is the intent of your Committee that the protective custody inmates slated to occupy either module 1 or 2 shall be the first to be transferred to the facilities upon completion.

With regard to the correctional industries program, contingent upon the passage of H.B. 1294, it is intended that all special-funded positions shall be funded through the general fund.

Adult honor camps. Your Committee expects improvements to be made to the adult honor camps program, particularly with respect to the following subprograms: the work furlough program, the farming program, and the vocational program. The Department of Social Services and Housing shall plan for and implement improvements and report on its progress to the 1976 legislature. Furthermore, in making appropriations for the adult honor camps program, it is the intent of the legislature not to phase out the Kulani Honor Camp as was proposed in the corrections master plan.

Juvenile correctional facilities. Your Committee believes that it is important to establish a pre-release center program for juveniles. It is the understanding of your Committee that SLEPA/LEAA funds for a boys group home are available and have been approved for fiscal year 1974-75. The boys group home had been held in abeyance pending a review of the juvenile justice system and had originally intended to be administered by the community centers branch of the in-community facilities program. With these matters now resolved, your Committee expects expeditious implementation of the pre-release center program.

Prevention of natural disasters. Among other activities, this program was established to maintain and update a general statewide flood control plan and coordinate all flood control activities in the State. Your Committee is concerned that because of the several levels of government and multiple agencies involved in flood control projects, there may be a lack of coordination in planning for and implementing the various projects. The State Flood Control Agency should be the logical coordinating agency, and, therefore, your Committee requests the administration to establish a mechanism whereby the Agency will be consulted in reviewing new projects as well as in reviewing implementation plans for projects already authorized.

#### HOUSING

Residential leaseholds. The Committee on Housing has conducted extensive public hearings on the problem of residential leaseholds, and, in particular, the problems surrounding the implementation of Act 307, The Land Reform Act of 1967. That act provided the basis for State condemnation to enable residential leasehold in development tracts to be converted to fee simple ownership, pursuant to the legislative policy that it is in the economic and social interest of the State to disperse fee simple ownership as widely as possible. One of the problems which has been identified is the question raised by the State's bond counsel as to whether the issuance of general obligation bonds to finance the conversion to fee simple ownership is constitutional. That question is currently being tested in the courts. In the meanwhile, your Committee is determined to proceed with the implementation of the act, and it has therefore appropriated general fund revenues for the acquisition of a development tract, thereby surmounting the objection raised by the bond counsel with respect to bond financing. The appropriation under the program, Broadened Homesite Ownership, is intended for the acquisition of a "development tract" as defined in section 516-1, Hawaii Revised Statutes. The expenditure of funds shall include but not be limited to attorney's fees and other expenditures authorized and incurred in fulfilling this provision.

Private housing augmentation. Your Committee has found that the most efficient method of employing qualified development coordinators is through the contractual method using the dwelling unit revolving fund. Therefore, it is intended that the appropriation for the Hawaii Housing Authority authorized in the private housing augmentation program be used to continue the current practice of hiring development coordinators on a contractual basis and not be expended to hire development coordinators permanently.

#### ENVIRONMENTAL PROTECTION

Mineral resources. This is a new program intended to conserve and enhance, where appropriate, the State's supply of mineral resources. The key activities to be pursued include evaluation of mineral resources and mining on State lands; administering and enforcing laws concerning mineral resources and mining; and establishing guidelines for planning, zoning and regulation of growing conflicts and problems arising from competition between urbanization and the concomitant demand for mineral resources. Funds have been provided to initiate the program.

Pollution control - pesticides. This is a program which was not included in the executive budget for funding, but both the Committee on Environmental Protection and your Committee have determined that a program is required to reduce direct and indirect pesticide contamination to acceptable levels. Therefore, funds have been included to install the program. The activities to be performed include certification of restricted pesticide users, field inspections of pesticide users, investigation of complaints relating to pesticide misuse, monitoring farm product for pesticide residue, licensing of dealers who sell restricted-use pesticides, sampling of pesticide formulations, and retail outlet enforcement.

Youth conservation corps. Funds have been appropriated to enable the State



to qualify for additional matching Federal funds to implement a youth conservation corps program. This program will begin with a five-day resident camp on Hawaii this summer with 30 youths participating (15 boys and 15 girls) between 15-18 years of age.

#### WATER, LAND, AND NATURAL RESOURCES

Solid waste management demonstration projects. Solid waste disposal has become a critical problem. Existing disposal practices and solid waste management plans have become obsolete. Landfills are rapidly filling up and new landfill sites are becoming scarce due to increasing development and environmental considerations. The greatest potential is in the recycling of wastes for beneficial uses, particularly in agriculture. Other potential benefits of recycling include reduction of atmospheric pollution, generation of electricity from combustible materials, production of fuel gas and oil by pyrolysis and recovery of usable materials or energy from gaseous and liquid wastes. Because recycling holds promise for more economical use of energy and other resources and perhaps for development of new energy sources, funds have been appropriated to establish solid waste management demonstration projects.

Water resources research and development. The maintenance of agriculture requires the provision of an adequate water supply. There is potential for multiple uses for water which would otherwise be wasted, particularly sewage treatment plant effluent and stored stream runoff. The use of such water for agricultural purposes would increase the availability of higher quality groundwater for domestic uses. Funds have been included for the research and development of a project to utilize sewage treatment plant effluent and stored stream runoff for agricultural purposes. The project is to be located at West Loch, and the water is intended to benefit agriculture in the Central Oahu area.

Historical and archaeological places - Iolani Palace. Iolani Palace is the nation's only royal palace, and upon the completion of its restoration, it is expected to be a significant attraction for visitors as well as residents. The question remains as to who should operate the Iolani Palace complex. While funds are currently budgeted in the Department of Land and Natural Resources to staff Iolani Palace, there are other proposals to be considered, including the proposal of the Friends of Iolani Palace to operate the Palace. There are a number of important financial and other considerations, but the legislature lacks a complete analysis of the alternatives. Therefore, your Committee requests the Legislative Reference Bureau to conduct an analysis of this issue and to report to the 1976 legislature.

#### ECONOMIC DEVELOPMENT

Improved organization and coordination of agricultural programs. The future of agriculture in Hawaii depends heavily upon the programs of various agencies which provide the necessary resources and support to assist private agencies. The reliance of agriculture in Hawaii on government agencies require that government resources be coordinated. There are various options in bringing about coordination, but the most viable option is the establishment of a Governor's Agricultural Coordinating Committee to be headed by the Administrative Director to the Governor. Funds have been appropriated to establish and staff the committee, and it is expected that the result will be statewide coordination in agricultural planning and development at a high level.

Office of tourism. Tourism occupies a central position in the economy of the State, but it has become increasingly evident that unqualified growth in tourism would be detrimental, not only to the industry itself, but also to the quality of life of the people of this State. State government has a clear responsibility to provide direction for this important industry. Therefore, funds have been appropriated to establish an Office of Tourism to be headed by a director who, among other duties, will coordinate and direct all State and county agencies and the private sector in the development of tourist-related activities and resources.

#### INDIVIDUAL RIGHTS

Protection of the consumer - testing and certification of consumer goods. At the present time, the law gives both the Department of Agriculture and the Department

of Health jurisdiction over the packaging and labeling of food and drugs. This overlapping jurisdiction has caused inconvenience and confusion for producers and manufacturers as they are subject to the requirements of two agencies which at times have different and conflicting requirements. It is intended by the legislature that the Division of Weights and Measures of the Department of Agriculture and the Food and Drug Division of the Department of Health coordinate their activities with regard to their respective jurisdiction over the labeling and packaging of food and drugs and report to the 1976 legislature as to what measures have been taken to effect such coordination.

Administrative redress of grievances - tax appeals board. Your Committee has determined that there is a need for the tax appeals board to be represented by a deputy attorney general where the taxpayer is represented by counsel. Therefore, it is the intent of your Committee that the attorney general shall provide such counsel to the tax appeals board whenever proceedings before the board involve a taxpayer represented by counsel.

#### ELDERLY AFFAIRS

Executive office of the aging. The problems of administering and delivering services to the aging have been documented in the recently completed master plan on aging. There are serious defects in intergovernmental coordination as well as in coordination among agencies in the State government. Funds have been appropriated to establish and staff an executive office on aging capable of effectively dealing with the problems of Hawaii's elderly population. This is the first and necessary step which needs to be taken to bring about improved planning, coordination, evaluation, and delivery of services.

Health services for the elderly. Procuring adequate health services, particularly preventive services, is a major problem for elderly citizens. The success of the multiphasic health screening program now serving selected areas demonstrates that the program should be available to all senior citizens. Funds have been appropriated for the maintenance and expansion of the screening program to cover senior citizens throughout the State.

Increased outreach services for the elderly. In recent years, the elderly population has steadily increased. Many are suffering from deprivation because of the lack of adequate services or the lack of knowledge about the services which are available. Isolation, the desperation of not being able to eat with others, the inability to move freely from place to place, the frustration of trying to meet inflationary costs on fixed incomes, and other problems can be approached on a one-to-one basis through outreach programs. Therefore, funds have been appropriated to provide for the expansion of outreach services, including bilingual outreach counselors for the elderly.

#### CULTURE AND THE ARTS

The multicultural studies program. The multicultural studies program was initially established to record Hawaii's social and cultural history through collection and preservation of oral and written communications, encouraging the ethno-historical and multicultural activities of all ethnic groups, and creating a central repository for multicultural studies and materials. However, the program has not progressed to the extent expected under its administration by the Hawaii Foundation for History and the Humanities. Funds have now been specifically appropriated for the multicultural studies program with the understanding that the program will be transferred to the Ethnic Studies Program of the University of Hawaii.

State foundation of culture and the arts; Hawaii foundation for history and the humanities. These two agencies have been assigned important responsibilities by statute to administer programs for culture, the arts, history, and the humanities. The Foundation on Culture and the Arts, in particular, administers a substantial amount of funds under the State's program of appropriating one percent of capital investment appropriations for the acquisition of works of art. Your Committee shares the concern of the Committee on Culture and the Arts that the operations of the two agencies should be reviewed, including a review of financial operations.

#### GOVERNMENT-WIDE SUPPORT

Services for management systems and accounting and internal systems. Recent

audits conducted by the Legislative Auditor have surfaced numerous problems which exist in various agencies relating to deficiencies in management systems as well as deficiencies in accounting and internal control systems. It is also evident from the Legislative Auditor's report that some of the problems are long-standing in nature and that they are rooted in the establishment of systems which were either deficient or unequal to the task in the first place. The Auditor has also pointed out that to establish proper management and accounting and internal control systems, the operating agencies need professional assistance. Therefore, your Committee recommends that the Department of Budget and Finance shore up its capability to review the management systems of the various agencies and provide the agencies with assistance in designing and maintaining efficient systems, and that the Department of Accounting and General Services, in turn, refocus its attention from the conduct of routine audits to monitoring the internal control and accounting systems of agencies and to assist the agencies in correcting their systems, and, if necessary, to establish new systems.

#### BUDGET SUBMISSION OVERVIEW

Your Committee appreciates the efforts which have been made thus far to improve the budgeting system. Overnight success was not expected by the legislature in enacting the new budgeting system, but incremental progress was expected and has taken place. As the Director of Finance has expressed, improvements will continue to be made. Your Committee has several recommendations which are in the nature of implementation improvements.

First, there should be a limited number of measures of effectiveness. An excessive number of measures convey the notion that each is equally valid in assessing program effectiveness. In addition, the administration should devise effectiveness measures for which data are available or can be acquired. The absence of data bearing on planned levels of effectiveness for a large number of State programs weakens the value of the submissions. In particular, the Director of Finance should conduct a thorough review as to why the Department of Transportation and the University of Hawaii continuously submit, year after year, program and financial plans which contain no effectiveness data. Generally, rather than "perfect," or ideal measures, it may be necessary for the Director of Finance to assist the agencies in developing proxy, interim measures. Further, the measures should reveal the program's contribution to the attainment of the objective, and social and economic indicators had best be reserved only for those programs at the highest levels.

Second, there should be continued refinement of the program structure. Your Committee notes that the structure has been substantially improved. Further review and refinement of the structure should result in the elimination of any remaining structural defects which cause awkward cost allocations and should move the program structure closer to the goal, previously stated by the legislature, of a structure which results in 200 to 300 decisional entities at the lowest level.

Third, there should be in the program plan narratives a fuller explanation of the costs of the program, including such information as the number, kinds, and costs of positions being requested. The inclusion of such information in the narratives will alleviate the necessity of burdening the Department of Budget and Finance as well as the operating agencies with providing such information in separate submissions.

Fourth, the format of the Variance Report should be corrected in at least one respect. The first three months' experience of any current fiscal year should be "actual" experience, rather than "estimated" as currently labeled in the Variance Report.

Fifth, the latest budget submission is devoid of analytical content. Because analysis is the crux of the budgeting system, the Department of Budget and Finance is expected to concentrate its efforts in performing program analysis and assisting the agencies with their analytic efforts. As a standing guideline, all new program proposals or proposals to substantially increase the size of ongoing programs should be supported by analysis.

#### RECOMMENDATION

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 535, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 535, H.D. 1.

Signed by all members of the Committee.

SCRep. 707      Housing on S.B. No. 1323

The purpose of this bill is to allow funds in the dwelling unit revolving fund to be used for expansion of community facilities constructed for housing projects for elderly persons.

Your Committee has amended the purpose of this bill to include guarantees of up to 100 percent of the principal balance of qualified, single-family mortgage loans issued under Section 213 of the Hawaiian Homes Commission Act utilizing the dwelling unit revolving fund established pursuant to Section 359G-12, Hawaii Revised Statutes.

According to the proposed amendments to Chapter 359G-3, as contained in this bill, the Hawaii Housing Authority is authorized to use funds allocated in the dwelling unit revolving fund to fulfill any federal housing requirements the Authority may need to receive approval of federal housing projects for the elderly.

Without this authorization to use the revolving fund whenever the bids exceed the allocated funds, revisions and redesigning are necessary in order to receive federal approval. This, in the past, has caused unnecessary delay of the project and often it did not produce the best possible project.

There are two housing projects now being held up because the bid amounts came in over the allocated amount. One of the projects is in Hilo. Others on Kauai and Waialua due to go out to bid soon may be in the same situation.

The Legislature, in 1974, authorized the Authority to hire, under contract, individuals to perform work in connection with Act 105. This was done to insure that not too many people would remain under Civil Service (Chapters 76, 77 and 78 of H.R.S.). The language changes sought in 359G-3 are to clarify the kinds of services and the types of individuals that can be hired under contract.

This bill will also allow bonds issued by the Hawaii Housing Authority under Chapter 356, Hawaii Revised Statutes, to bear 8 percent interest, but only for bonds issued in the twelve-month period following enactment of the bill. This has been done regularly since 1970.

Your Committee on Housing recommends the following amendments:

- (1) Section 1 of this bill be amended by adding a subsection, designated as 3, amending subsection (a) of Section 359G-12, Hawaii Revised Statutes, to provide a guarantee of up to 100 percent of the principal balance of qualified, single-family mortgage loans issued under Section 213 of the Hawaiian Homes Commission Act.
- (2) Section 4 of this bill be amended by prescribing the provisions set forth amending subsection (a) of Section 359G-12, Hawaii Revised Statutes, take effect on July 1, 1975.
- (3) Technical amendments were also made to conform with the major amendments mentioned herein.

Your Committee on Housing is in accord with the intent and purpose of S.B. No. 1323, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1323, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 708      Energy and Transportation on S.B. No. 1215

The purpose of this bill is to establish under specific state legislation the organization to be designated by the Governor as the Metropolitan Planning Organization for each county with a population of 200,000 or more. This planning organization is to develop short and long-range transportation plans for each such county and to receive certain funds for the purpose of carrying out continuing, comprehensive, cooperative urban transportation planning as required by federal rules and regulations.

Oahu does not now have a planning organization that meets federal requirements due to the impasse which exist between the State and the City and County of Honolulu

regarding the operation of the Oahu Transportation Planning Program, the organization previously designated to conduct the transportation planning required by federal law. As a result, the Federal Highway Administration and the UMTA have decertified Oahu transportation programs for federal funding.

In order to become recertified, it is mandatory that a Metropolitan Planning Organization be established and designated by the State as soon as possible. Loss of all Federal planning and construction funds for transit and transportation will continue until this is done.

Testimony on this bill has reinforced the view that cooperation and understanding between the City and State agencies are sadly lacking. Therefore, your Committee has attempted to design an organization that dilutes the power of both City and State agencies to determine planning policy and that provides for informed public participation. The testimony of the City and County of Honolulu indicates their desire to control transportation planning on Oahu. However, the unique nature of government relationships in Hawaii, and in this particular instance, on Oahu, suggest a more cooperative venture which would provide for the adequate representation required by the proposed federal rules.

Unlike many mainland states, Hawaii has only one urbanized area, the City and County of Honolulu, and more importantly the urbanized areas comprises the greater part of the State of Hawaii. For example, as of July 1, 1973, about 678,262 or about 81 percent of the total population of the State of Hawaii resided on Oahu. It is unlikely that any other state has this extreme concentration of population in a single urbanized area.

In the area of governmental structure, Hawaii's, unlike other states' structure, consists of only two levels, county and state. More importantly, in Hawaii, the state government functions as a general purpose government having responsibility for such normally local government programs as public education, health, welfare, and judiciary. This unique situation is borne out by the fact that in Fiscal Year 1973, state government provided for approximately 81 percent of the total state and county expenditures in Hawaii compared to a national average of about 37 percent.

More specifically, in the transportation area, the state has programmed about \$149 million dollars in new highway facilities in Fiscal Year 1976 compared to about \$31 million by the City and County of Honolulu for the island of Oahu.

As a result, the MPO to be designated by the Governor must reflect the unique situation prevailing in Hawaii. It must also be designed to prevent the type of situation which led to the decertification of the OTPP; it must have its own staff independent of either state or city agencies; it must be accessible and accountable to the public; and it must provide for public input.

Your Committee has amended this bill for the purposes of providing for an organization that would adequately reflect the unique character of the government structure in Hawaii and the transportation program responsibilities and projects of both the City and County of Honolulu and the State of Hawaii.

As amended herein, this bill provides for the creation of a planning organization to be called the Metropolitan Planning Organization (MPO) for each county with a population of 200,000 or more, which provides for adequate representation from both the State and County governments, recognizes the importance of public participation in the decision making processes of their government and meets the requirements of federal rules and regulations.

This bill has been amended to include a new findings and purpose section which presents the findings which necessitate the establishment of a Metropolitan Planning Organization and the make-up and function of this body. In addition, for clarification, Section 1, Statement of purpose in S.B. No. 1215, S.D. 1 has been expanded and included in this section.

Section 2 has been amended to conform to the need for a general purpose law, to provide for the purposes and major duties of the MPO, and to assign the MPO to an agency for administrative purposes only.

Section 4 of S.B. No. 1215, S.D. 1 has been completely amended and has been included in this bill as Section 3 to provide for a policy committee for each MPO. The amendments provide for State and County agency representation and for public representation

through a system which includes nominations from the legislative and executive branches of state and county government and appointment by the Governor. The intent of these amendments is to provide for public representation, and to conform to restrictions in the State Constitution and County charters with respect to elected officials holding other public offices. The amendments also include provisions for filling vacancies, restricting appointees from the public at large to those county residents who are not employees of such county or the State, and terms of office. The purpose of this provision is to assure that the public at large will have major input in the decision making process and to minimize state-county conflict.

Section 4 also authorizes the House and Senate transportation committees to recommend candidates from the public at large to the Governor even though the legislature is not in session. It is the intent of this bill that the manner in which such interim recommendations are made shall be in accordance with the appropriate House and Senate rules.

Your Committee recognizes that urban transportation planning can be highly technical and difficult for laymen to digest. Hence, a new section 4 has been included in the bill to ensure that policy committee members appointed from the public at large possess appropriate backgrounds and training sufficient to enable them to carry out their responsibilities with the high degree of capability and public commitment required.

A new section 5 has been included in the bill to clearly define selection, term of office, and voting rights of the chairperson and to limit the chairperson's power to determine agenda items. The purpose of this provision is to minimize state-county conflict over policy and to facilitate full discussion and public hearing of any subject matter deemed appropriate by at least three members of the policy committee. Your Committee finds that this purpose can be best accomplished by limiting selection of the chairperson to the members of the policy committee appointed from the public at large.

Section 3 of S.B. No. 1215, S.D. 1 has been amended as Section 6 of this bill to additionally provide that the staff not be subject to chapters 76 and 77 and part II of chapter 88, Hawaii Revised Statutes, and shall be appointed by the Policy Committee. The need for complete staff independence from State or County influence and its responsibility to the MPO dictates this approach. Your Committee agreed with federal rules requiring not prohibiting the MPO from entering into contractual arrangements with State and County agencies to carry out selected elements of the planning process and has extended this view to quasi-public and private organizations.

Your Committee has included a new section 8 to provide for the establishment and functions of a joint non-voting advisory committee on transportation to the MPO composed of members of the State Legislature and the county council. Essentially, the formation and function of the advisory committee is in response to the need for early and continuing liaison between the planning group (MPO) and the legislative bodies which must provide the legislative and funding authority to implement the plans developed by the MPO.

Your Committee finds that the State Constitution and the County charters do not prohibit elective officials from holding another public office if that office is advisory in nature and does not involve an exercise of sovereign powers. Additionally, your Committee finds that the legislative members elected for the joint legislative advisory committee are logical choices in that they are chairpersons of legislative committees directly relating to transportation planning.

Your Committee has included a section 7 to provide guidelines for notice of meetings, meetings and the manner of voting. It is the intent of this section that the policy committee shall make appropriate rules and regulations to supplement the provisions of section 7.

Section 5 of S.B. No 1215, S.D. 1 has been amended as Section 9 of this bill to include its function as the A-95 clearinghouse agency in accordance with federal recommendations that the MPO and the A-95 clearinghouse agency be combined. Other amendments include reference to its function of maintaining close and cooperative relationships with the joint advisory committee.

A section 10 has been included in the bill to define standards of conduct required of all policy committee members.

Section 6 of S.B. No. 1215, S.D. 1 has been amended as Section 11 of this bill to

provide that the MPO shall supersede the Oahu Transportation Planning Program (OTPP). This provision is in accordance with federal guidelines requiring that there shall be only one A-95 clearinghouse agency per Metropolitan area.

Your Committee has included a new Section 12 to provide for a severability clause.

Section 7 of S.B. No. 1215, S.D. 1 has been amended as Section 13 of this bill.

Your Committee on Energy and Transportation is in accord with the intent and purpose of S.B. No. 1215, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1215, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Akizaki, Kondo, Suwa, Carroll and Clarke.

SCRep. 709 Health on S.B. No. 1628

The purpose of this bill is to provide for coordination of services for the developmentally disabled by placing the Developmental Disabilities Council, referred to as the State Council, in the Office of the Governor with responsibilities for planning, reviewing and monitoring plans prepared by the various departments of the State on behalf of the developmentally disabled. Provisions are also made for coordinating programs of the various departments and private agencies to assure efficient use of funds, non-duplication of services and specific areas of responsibility, and for evaluation of programs.

Your Committee finds that this bill gives the Developmental Disabilities Council official status by statute. This bill also gives the Council sufficient stature to provide monitoring, evaluation of existing services and planning for new community services. Most important, this bill provides for the Council to coordinate activities on behalf of the developmentally disabled in the various departments and private agencies, and ensures their participation in the activities of the Council.

Your Committee further finds that the placement of the State Council in the Office of the Governor, instead of the Department of Health, would give it a more independent role in establishing goals and priorities for planning and funding programs. This independence, in turn, could make the body more efficient in its job of advocating and evaluating services for the developmentally disabled.

Your Committee has amended S.B. No. 1628, S.D. 1 as follows:

- (1) Under Section 2(3), the council shall approve and monitor evaluation plans of programs for the developmentally disabled.
- (2) Under Section 2(3), regarding decentralization, each resident transferred from Waimano shall have an individualized program equal to that which he or she might be expected to receive at Waimano.
- (3) Under Section 3, council membership shall consist of twenty-five voting members.
- (4) Under Section 4, the State Council shall appoint an executive secretary. Prior language was discretionary rather than mandatory.

Your Committee on Health is in accord with the intent and purpose of S.B. No. 1628, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1628, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 710 Finance on S.B. No. 1281

The purpose of this bill is to provide the necessary appropriations to fund the judiciary branch for the 1975-77 biennium, including the operating budget and capital improvement projects.

This bill is the first separate judiciary budget submitted in accordance with the distinct fiscal responsibility granted under Act 159, SLH 1974 to the judiciary. It supports the judiciary's objective to safeguard the rights and interests of persons by assuring an equitable and expeditious judicial process.

In this implementation of the provisions Act 159, the organizational structure of the judiciary system is presented in two major program areas: (1) court operations (with five subprograms), and (2) support services (with three subprograms). The court operations include the supreme court, the land court/tax court, circuit courts, family courts, and district courts. The support services involve the maintenance of services throughout the statewide system of the courts and includes the administrative director services, the law library, and driver education and training. The sums appropriated for the operating budget are to the eight subprogram areas. Capital improvement projects are also authorized.

Your Committee, upon further consideration of this bill, has amended it by revising operating appropriations to reflect estimated reduction in costs and to delete the capital improvement project for which no funding is provided.

Other changes are made to correct internal references in the bill and to make other style corrections in the form of the bill.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1281, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1281, S.D. 2, H.D. 2.

Signed by all members of the Committee.

SCRep. 711 Judiciary on S.B. No. 608 (Majority)

The purpose of this bill is to prohibit the possession or importation and sale of cheaply made handguns, commonly referred to as "Saturday Night Specials."

This bill amends Section 134, Hawaii Revised Statutes, by adding a new section that prohibits any person, including a manufacturer, importer, or dealer, to possess, sell or deliver any pistol or revolver cast of a zinc alloy or other material that melts at a temperature of less than 800 degrees Fahrenheit.

Your Committee wants it clearly understood that its intent in passing this Act is not to encourage the use of the temperature test if alternative tests can be applied. Further, it is the intent of your Committee that this bill be applied only to guns registered after this bill becomes law. Chief William Snead of the Honolulu Police Department said that he knows of no such weapons known as "Saturday Night Specials" presently in the State. Thus, to apply it to guns already registered would unduly tax the police resources and be unfair to those citizens owning guns, particularly antique guns, which are presently registered but could not pass the heat test. Your Committee, in keeping with this intent, amended the bill to reflect this intent.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 608, S.D. 1, and recommends that it pass Second Reading in the form attached hereto as H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

Representatives Carroll, Fong and Sutton did not concur.

SCRep. 712 Judiciary on S.B. No. 512 (Majority)

The purpose of this bill is to permit the use of a citation in lieu of physical arrest when it is lawful for a police officer to arrest a person without a warrant for a misdemeanor, petty misdemeanor or violation.

This bill would provide for an optional use of the citation in lieu of arrest. The police officer could still make a physical arrest if the situation necessitated such an action.

Testimony indicated that the citation system is already in use in the City and County of Honolulu for such offenses as traffic, litter, leash, fish and game, and others.



The effect would be to reduce the time required of the police officer to undertake the physical arrest and give more time for preventive patrol against serious crime.

Your Committee recommends that the bill be amended for purposes of consistency by changing the word "summons" as it appears in the latter part of the bill to "citation" and the word "appeal" be changed to "appear" on line 3, page 2, of the bill as it is a misspelling.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 512, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 512, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

Representative Sutton did not concur.

SCRep. 713      Judiciary on S.B. No. 950

The purpose of this bill is to exclude from the definition of "motor vehicle", bicycles powered by a motor of one and one-half horse power or less, and to better clarify the definition of all bicycles in the Hawaii Revised Statutes. As a secondary purpose, this bill is also intended to encourage increased use of bikeways by a larger cross section of the people by making it convenient for those who are not able to peddle a bicycle for any distance to use a motor driven bicycle.

Under present laws, bicycles powered by motors are treated as motor vehicles and are subject to the same restrictions, although the speed attained is less than that of a racing type of bicycle without any motor. This bill amends three sections of the Hawaii Revised Statutes to allow for such small motors. Your Committee increased the horsepower to one and one-half horsepower or less in order to include American made bicycles with similar motor displacement and performance characteristics as the British model that would qualify under the bill as referred to this Committee.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 950, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 950, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 714      Judiciary on S.B. No. 830

The purpose of this bill is to provide for an alternative penalty with respect to persons convicted of the offense of criminal littering.

This bill would provide that the court could sentence a person convicted for littering to pick up litter on public property for four hours for a first offense and eight hours for subsequent offenses.

Your Committee recommends that amendments be made to the bill so that the judge may have discretion in sentencing the offender to pick up litter. The amendments would provide that the defendant shall spend "up to" four hours for a first offense and "up to" eight hours for any subsequent offense. This would allow the judge to take into consideration the physical capabilities of an offender as to the length of time he should be picking up litter.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 830, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 830, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 715      Judiciary on S.B. No. 330

The purpose of this bill is to amend the Statewide Traffic Code to: (1) require

slow moving vehicles to display a standard emblem indicating it is a slow moving vehicle; (2) allow the counties to designate certain school bus stops within a business or residence district where school bus flashing signals will be used; and (3) to conform Section 291C-38 of the Hawaii Revised Statutes to the Manual on the Uniform Traffic Control Devices.

Your Committee finds that these amendments to the State's Traffic Code will improve highway safety in the community. It recommends, however, that two amendments to the bill be made: (1) the phrase, "or unless provided by ordinance", be added to line 8, page 1 of the bill beginning after the word "flare", and (2) the phrase, "or when the highway on which the vehicle is operating is one on which pedestrian crossings are prohibited", be deleted from the end of proposed Section 291C-95(b).

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 330, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 330, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 716      Finance on S.B. No. 1645

The purpose of this bill is to appropriate funds to cover collective bargaining cost items relating to the contracts negotiated with certain exclusive bargaining representatives of bargaining units and other salary adjustments.

Your Committee finds that while pay increases for general employees of the State have been provided for through the approval of collective bargaining contracts, corresponding pay increases have not been authorized for many officers and other employees excluded from collective bargaining and, except for new positions established since 1969, no adjustments have been made for many excluded positions since 1970.

A further impact has been made by pay increases at the county government level, which together with the collective bargaining increases, have caused an inequity to develop in pay relationships, and differentials between executives and subordinates have narrowed or no longer exist. Your Committee is also very aware of the effect that the rising cost of living has had on the officers and employees with fixed salaries.

After careful consideration of the foregoing factors, your Committee agrees that other pay adjustments are necessary and timely, and your Committee has provided for such adjustments in all three branches of government.

Your Committee has amended this bill to provide for salary adjustments in the three branches of government as follows:

Part I appropriates funds to cover the collective bargaining cost items negotiated in the contracts with exclusive bargaining representatives of bargaining units 1 through 10 and 13 and of certain other officers and employees excluded from these bargaining units. \$25,934,382 in general fund, \$2,243,025 in federal funds and \$2,647,601 in special and other funds are appropriated or authorized for the fiscal year 1975-76, and \$39,923,748 general fund, \$3,318,399 in federal funds and \$3,775,035 in special and other funds are appropriated for the fiscal year 1976-77.

Part II appropriates funds for salary adjustments for department heads, deputies, and certain officers and employees in the executive branch (excluding the governor and lieutenant governor). The appropriation for this part is the sum of \$334,862 for the fiscal year 1975-76 and \$434,966 for the fiscal year 1976-77.

Also appropriated under part II is the sum of \$1,200,000 for fiscal year 1975-76 and \$1,300,000 for the fiscal year 1976-77 for adjusting the salaries of substitute teachers if either S.B. No. 553 or H.B. No. 867 is enacted into law.

Part III appropriates the sum of \$516,636 for fiscal year 1975-76 and \$647,821 for fiscal year 1976-77 for salary adjustments in the judiciary branch.

Part IV covers salary adjustments in the legislative branch, covering permanent employees of the legislature and the legislative support agencies. The sum of \$209,447 is appropriated to be supplemented by a prior appropriation for the salary increases authorized under this part.

Your Committee approves of these increases to maintain the pay relationship which exists between the pay of elected and appointive officers and employees and the pay of general employees. Your Committee has not dealt with the problem of what is the proper compensation for public officers and employees in relation to the duties and responsibilities of the positions they occupy, or determining the necessary salary level to continue to attract the best calibre of executives, attorneys, and trained personnel to serve as officers and employees and your Committee strongly recommends that further study be made in this regard.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1645, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1645, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 717      Judiciary on S.B. No. 1159

The purpose of this bill is to raise the minimum jurisdictional limit, based on the value of an estate, excluded from jury trial in probate court.

The bill would raise the minimum limit from \$500 to \$3,000 to conform it to the small estates category. Testimony indicated that the existing statutory provision is rarely used anyway.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 1159 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 718      Judiciary on S.B. No. 1303

The purpose of this bill is to increase the amount of a lien that can be placed on a registered vehicle without the consent of the owner.

The bill would raise the amount of the lien from \$350 to \$500. It would also provide that with the consent of the registered owner, the lien amount could be increased. The present statute provides that only the legal owner can give consent.

Testimony indicated that this increase is to reflect the rising cost of repairs and materials.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 1303 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 719      Legislative Management

Informing the House that House Resolution Nos. 763 to 767, House Concurrent Resolution No. 148, Standing Committee Report Nos. 707 to 718, and Standing Committee Report Nos. 720 to 736, have been printed and distributed.

Signed by all members of the Committee.

SCRep. 720      Judiciary on S.B. No. 516 (Majority)

The purpose of this bill is to amend various sections of the Hawaii Penal Code.

Your Committee has reviewed this bill, statement prepared by Judge Masato Doi offered by the Office of the Attorney General and the Director of the Department of Social Service and Housing relating to assault on correctional workers.

Your Committee in addition to adding a section relating to assault on correctional

offices made the following changes to S.B. No. 516, S.D. 1.

1. The word "immediately" on Page 3 of the bill was deleted. Adding the requirements that a person being attacked determine the immediacy of the need to use deadly force presents to great a burden upon that person. Such a person is already forced into a position of fear and apprehension that would make a reasoned determination of immediacy impossible.
2. Section 6 (c) of the bill relating to the shifting of the burden of proof to the defendant in asserting an affirmative defense for any offense in part IV of Chapter 12 of the Hawaii Penal Code was deleted because your Committee did not believe the burden should be shifted for the defendant in this instance.

The concern expressed by such testimonies was directed to providing a meaningful deterrent against attacks on correctional workers, which continue to compromise effective administration of our correctional institutions. We are informed that the action taken by the Seventh State Legislature by passage of Act 196, Session Laws of Hawaii, 1974 did not adequately provide for attacks upon correctional workers in that the prohibition there enacted does not cover attacks not preceded by threats and intimidation.

It is your Committee's intent to extend all reasonable support to our correctional workers who toil in a difficult but necessary task. Accordingly, the language of the new section 8 of the bill, contained in H.D. 1, is drafted broadly, consonant with such intent.

Your Committee is aware that so worded, the prohibition against attacks upon correctional offices provided by H.D. 1 may be construed to extend to third persons committing battery outside the physical area of correctional institutions and unrelated in any way to the correctional workers' official duties. It is your Committee's intent that all attacks upon correctional workers be appropriately investigated for any relationship, direct or otherwise with official duties of the correctional workers who have been subjected to the assault. Where no such connection is found, your Committee expects that the good sense of the appropriate prosecuting agencies will utilize the lesser offense of assault in the third degree under Section 712 of the Penal Code.

Your Committee also added a severability clause to this bill. As a new Section 9 of the bill and old Section 8 was changed to section 10.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 516, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 516, S.D. 1, H.D. 1 and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

Representative Sutton did not concur.

SCRep. 721      Judiciary on S.B. No. 1212 (Majority)

The purpose of this bill is to amend the sections of the Hawaii Revised Statutes related to elections by improving the wording, rearranging the structure of sections for greater clarity, and by implementing methods and procedures which would add to the effective administration of our elections.

Your Committee heard testimony on this bill from the Office of the Lieutenant Governor, the Office of the City Clerk, and the Election Advisory Committee.

Your Committee, after hearing testimony and reviewing the policy statements made in the preceding standing committee report on the bill believes that areas of the bill involving substantive changes deserve thorough consideration, which time constraints this session prohibit. Therefore, your Committee deleted substantive portions of the bill. However, it should be emphasized that the mere fact that portions of the bill were deleted does not mean, per se, that your Committee disagrees with the concepts embodied in the deleted sections. Your Committee believes most of the deleted portions deserve full consideration, each on its own merit and recommends that the deleted subjects be reintroduced next session as separate bills.

Your Committee recommends the following amendments:

1. (Page 3, lines 17-20). Delete the proposed addition empowering the clerk to determine residence.
2. (Pages 4 and 5). Delete the power to obtain information for the register at the discretion of the clerk. Because there were no other changes to Section 11-14, Section 2 of the bill was deleted and subsequent sections were appropriately renumbered.
3. (Page 6, lines 13-16). Delete proposed changes as to receipt of absentee ballots and deadlines relating to the same.
4. (Pages 7 and portion of Page 8). Delete the proposed prohibition of re-scheduling working hours to compensate for time off to vote was deleted. There being no other proposed changes to Section 11-95, Section 4 of the bill was removed and subsequent sections of the bill were appropriately renumbered.
5. (Page 10, lines 14-23). Delete proposed clarification as to arrangement of names on the ballot. Your Committee felt the issue of name placement should fully be considered separately. There being no other changes to Section 11-115, Section 7 of the bill was deleted and subsequent sections appropriately renumbered.
6. (Page 13, lines 1-4, line 9). Specific power to determine the type and style, etc. on the ballots was deleted as was the proposed change of the deadline for delivering absentee ballots to the clerks prior to the election.
7. (Pages 16 and 17, lines 20 and 21). Delete the proposal to permit the Chief Election Officer to make rules.
8. (Page 21, line 18). The phrase, "for that content or question" was inserted at the end of the line for purposes of clarity.
9. (Page 26, line 19). Delete the proposed change in the primary date.
10. (Page 28, lines 12 and 13). Delete the proposed change qualification of a nominee.
11. (Page 30, lines 8-10, line 17 and 18). Delete the proposed changes giving the Chief Election Officer or Clerk the power to require substantiation of facts on a nominee's application and for the moving up of the time filing nomination papers.
12. (Page 33, lines 6-11). Delete the proposal to empower the Chief Election Officer or Clerk to hold hearings relating to challenges on nomination.
13. (Page 33, lines 12-22 and Pages 34 and 35 and 35a, lines 1-16). Delete the proposed reapportionment of the school board.
14. (Page 50, lines 12-22, Page 51, lines 1-8). Delete the proposed reapportionment of the U.S. Congressional districts.
15. (Page 56, lines 1 and 2). The reference to persons using the county register which is a public record without authorization was deleted because it did not seem to be directed to any identifiable group or activity.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 1212, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B.No. 1212, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Carroll.

Representative Sutton did not concur.

SCRep. 722      Judiciary on S.B. No. 1304

The purpose of this bill is to amend the statute relating to comparative negligence, to provide that in cases where the negligence of the plaintiff and defendant are equal, recovery would not be barred.

Under the present statute, if the claimant is 50% negligent and the defendant is 50% negligent, the former is denied recovery. This bill would provide for recovery by the claimant.

Testimony indicated that Hawaii's comparative negligence statute is patterned after Wisconsin's. The language of the bill is the same used in an amendment made to the Wisconsin statute in 1971 providing for recovery when claimant and defendant are equally negligent.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 1304 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 723      Judiciary on S.B. No. 443

Senate Bill No. 443 embodies the recommendations of the Office of Revisor of Statutes in its effort to harmonize penal provisions dehors the Penal Code with penal provisions of such code.

Your Committee has reviewed these recommendations and finds as follows:

(1) Section 2 of the bill is addressed to the repeal of Section 64-77, Hawaii Revised Statutes concerning "interference at fires" Section 1010(a) of the Penal Code broadly governs the subject "performance of a governmental function by a public servant acting under code of his official authority". Also, Section 1012 of the Penal Code governs "refusing to assist in fire control". Accordingly, the provisions of the Penal Code adequately covers the subject matter covered by Section 64-77 and its repeal is sensible.

(2) Sections 3 and 4 of the bill is directed to Sections 134-1 and 134-7, Hawaii Revised Statutes governing the ownership or possession of firearm or ammunition by felons and fugitives. This portion of the bill will delete the reference to "crime of violence" in Section 134-1 meaning "murder, manslaughter, rape, kidnapping, robbery, burglary, etc.", and to substitute therefor, the word "felony". Thus, one of the effects of the bill is to expand the prohibition of Section 134-7 to a broader category of persons-- that is, from persons convicted of the foregoing "crimes of violence" to felons generally.

The bill also makes violation of Section 134-7 a class C felony, changing thereby from the penalty previously provided of imprisonment for "a term not less than one year nor more than two years without probation", to ordinary maximum term of 5 years and extended maximum term of 10 years as provided by Sections 660 and 661 of the Penal Code. It should be mentioned that notwithstanding the language that persists in Sections 134-8, 134-9, and 134-10, Hawaii Revised Statutes, these offenses were made class C felony by the Penal Code in 1972, which is in harmony with the treatment accorded Section 134-7 by this bill. The inconsistency here being corrected occurred because Section 134-7 had been amended in 1974 subsequent to the Penal Code, and is not thereby covered by the Penal Code proviso that corrected Sections 134-9, and 134-10.

(3) Sections 5 and 6 of the bill dealing with violation of rules and regulations dealing with the Division of Parks, Department of Land and Natural Resources. The designation of the offense is changed from "misdemeanor" to "petty misdemeanor" resolving the inconsistency in providing a 6 month term of imprisonment for an offense incorrectly designated as "misdemeanor".

(4) The remainder of the changes effected by this bill are technical or stylistic only.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 443 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 724      Judiciary on S.B. No. 327

The purpose of this bill is to amend the drivers license renewal requirements by allowing the State Highway Safety Coordinator to require examinations relating to highway safety and rules of the road in addition to physical examination.

Your Committee intends that the testing program to be employed in the relicensing program, shall be simple and accommodate the diversity of language backgrounds that makes up our Island community. It is expected that a different cultural orientation shall not be a bar to driving an automobile where the prospective driver possesses all essential skills.

Your Committee was informed, with respect to this bill, that failure of its passage will effect Hawaii's ability to retain certain federal funds. As such threat appears to permeate so many measures appearing before the legislature, your Committee intends that should the appropriate federal funds not be available to Hawaii despite passage of this bill, that in such event, appropriate action should be subsequently taken to repeal this bill.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 327, S.D. 2, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 725      Judiciary on S.B. No. 1469

The purpose of this bill is to: (1) amend the length of time that a grand jury may be required to serve and (2) to decrease the number of names in trial jury panels from 26 to 18.

The bill would provide that in addition to the required one year length of service, a grand jury may be required to sit beyond that period in order to complete any matter for which it was impaneled during that year, or until another grand jury is impaneled and sworn.

The bill would also provide that the number of names in jury trial panels be decreased. Testimony indicated that this number would provide more flexibility, efficiency, and financial savings in calling juries. At present, it costs the State \$20 plus mileage for a juror to appear in court.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 1469, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 726      Judiciary on S.B. No. 1133

The purpose of this bill is to provide for a method whereby an individual may designate on his driver's license that he is a donor under the Uniform Anatomical Gift Act.

The bill would provide that the State's Highway Safety Coordinator shall provide a method for a person to designate on his license or renewal application that he is a donor under the Act. It would also require that the examiner of drivers make a suitable notation upon the license that the licensee is a donor.

Testimony indicated that the Highway Safety Coordinator and the counties, which handle driver examinations, could implement a method for designating anatomical gifts. This would provide an effective notification system as to donor's intent in the event of his death.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 1133, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 727      Judiciary on S.B. No. 527

The purpose of this bill is to amend the definition of "felony" as contained in the Uniform Act on Status of Convicted Persons to make it consistent with the Penal Code.

This bill would provide in both definitions that a felony is any offense punishable by imprisonment for a term which is in excess of one year.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 527 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 728      Judiciary on S.B. No. 1158

The purpose of this bill is to raise the dollar limit established in Section 531-12 of the Hawaii Revised Statutes from \$1,000 - \$3,000 to conform to the limit of the small estates category, which is \$3,000.

Your Committee finds that this bill would expedite the handling of small estates by shortening the time of notice requirements.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 1158 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 729      Judiciary on S.B. No. 977

The purpose of this bill is to amend the Penal Code as it relates to criminal trespass.

This bill would make it an offense of criminal trespass in the first degree for anyone who knowingly or unlawfully entered premises, which were fenced or enclosed in a manner designed to exclude intruders and had in his possession a firearm at the time of intrusion. This offense would be a misdemeanor.

Testimony indicated that this bill would aid the rancher with respect to problems of rustling. Since it is difficult to catch a rustler in the act, this bill would provide another means of combating the problem.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 977, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 730      Public Assistance and Human Services and Health on H.C.R.  
No. 121

The purpose of this concurrent resolution is to request the Department of Health and the Department of Social Services and Housing to cooperate to develop a unified financial and service plan for extended care of wards of the State.

The departments agree that such a plan is needed and strongly endorse the resolution. Potentially, such a plan will both save the State money and lead to better care for wards of the State.

Your Committees have made minor changes in the wording of the concurrent resolution which do not affect its substance.

Your Committee on Public Assistance and Human Services and your Committee on



Health concur with the intent and purpose of H.C.R. No. 121, as amended herein, and recommend its adoption in the form attached hereto as H.C.R. No. 121, H.D. 1.

Signed by all members of the Committees.

SCRep. 731      Public Assistance and Human Services and Health on H.C.R.  
No. 122

The purpose of this concurrent resolution is to request the Department of Health to propose necessary legislation and a plan of action which would assist the Department of Social Services and Housing in providing Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) and which would extend such services as are felt necessary to all children.

Your Committees intend for the Department of Health to consider the needs of the Department of Social Services and Housing when devising a plan for health services to be provided to all children. Your Committees feel that there is a need for a plan to coordinate existing school health services, "outreach" programs for EPSDT of children eligible for Medicaid, and community services provided by the Department of Health to mothers and children. Your Committees do not intend for the Department of Health to provide EPSDT for all children. However, your Committees feel that unless certain forms of screening and immunization are provided free to all children, then children who are not eligible for Medicaid may be denied services that will protect them from crippling diseases and disabilities. The Department of Health and the Department of Social Services and Housing feel that there is room for improvement in public health services for children.

Your Committees have amended the title and wording of the concurrent resolution so as to make it clear that it is not the intent of the concurrent resolution that the Department of Health administer EPSDT to all children. The concurrent resolution has also been amended to include consideration of children who are not in school.

Your Committee on Public Assistance and Human Services and your Committee on Health concur with the intent and purpose of H.C.R. No. 122, as amended herein, and recommend its adoption in the form attached hereto as H.C.R. No. 122, H.D. 1.

Signed by all members of the Committees.

SCRep. 732      Public Assistance and Human Services and Health on H.C.R.  
No. 118

The purpose of this concurrent resolution is to request the Attorney General to recommend changes in State law and State policy for the purpose of maximizing Medicaid, Medicare, and Supplementary Security Income payments on behalf of individuals eligible for State health programs.

Your Committees believe that this concurrent resolution will set the groundwork for the State to increase its federal revenues and lead to better cooperation between the Department of Health and the Department of Social Services and Housing. Both departments support the resolution.

Your Committees have made minor changes in the wording of the concurrent resolution which do not affect its substance.

Your Committee on Public Assistance and Human Services and your Committee on Health concur with the intent and purpose of H.C.R. No. 118, as amended herein, and recommend its adoption in the form attached hereto as H.C.R. No. 118, H.D. 1.

Signed by all members of the Committees.

SCRep. 733      Agriculture on H.C.R. No. 60

The purpose of this concurrent resolution is to request the Hawaii State Congressional Delegation to lend their full support to the introduction and passage of a Sugar Act.

Your Committee agrees with testimony by the Department of Agriculture, the Hawaiian Sugar Planters' Association and the Hawaii Farm Bureau Federation that reinstatement of the Sugar Act would (A) assure consumers of adequate supplies at reasonable prices; (B) restore balance to the sugar trade; and (C) favor recommitment of sugar industry resources to increased production of sugar. The sugar industry contributed \$720 million to the State's economy in 1974 and would benefit by the reinstatement of the Sugar Act wherein prices and production quotas are mentioned. The sugar industry in Hawaii is at a crossroads and your Committee on Agriculture recognizes the need to support this vital industry.

Your Committee on Agriculture concurs with the intent and purpose of H.C.R. No. 60 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 734      Agriculture on H.C.R. No. 93

The purpose of this Concurrent Resolution is to request the Department of Agriculture to study the possibility and feasibility of using grade B papayas in more productive ways such as school lunches and nectar juices. The Department of Agriculture is further requested to assist and advise papaya growers in making greater usage of grade B papayas.

Your Committee is aware that under Federal Marketing Order No. 928, grade and size regulations on papayas to be sold in the State have been enforced. Your Committee notes that since the exclusion of grade B fruit from the local markets in September 1972, the supply of fruit available for local consumption has continually increased from 10.7 million pounds in 1972 to 13.1 million pounds in 1974. Further the retail prices in Honolulu remained constant at 32¢ per pound. Consequently, exclusion of sale of grade B fruit has not resulted in higher prices to the consumer.

However, the exclusion of grade B papaya from local sales has caused the development of a cull problem--an excess of grade B papayas which are consumable but which do not meet aesthetic quality standards required for grade A classification. Your Committee feels that there exists for these grade B papayas an alternative marketing use such that the sale of grade B papaya may develop into a viable industry to supplement present papaya sales.

Your Committee, therefore, feels that exploration into these alternatives should be conducted and that papaya farmers should be assisted in finding alternative uses for such grade B papayas.

Your Committee on Agriculture is in accord with the intent and purpose of H.C.R. No. 93 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 735      Judiciary on H.C.R. No. 124

The purpose of this House Concurrent Resolution is to request the formation of an advisory panel to review procedures, rules, and guidelines relating to prison terms.

Your Committee finds that there is a serious lack of guidelines and procedures in the paroling of inmates in the correctional system. The need to improve this situation calls for broad based community input to establish a practical and equitable paroling process.

This resolution would provide for a panel which reflects a cross section of the community. It would review, investigate and develop procedures with respect to minimum sentencing, review of sentencing, right to counsel, and due process. The advisory panel would report their findings and recommendations to the Governor, the Legislature, the Courts, and the Board of Pardons and Paroles no later than 30 days prior to the beginning of the next Legislative Session.

Your Committee on Judiciary concurs with the intent and purpose of H.C.R. No. 124 and recommends its adoption.

Signed by all members of the Committee.

## SCRep. 736 Energy and Transportation on H.C.R. No. 21

The purpose of this concurrent resolution is to request that carpool vehicles on Kalaniana'ole Highway be allowed to use express bus lanes.

Your Committee finds that both the Department of Transportation and the City Department of Transportation Services realized that the solution to the transportation problems in the Kalaniana'ole Highway corridor lay in a coordinated highway facility. To accomplish this, the Department of Transportation formed the Kalaniana'ole Corridor Task Force composed of top level engineers from both the City and the State to plan the highway-transit facility, including the necessary intermediate steps. An Ad Hoc Committee, composed of members of this Task Force and the Honolulu Police Department, was formed to discuss permitting carpools in the express bus lanes on Kalaniana'ole Highway.

After further consideration of this resolution, your Committee has amended the concurrent resolution to facilitate its intent and purpose.

- (1) In the second "WHEREAS" clause "legislative" has been amended to read "government".
- (2) In the third "WHEREAS" clause "legislate" has been amended to read "consider".
- (3) The "BE IT FURTHER RESOLVED" clause has been amended so that alternatives be considered to allow carpool vehicles on Kalaniana'ole Highway to use express bus lanes.
- (4) An additional "BE IT FURTHER RESOLVED" clause to read that such considerations include the pending construction on Kalaniana'ole Highway and the interim use of lanes during such construction.

Your Committee on Energy and Transportation is in accord with the intent and purpose of H.C.R. No. 21, as amended in the form attached hereto as H.C.R. No. 21, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Kiyabu and Kondo.

## SCRep. 737 Legislative Management

Informing the House that House Resolution No. 768, and Standing Committee Report Nos. 738 to 757, have been printed and distributed.

Signed by all members of the Committee.

## SCRep. 738 Judiciary on S.B. No. 332

The purpose of this bill is to require exterior markings on vehicles which are carrying hazardous materials so as to provide adequate warning in case of accident, catastrophe or other emergency.

This bill would aid authorities, especially fire and rescue units, in identifying what material was contained in the vehicle so that proper measures could be undertaken to protect life and property from needless injury, death, damage or destruction.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 332 and recommends that it pass Third Reading.

Signed by all members of the Committee.

## SCRep. 739 Finance on S.B. No. 228

The purpose of this bill is to exclude the Hawaii Public Health Fund from the subjects of negotiations.

Joint bargaining effort by the exclusive representatives of the collective bargaining

units has not been successful and as a result there is an increase in individual union activity to modify the Health Fund. As the pressures of negotiations increase, there exists a definite possibility of fragmenting the existing Health Fund into many Dental and Group Life Insurance Plans.

Your Committee is aware that when the Public Employees Health Fund was enacted in 1961, the employees and employers contributions were to be as near as practicable to fifty-fifty. Presently, the employees contribute approximately sixty per cent and the employers, forty per cent. Your Committee does not find this present contribution plan inequitable and recommends that the amendments to set contributions to the Health Fund at a fifty-fifty basis be deleted. This will restore this bill to its original form as proposed by the Administration.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 228, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 228, H.D. 2.

Signed by all members of the Committee.

SCRep. 740      Judiciary on S.B. No. 1624 (Majority)

The purpose of this bill is to conform the sentences felons convicted prior to the effective date of the Hawaii Penal Code to the provisions within the code. The intent is to grant equal application of justice demanded by adherence to the highest standards of jurisprudence.

The original form of the bill and as amended by your Committee compare as follows:

<u>Original Bill</u>	<u>As Amended</u>
1. All felons still incarcerated upon a maximum sentence not in conformity with the Penal Code are ordered back to Court.	1. Same.
2. All such maximum sentences are voided and a new maximum sentence is required to be set, unless the old sentence is equal to, or less than, that in the Penal Code.	2. Court reviews the old sentences and <u>may</u> reset new maximum sentences, in its discretion.
3. Felons already out by parole or discharge not affected.	3. Same.
4. If new maximum sentence equals time already served, felon is discharged.	4. Same.
5. Maximum term is not to be increased over what is already imposed.	5. Same.
6. <u>Ordinary term</u> cases: No hearing is required.	6. Same.
7. <u>Extend terms and special terms</u> : Hearing is required.	7. Same.
8. Minimum terms are automatically reset proportionate to reduction of maximum sentences.	8. Minimum terms are not affected, and are not reduced.
9. Felons serving consecutive sentences will be reduced to serving concurrent sentences only.	9. Court is given discretion to impose consecutive or concurrent sentences in appropriate cases.

Your Committee is in sympathy with the betterment of morale among our incarcerated public offenders sought to be achieved by the equalization aspects of this bill. However,

we are in substantial disagreement upon three major facets.

First, we do not feel that automatic reduction of maximum sentences will attain justice in each case. In a given case, a thorough review of the facts may warrant a conclusion that the old sentence was, and continues to be, fair. Accordingly, in contrast to the mandate to reset each sentence that is not "equal to, or less than" that imposed by the Penal Code, your Committee has substituted the concept that the Court should exercise its discretion.

Secondly, your Committee does not feel that the release of public offenders or the reduction of minimum sentences which will certainly lead to early releases should be accomplished by any sort of quantifying formula.

Our practice of penal jurisprudence requires that maximum sentences be specifically expressed in our statute books for the different types of criminal misconduct so that the potential wrong-doer may have knowledge of what he may expect his action to reap. However, once apprehended and properly sentenced to incarceration, the required duration of incarceration of each public offender is determined by weighing his individual merit against any potential danger he may pose to the public. As such, a public offender's minimum sentence must not be subject to anything other than treatment on the basis of merit. It is not subject to wholesale treatment, not even in the name of equalization.

Accordingly, your Committee has amended the bill to delete all references to reduction of minimum sentences. We expect that existing minimum sentences will be one among many factors the Court will weigh in exercising the discretion availed by this bill.

Thirdly, except in the case of escapes from imprisonment, the Penal Code has abolished consecutive sentences and requires by Section 668 that "sentences imposed by the Court shall be served concurrently." As such, public offenders serving consecutive terms imposed prior to the Penal Code would, upon review under the original version of this bill, be reduced to serving concurrent terms.

Your Committee realizes that the consecutive terms imposed before the Penal Code reflects in that regard a totally different perspective. In other words, a judge operating under the pre-Penal Code system may, in a given case, have imposed lesser sentences upon the expectation that they were to be served consecutively, and thus, have meted out such sentences because he thought that their total effect reflected justice. As such, their automatic reduction to concurrent sentences may reduce such offender's sentence to drastic disproportion. We do not feel that our effort at equalization must obtain such result.

Accordingly, we have amended the bill to provide that in the Court's efforts at equalization and its attempts to reconcile different perspectives, it is adequately armed with authority to exercise its learned discretion.

Additionally, your Committee has deleted the mandate that the Courts must accomplish the review contemplated by this bill "within one year of the effective date of this Act". This is because your Committee is aware that the Courts may be faced with tremendous and tedious tasks by this bill.

We are aware that where a particular crime has been reclassified by the Penal Code, the Courts may in appropriate cases, find it necessary to review even the transcripts of the trial in order to ascertain the particular factual description of the crime for which a public offender had been originally sentenced. This is because the reclassification may be based on factual details which are completely different from that of the original classification. For example, rape has been reclassified into three different degrees of the offense. Convictions obtained before the Penal Code will not have spelled out the attendant facts so as to enable easy identification with one of the three degrees for the present description of the offense. As such, the bill may require research into considerable detail in rape cases in order that the Court's effort at equalization may be accomplished. We are aware that similar difficulties may attend other offenses.

Your Committee is aware that even such detailed review may not avail rational determination in every case. In such event, it is your Committee's view that the Court's best judgment should suffice.

Finally, your Committee is aware that the tasks imposed by this bill may require additional staffing. Your Committee is prepared, upon its submission, to recommend

support for any subsequent request by the Judiciary for a supplemental appropriation to be made for such additional personnel, costs for transcripts, and costs for transporting the public offenders to the courts of original jurisdiction wherever such transport should become appropriate and necessary in accomplishing the tasks of this bill.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 1624, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1624, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

Representative Fong did not concur.

SCRep. 741      Judiciary on S.B. No. 514 (Majority)

The purpose of this bill is to amend Section 723-3, Hawaii Revised Statutes, to include certain violations as acts subject to arrest.

Your Committee has amended the bill by limiting its application to offenses set forth in the Hawaii Penal Code, including violations thereunder. Also covered by the bill are violations dealing with motor vehicle and bicycle license plates and parking on school grounds.

Your Committee also notes that while this bill in the Senate was amended by changing the reference from Section 708 to Section 723, the hard bound volume of the Hawaii Revised Statutes indicates Section 708 is the proper section. The pocket supplement indicates Section 723 is the proper section. Your Committee's intent is that the Revisor of Statutes correct this ambiguity.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 514, S.D. 1 as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 514, S.D. 1, H.D. 1, and that it be placed on the calendar for Third Reading.

Signed by all members of the Committee.

Representatives Naito and Sutton did not concur.

SCRep. 742      Higher Education on S.B. No. 1676

The purpose of this bill is to eliminate the statutory requirement for a minimum resident tuition fee at any University of Hawaii campus. No change is made in the non-resident tuition differential.

Under existing statutory provisions of the Hawaii Revised Statutes 304-4, the Board of Regents of the University of Hawaii must charge a resident tuition fee of no less than \$170 per full time student per academic year at any University of Hawaii campus that grants baccalaureate degrees, and no less than \$30 per student per academic year at any community college.

In its discussions to increase the tuition fees to place some of the burden of increasing costs of higher education upon the students, the University expressed its belief that there should be some tuition differential between the University, liberal arts college(s), and the community colleges. As a specific instance of the benefits accruing from the application of differential tuition rates, the University plans to encourage students from neighbor islands to enroll at both Hilo College and Hawaii Community College, thereby promoting population dispersion away from Oahu campuses, by setting a tuition fee for lower division students at Hilo College at an amount below the present statutory minimum of \$170 per year.

The situation at the University of Hawaii at Hilo is unique. With a centralized administrative organization, including student services and financial administration, Hawaii Community College students take many liberal arts courses at Hilo College. Conversely, Hilo College students take some of their courses at Hawaii Community College. Ideally, at the lower division level, Hilo College students should pay the same tuition fee whether taking courses at Hilo College or Hawaii Community College. Elimination of the statutory provision requiring a minimum tuition fee will permit the University

to achieve its stated purpose of attracting students to Hilo College and Hawaii Community College and providing lower division education to resident students at the same cost at either of the schools.

As outlined in Senate Standing Committee Report No. 518--and adding the fee for the newly established Hilo College of Agriculture--the resident tuition fee for the current 1974-75 academic year and the 1975-76 academic year for UH at Hilo are shown below. A fee change under consideration by the Board of Regents which would be permitted under this measure is also shown.

	Approved Tuition Fees*		Proposed Tuition Fees
	<u>74-75</u>	<u>75-76</u>	<u>75-76</u>
<u>Hilo College</u>			
Lower Division	170	170	80
Upper Division	253	300	300
<u>Hilo College of Agriculture</u>			
Lower Division			80
Upper Division			300
Hawaii Community College	60	80	80

\*Note: There is a statutory floor on non-resident tuition of two times the Manoa campus undergraduate resident fee. Thus, non-resident tuition for all students at UH/Hilo would be \$900 in 1975-76.

Your Committee believes that this proposal would encourage students to register and enroll at UH/Hilo, lessening to some degree the pressure on Oahu campuses and assisting in the growth, both in educational quality and enrollment, of the University of Hawaii at Hilo and Hawaii Community College.

In conclusion, your Committee believes that the elimination of the minimum tuition fee is necessary to provide the University certain flexibility on an issue of economic and educational policy. Your Committee does not consider the elimination of the statute, however, as a license to the Board of Regents to make immediate wholesale adjustments in the University's tuition structure. Your Committee therefore encourages the Board of Regents to exercise due caution in readjusting tuition fees in accordance with the provisions of this Act.

Your Committee is in accord with the intent and purpose of S.B. No. 1676 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 743 Higher Education on S.B. No. 335

The purpose of this bill is to repeal Sections 304-50 through 304-53 of the Hawaii Revised Statutes relating to the Land Study Bureau; and Section 304-54 relating to the Economic Research Center. Pursuant to a legislative mandate and State Executive Branch action, the University phased out both the Land Study Bureau and the Economic Research Center, effective July 1, 1974.

The above mentioned sections of the law are unnecessary because the programs established thereunder have been abolished, and because program personnel have been transferred to other programs in the University.

Your Committee on Higher Education is in accord with the intent and purpose of S.B. No. 335 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 744      Judiciary on S.B. No. 537

The purpose of this bill is to expedite the procedure under which conservation or parks officers must subscribe under oath to any summons or citation issued.

Presently, the officer must subscribe to the summons or citation under oath administered by a prosecuting officer. This bill would provide that the oath could be administered by another official of the Department of Land and Natural Resources so designated by the Department Chairman and approved by the prosecuting officer.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 537 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 745      Judiciary on S.B. No. 534

The purpose of this bill is to provide for a hearing process, within the provisions of the Administrative Procedure Act, for the withholding of a government employee's salary for indebtedness to the government.

This bill would guarantee the individual's right to due process by giving the employee the right to be heard and have his case decided upon under established rules. The employee could also waive the hearing and automatically have his salary withheld under the terms of the statute.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 534, S.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 746      Judiciary on S.B. No. 1049

The purpose of this bill is to update the listing of controlled substances in Hawaii Revised Statutes Chapter 329, the Uniform Controlled Substances Act.

This bill is introduced pursuant to Hawaii Revised Statutes 329-11(e) which requires the Department of Health to annually report to the legislature any recommended changes concerning controlled substances, conforming them to the Federal Law.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 1049, S.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 747      Youth and Elderly Affairs on H.R. No. 334

The purpose of this resolution is to request the Department of Taxation to study the feasibility and ramifications of a deduction for dependent care expenses necessary for gainful employment in computing taxable income for State income tax purposes, such deduction to be analogous to Section 214, Internal Revenue Service Code as amended by Section 210 of Public Law 92-178 (Revenue Act of 1971).

At the present time, the allowance for child care under Hawaii's law is the same as that which was in effect for federal income tax purposes prior to the 1971 modifications. This provides an income limitation of \$6,000 and permits a maximum deduction of \$600 (\$900 if two or more dependents) for child support or support of an incapacitated spouse, if such care is required to enable the taxpayer to be gainfully employed. In 1971, the federal code liberalized the child care deductions, permitting deductions up to a maximum child care expense of \$400 per month, or \$4,800 per year, permitting deductions without limitations to taxpayers with incomes up to \$18,000. For taxpayers with income above \$18,000, the amount of the deduction is reduced by 50¢ for each dollar of income which exceeds \$18,000.

In order to allow adequate time for this study to be made, your Committee has amended this resolution so as to require the department to submit its report of findings and recommendations no later than twenty days prior to the commencement of the Regular



Session of 1976, instead of prior to the adjournment of the current session as was originally provided.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.R. No. 334, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 334, H.D. 1.

Signed by all members of the Committee.

SCRep. 748      Culture and the Arts on S.B. No. 966

The purpose of this Bill is to authorize the Hawaii Bicentennial Commission to adopt, restrict, or regulate the use of a bicentennial logotype. The Bill gives the Commission the authority to designate a logotype and to set standards or guidelines for its use.

Restrictions and regulations on the use of the logotype is necessary to insure that no actions, correspondence, and events not sponsored or condoned by the Bicentennial Commission bear the official Hawaii Bicentennial logotype. However, Act 98, Session Laws of Hawaii 1970, indicates that the Hawaii Bicentennial Commission does not have legislatively-granted authority to adopt, restrict, or regulate the use of the Bicentennial logotype.

Your Committee on Culture and the Arts is in accord with the intent and purpose of S.B. No. 966 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 749      Housing on S.B. No. 1543 (Majority)

The purpose of this bill is to reaffirm and reiterate the findings and declaration of necessity originally set forth in adoption of Act 307, Session Laws of Hawaii 1967, regarding the monopolistic tendency pervading the pattern of land ownership and disposition which was inimical to the public health, and to amplify and clarify those findings and declarations of necessity in view of the increasing detriment such tendency will impose on the public.

Your Committee on Housing upon consideration of this bill recommends the following amendments:

1. Section 2, subsection (a), paragraph 9, of this bill be amended to include the use of general revenues and private funds, at the disposal of the State, as a method of acquiring residential leaseholds in addition to the existing method of issuing bonds.
2. Section 2, subsection (b), of this bill be amended to reflect the changes set forth above.

Your Committee on Housing is in accord with the intent and purpose of S.B. No. 1543, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1543, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Ikeda.

Representative Sutton did not concur.

SCRep. 750      Housing on S.B. No. 1213 (Majority)

The purpose of this bill is to eliminate the mandatory requirement that the Hawaii Housing Authority set maximum limits for tenant selection in public housing projects.

This technical change in the operation and management of housing projects of the Hawaii Housing Authority is advisable since the enactment of the federal Housing and Community Development Act of 1974. This federal act has made maximum income limits for low-rent public housing unnecessary since the rules and regulations, as yet unissued by the Department of Housing and Urban Development, will probably

leave the adoption of maximum income limits optional with the local housing authorities.

Your Committee upon consideration of this bill has made technical amendments in Section 1 to clarify the intent and purpose of this bill.

Your Committee on Housing is in accord with the intent and purpose of S.B. No. 1213, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1213, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Ikeda.

Representative Sutton did not concur.

SCRep. 751      Water, Land Use, Development, and Hawaiian Homes on S.C.R.  
No. 109

The purpose of this concurrent resolution is to extend the Legislature's commendations and best wishes to the people of Waiahole-Waikane.

The people who best know and love the land and who have perpetuated a life-style conducive to the pristine surroundings can share with the residents of the state the beauty and gentle nature of Waiahole-Waikane.

The rural life-style, with its close knit families, folk culture, and quiet neighborhoods have been a part of Hawaii's colorful past and have continued to exemplify the aloha and ohana spirit.

Your Committee feels the people of Waiahole-Waikane have demonstrated their commitment to preserving a way of life that is part of the values of old Hawaii. Their life-style has accentuated the peaceful and serene beauty of the lands.

Your Committee recommends the following amendment to read:

In the BE IT FURTHER RESOLVED clause, a certified copy of the resolution is also to be sent to the Chairman of the Land Use Commission.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of S.C.R. No. 109, as amended herein, and recommends that it be referred to the Committee on Culture and the Arts in the form attached hereto as S.C.R. No. 109, H.D. 1.

Signed by all members of the Committee.

SCRep. 752      Finance on S.B. No. 1046

The purpose of this bill is to require the Department of Social Services and Housing to establish rules for the payment of dental care services under public assistance programs.

The Department and the Hawaii Dental Association will be required to review jointly the schedule of fees, and such review for making adjustments are to be held not less than once a year.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1046, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 753      Finance on S.B. No. 591

The purpose of this bill is to set up funding for high school driver education programs through the No-Fault Insurance Driver Education Fund Underwriters' fee.

This bill provides a sliding percentage scale of funding. The funding will come from a \$1 levy upon each insurer and self-insurer on each motor vehicle insured, remitted to the commissioner of motor vehicle insurance, which shall be deposited

in a special driver education fund account. In 1975-76, 70 per cent of the special education fund account will go to the commissioner of motor vehicle insurance and 30 per cent to the Superintendent of the Department of Education. In 1976-77, the percentages will be 60 per cent to the commissioner and 40 per cent to the Superintendent. Finally, in 1977-78, the percentages will be 50 and 50.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 591, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 754 Finance on S.B. No. 1323

The purposes of this bill are to: (1) authorize the Hawaii Housing Authority to hire individuals for unique and essential services on a contractual basis, without regard to chapters 76, 77, and 78, HRS; (2) to allow the dwelling unit revolving fund to be used for expansion of community facilities constructed in conjunction with housing projects for elderly persons; and (3) to authorize guarantees of up to 100 per cent of the principal balance of qualified, single-family mortgage loans issued under section 213 of the Hawaii Homes Commission Act. In addition, the ceiling on the interest rate set by section 356-29, HRS, is temporarily raised not to exceed eight per cent a year for the twelve month period following the effective date of this bill.

Your Committee agrees with the findings set forth in House Standing Committee Report No. 707 by your Committee on Housing.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1323, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 755 Finance on S.B. No. 1458

The purpose of this bill is to allow the Department of Transportation to issue general obligation bonds for the Hawaii State Ferry System.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1458 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 756 Higher Education on S.B. No. 1732 (Majority)

The purpose of this Act is to create an educational non-profit, public corporation to be known as the "Center for Cultural and Technical Interchange Between East and West, Inc."

Since the Congress of the United States provided for the establishment of the East-West Center in 1960 through Public Law 86-472, the State of Hawaii through the University of Hawaii has worked very closely with the Department of State and the United States Congress to develop the East-West Center as a national educational institution dedicated to better relations and understanding between the people of the United States and the people of Asia and the Pacific.

In recognition of its geographical position and multicultural society, Hawaii was designated by the United States Congress as the natural location for the East-West Center. As a result, a unique cooperative enterprise was developed which has brought many benefits to both the nation and the State of Hawaii for the past fifteen years. During this time, approximately twenty-five thousand people from forty different Asian and Pacific countries and the United States have participated in the Center's programs. Based on its past and current performance, your Committee believes that constant and sincere efforts have been exerted to carry out the purposes set forth by the United States Congress.

Your Committee appreciates the complexities involved in the development of a proposal such as the incorporation of the East-West Center as experienced by the University of Hawaii and the United States State Department, and therefore can, to

some extent, understand the reasons for its untimely submittal to the Legislature this year. Although the lateness in the receipt of the proposal has severely hampered the work of your Committee, it has made every effort to conduct an indepth study on the measure because incorporation represents a major step in the future development of the East-West Center. Therefore, in reviewing the proposed incorporation, your Committee's primary focus has been on the examination of the full implications of incorporation and its effects on the operations of the Center, and to ensure that the State of Hawaii will be an active participant in the formulation of policy for the Center.

Your Committee has received testimony from the United States Department of State, the University of Hawaii administration, the Chancellor of the East-West Center as well as the faculty and staff of the Center and members of the East-West Center Student Association. In addition, your Committee has held five separate public hearings to ensure maximum participation from all those interested and affected by the proposal of incorporation. Based on the information received, your Committee is willing to accept the argument of the University administration that some form of enabling state legislation should be adopted so as to enhance the Center's capabilities as an educational institution dedicated to the promotion of better relations and mutual understanding between the East and the West.

Nevertheless, it is also recognized that such legislation would create an entity which, as acknowledged by the University administration and the Department of State, would be a unique and innovative undertaking. It is your Committee's belief that such an act is precedent setting and therefore requires certain safeguards. These conditions, along with the need to ensure State input in the formation of policy for the Center, have guided the committee's deliberations. Your Committee has amended the bill in the context of the aforesaid considerations and the bill as amended:

1. Requires the East-West Center Corporation to comply with all the laws of the State relating to non-profit corporations except as otherwise provided by the Act, and reaffirms the educational purposes of the corporation by prohibiting its use as an instrument of non-educational foreign policy goals of the United States Department of State or any other department of the United States government.
2. Establishes a 300 student minimum to be maintained at all times in the Center's programs leading to baccalaureate, masters, and doctoral degrees including a fair allocation of students among the various degree-programs and requires an annual review by the Board of Regents of the University to determine compliance.
3. Changes the membership of the Board of Governors of the proposed East-West Center corporation from an elected self-perpetuating board to an appointed body composed of thirteen voting members of which the Governor of the State of Hawaii, the President of the University of Hawaii, and the Assistant Secretary of State are to serve as ex-officio members. Of the remaining ten members, five shall be appointed by the Governor and be residents of the State and five shall be appointed by the Secretary of State. In addition to the fact that the Center's operations will be supported primarily through a grant-in-aid from the federal government, it will be housed on State land as well as receive State support. For this reason, your Committee believes that an appointed body would provide for more accountability and the efficient delivery of educational programs and services.
4. Requires all board meetings to be held in the State of Hawaii and increases the number of board meetings from one to at least two a year with at least twenty days public notice and ensures that the Chief Executive Officer of the Center be available on a monthly basis to students in degree-seeking programs on matters of mutual interest.
5. Restricts the East-West Center corporation from receiving funds from any individual, corporation, foreign nation or other donor when such funds are conditioned upon its expenditure for the admission of any identified degree-seeking individual or person or on the appointment of any specifically identified individual or person for membership on the board.
6. Ensures that in the event of the dissolution of the corporation all lands designated in perpetuity for the operations of the Center and the

buildings and fixtures thereon or constructed thereafter will revert back to the University of Hawaii.

7. Specifies that employees electing to remain with the East-West Center corporation be retained in similar or identical positions prior to incorporation and ensures no reduction in compensation except in the manner provided in the collective bargaining contract.
8. Deletes the option for employees electing to remain with the corporation to continue as a member of the State Retirement System.
9. Prevents the Board of Regents of the University of Hawaii from making available any residential dormitory space on the University of Hawaii Manoa campus with the exception of Hale Manoa which, if made available, could be used for other uses deemed appropriate by the corporation for its purposes.
10. Stipulates that no lands on the University of Hawaii Manoa campus can be made available to the corporation or the federal government without the approval of a majority of each house of the legislature in joint session.
11. Provides for the development and construction of improvements for a new East-West Center program building on the University of Hawaii Manoa campus, subject to the prior approval of the University.
12. Establishes that in the event that any provision of the measure is held invalid, all other provisions of the bill shall be invalid because all provisions are interdependent to each other.

Your Committee on Higher Education is in accord with the intent and purpose of S.B. No. 1732, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1732, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

Representative Abercrombie did not concur.

SCRep. 757      Judiciary on S.B. No. 1665

The purpose of this bill is:

- (1) To satisfy certain requirements of the federal "Endangered Species Act of 1973" and
- (2) To include plant life within Hawaii's conservation statutes.

This bill would qualify Hawaii for a cooperative agreement with the U.S. Department of the Interior, making the State eligible for federal grant-in-aid funds and preclude federal pre-emption of Hawaii's authority in regulating endangered species. The bill would also provide for the conservation of plant life as well as animal life which are endangered or threatened.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 1665, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cobb, Kondo, Naito, Takamine and Sutton.

SCRep. 758      Legislative Management

Informing the House that House Resolution Nos. 769 to 772, and Standing Committee Report Nos. 759 to 779, have been printed and distributed.

Signed by all members of the Committee.

SCRep. 759      Housing on S.B. No. 1200

The purpose of this bill is to facilitate the conversion of residential leasehold lands to fee simple ownership pursuant to Chapter 516, Hawaii Revised Statutes.

S.B. No. 1200, S.D. 2 as referred to your Committee was ambiguous in language, difficult to understand, and complex in application. While your Committee has retained the idea of facilitating the conversion of residential leasehold lands to fee simple ownership, your Committee has made extensive amendments in the style and form of the bill to accomplish its purpose.

Your Committee on Housing, upon consideration of this bill, recommends the following amendments:

1. Section 1 of this bill be amended to present findings of the legislature that the "development tract" of five acres, as defined in Chapter 516, Hawaii Revised Statutes is unduly restrictive and should be reduced to one acre; but in doing so, the percentage of lessees required to consent to acquisition of the tract should be increased.
2. Section 2 of this bill be amended to present the purpose of the legislature that by reducing the size of the "development tract" and adjusting the percentage of lessees required to consent to acquisition, the availability of fee simple residential houselots shall be increased.
3. Section 3 of this bill be amended by amending Chapter 516-1, Hawaii Revised Statutes, to reduce the size of a "development tract" from five acres to 1 acre provided that not less than four residential houselots are situated on the development tract.
4. Section 4 of this bill be amended by amending Chapter 516-22, Hawaii Revised Statutes, to increase the percentage of lessees desirous of owning the leased fee interest of their residential houselots within the development tract from fifty per cent to seventy-five per cent.
5. This bill be further amended by deleting Sections 5, 6, 7, 8, 9, 10, 11, and 12.

For purposes of consistency, your Committee recommends that this bill should be further amended as follows:

1. Sections 13 and 14 be renumbered to Sections 5 and 6 respectively.

Your Committee on Housing is in accord with the intent and purpose of S.B. No. 1200, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1200, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 760      Housing on S.B. No. 19 (Majority)

The purpose of this bill is to regulate the residential lease rent renegotiation process by imposing specific restrictions on the frequency of renegotiations of residential lease rent terms and on the amount of residential lease rent that may be fixed on renegotiation; and by providing for arbitration as to rent if the parties fail to arrive at mutually agreeable terms.

This bill in its original form sought to limit, at the time of renegotiation, the negotiable lease rent under a formula which multiplied the current maximum rate of interest paid on insured passbook demand savings accounts in the State by the raw land value.

This bill further provides a definition of "raw land value" to mean, "...the current fair market value of the land, valued as if the fee title were unencumbered and the land undeveloped, plus the unpaid balance owing to the lessor by lessees as reimbursement for the actual offsite and onsite improvement costs paid for by the lessor."

This bill has also included a provision reducing lease rents renegotiated since June 24, 1967 if these renegotiated lease rents exceed the formula prescribed within the bill.

Your Committee on Housing upon consideration of this bill recommends the following amendments:

1. Section 2 of this bill be amended by deleting the current maximum rate of interest paid on insured passbook demand savings accounts, used in this bill, as a multiplier in the determination of the lease rent renegotiable. Your Committee suggests that the multiplier be instead fixed at 4%.
2. Section 2 of this bill be further amended to clarify the definition of "raw land value" to mean, "...the current fair market value of the lot valued as if the fee title were unencumbered, less the present cost of providing existing onsite and offsite improvements which cost shall include a developer's overhead and profit not exceeding 25% of the current fair market value of the lot, plus the unpaid balance owing to the lessor, if any, by the lessee as reimbursement other than as part of the lease rent for the actual offsite and onsite improvement costs paid for by the lessor."

Your Committee on Housing is in accord with the intent and purpose of S.B. No. 19, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 19, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

Representative Sutton did not concur.

SCRep. 761      Agriculture and Water, Land Use, Development, and Hawaiian Homes on S.B. No. 1577

The purpose of this bill is to permit the Board of Land and Natural Resources to extend an agricultural lease of state land for the purpose of obtaining mortgage money, if such extension is necessary to qualify the lease for mortgage lending or guaranty purposes, to an aggregate total of 65 years.

The bill has been further amended to provide that leases of lands for intensive agricultural or intensive pasture use may be canceled and reissued to the prior lessee, regardless of the remaining term of the lease, provided that the Board of Land and Natural Resources deems such action to be to the greater economic benefit of the State. The annual rental for the new lease shall be determined in accordance with existing law, but shall not be less than for the preceding lease term. The lessee is not eligible for a further such cancellation and reissuance of the lease, the land reverting to unencumbered status, and available for disposition under appropriate law. The limitation of the aggregate lease term for 65 years has been deleted.

Your Committees have further amended the bill by deleting references to intensive pasture use and replacing it with special livestock uses to ensure reasonable application of the proposed changes.

Your Committees have further amended the bill to restore the power of the board to modify or eliminate statutory requirements to assist lessees upon issuance of the lease in meeting lender or guarantor requirements so that the board will retain its existing powers, in addition to the right to so act during the term of an intensive agricultural or special livestock use lease, or to extend the term of a lease.

Other style and technical amendments have been made.

Your Committees on Agriculture and Water, Land Use, Development, and Hawaiian Homes are in accord with the intent and purpose of S.B. No. 1577, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1577, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees

SCRep. 762      Finance on S.B. No. 1326

The purpose of this bill is to establish an office of collective bargaining within

the office of the governor to serve the governor in discharging the duties set forth in the public employment collective bargaining act.

The position of chief negotiator would be established to head the office of collective bargaining to assist the governor in formulating management's philosophy for public collective bargaining as well as planning bargaining strategies.

Your Committee agrees with the purpose of this bill, and reported out a similar measure, H.B. No. 1831.

Your Committee has amended this bill to delete the appropriation section and the bill is accordingly renumbered.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1326, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1326, S.D. 2, H.D. 2.

Signed by all members of the Committee.

SCRep. 763      Finance on S.B. No. 553

The purpose of this bill is to amend certain provisions of Chapter 297 of the Hawaii Revised Statutes which relate to substitute teachers. These amendments include a definition of long-term substitute teachers and a revision of pay rates and classifications for such teachers.

Your Committee has amended this bill by deleting the provisions relating to appropriations and substituting in place thereof an amendment to section 297-31 (a), HRS, particularly as it relates to exceptions in vice principal positions.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 553, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 553, S.D. 1, H.D. 2.

Signed by all members of the Committee.

SCRep. 764      Finance on S.B. No. 91

The purpose of this bill is to regulate the motor vehicle repair industry to insure the availability of the highest quality of repair work and thereby benefit both the public and those engaged in the motor vehicle repair industry. Motor repair dealers and mechanics will be regulated by a motor vehicle repair industry board created by this bill.

Your Committee has reviewed House Standing Committee Report No. 653 and proposes that the following amendments be made to this bill:

1. The fee for registration and renewal thereof of a motor vehicle repair dealer be changed from \$100 to \$50 (page 7, line 21).
2. The nonrefundable testing fee be changed from \$20 to \$10 (page 15, line 11).
3. Mechanics who have been engaged as such for at least two years (changed from "One year immediately") prior to January 1, 1976 be exempt from the certification test requirement (page 16, line 5).
4. The section appropriating funds be deleted and the last section be accordingly renumbered.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 91, S.D. 3, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 91, S.D. 3, H.D. 2.

Signed by all members of the Committee.

SCRep. 765      Health on H.R. No. 654

The purpose of this resolution is to direct the House Committee on Health to conduct



interim hearings, including a public hearing at Kalaupapa Settlement, to study the feasibility of the following alternatives to closing Kalaupapa Settlement and relocating its residents:

- (1) The transfer of the administration of Kalawao County from the Department of Health to Maui County;
- (2) The establishment of Kalaupapa as a National Historic Park;
- (3) The establishment of Kalaupapa as a Hawaii State Historic Park;
- (4) The granting of permanent residence privileges and health care to those of the present population of Kalaupapa who wish to live out their lives there.

The scope of the hearings and study shall also include review and analysis of the Department of Health's Recommendations For Restructuring The Leprosy Inpatient Program and the 1975 study entitled The Leprosy Inpatient Program In Hawaii.

At the present time administrative control of Kalawao County is under the jurisdiction of the Department of Health. Since modern medicine has evolved to a point where there is now no public health reason for isolation, if Maui County were to assume normal county functions at Kalaupapa, no conflict with the Department of Health in carrying out its health responsibility is foreseen. Testimony submitted by the administration of the County of Maui requests favorable consideration of such a transfer.

Proposals have also been made to preserve the settlement property as a historical site. A joint resolution has been introduced in Congress to consider the creation of a National Historical Park at Kalaupapa.

Although isolation is no longer required, there are patients who still reside in Kalaupapa who regard the Settlement as home. Possible difficulties could occur in their attempting to readjust to life in a less isolated environment after many years at Kalaupapa. Conducting a public hearing at Kalaupapa Settlement will give the residents an opportunity to present testimony and state their views.

Your Committee on Health concurs with the intent and purpose of H.R. No. 654 and recommends that it be referred to the Committee on Water, Land Use, Development, and Hawaiian Homes.

Signed by all members of the Committee.

SCRep. 766      Culture and the Arts on H.C.R. No. 69

The purpose of this Concurrent Resolution is to request the State, through the Department of Land and Natural Resources, to enter into a contractual arrangement with the Friends of Iolani Palace for the care and administration of the Palace Complex.

The Friends of Iolani Palace is a non-profit, eleemosynary organization founded by Liliuokalani Morris in 1966 to assist the State in the preservation, restoration, and presentation of Iolani Palace. A leasing of the Palace complex to the Friends of Iolani Palace is desirable for the organization is highly motivated and articulate, and they have had experience in administering various phases of the restoration of the complex. Also, freed from governmental employment procedures, the Friends of Iolani Palace could develop employment practices tailored to this specific and unique facility.

In keeping with the legal powers of a Concurrent Resolution, your Committee recommends that paragraphs two and three on page two be amended to read as follows:

. . . BE IT RESOLVED by the House of Representatives of the Eighth Legislature of the State of Hawaii, Regular Session of 1975, the Senate concurring, that the State, through the Department of Land and Natural Resources, is requested to enter into a contractual arrangement with the Friends of Iolani Palace, for the care and administration of the Iolani Palace complex, similar to the intent and purpose of the contracts of the State with the Daughters of Hawaii for the care and administration of Queen Emma's Summer Palace and Hulihee Palace; and

BE IT FURTHER RESOLVED that it is also requested that the contracts provide for

the care and administration of Iolani Palace complex to be essentially self-supporting and self-sustaining; and . . .

Your Committee on Culture and the Arts concurs with the intent and purpose of H.C.R. No. 69, as amended herein, and recommends that it be referred to the Committee on Water, Land Use, Development, and Hawaiian Homes in the form attached hereto as H.C.R. No. 69, H.D. 1.

Signed by all members of the Committee.

SCRep. 767      Culture and the Arts on H.C.R. No. 86 (Majority)

The purpose of this Concurrent Resolution is to request the United States Congress to enact legislation to designate Kalaupapa Peninsula, Molokai, as a National Historic Park.

Very few places in the world combine powerful natural grandeur with a history of intense humanistic idealism and personal courage that is the case of the promontory known as Kalaupapa on the island of Molokai. There is ample physical evidence of early Hawaiian occupation on the promontory and the associated valley area. There are remnants of rock platforms and walls of village sites and heiaus, and burial caves and graves.

Leprosy raged through the Hawaiian Kingdom in 1865. Beginning in 1866, the government of King Kamehameha I sent the sufferers of the disease to Kalaupapa to live in isolation. Kalaupapa's patient population peaked in 1888 with over 1,180 individuals afflicted. Kalaupapa's patients suffered pitifully, and the Belgian Priest Joseph De Veuster, the man the world knows as Father Damien, volunteered in 1873 to serve his church and the patients. There, he worked, contracted the disease, and died painfully of it in 1889.

Another reason for a park relates to the geology of the promontory, the rugged coastline, and the cliffs which, in turn, are interspersed by magnificent valleys. Rising in the center of the peninsula is Kauhako Crater, the shell of the volcano which created the promontory. Now, deep in the green brackish water therein lives a shrimp-like creature which marine biologists say is not found elsewhere on earth.

On January 6, 1975, Congresswoman Patsy T. Mink visited the Settlement and explained to the residents the terms of a joint congressional resolution, H.J. RES. 220 dated February 19, 1975, which she subsequently introduced. Mrs. Mink said that she would not proceed on the proposal without substantial assent. She also suggested that each person opposed to the plan voice their dissent. A petition was circulated and was signed by over 70 percent of the residents. H.J. RES. 220 calls for the establishment of a National Historic Park at the Kalaupapa site and the acquisition of land by exchange or donation.

Taken all together, Kalaupapa offers an exciting and rewarding prospect for a National Historic Park. Natural beauty and aspects in geology, archeology, history, and anthropology abound in all directions, and the story of Father Damien and the leprosy patients are interwoven in an inspiring story.

For the purpose of further protecting the residency rights of the patients at the Settlement, your Committee recommends that paragraph six and seven on page one of the Resolution be amended to read as follows:

. . . WHEREAS, the proposed Act designating Kalaupapa Peninsula as a national historical park should include among its provisions a due qualification protecting the residency rights of leprosy patients still living there until the last resident shall have deceased; and

WHEREAS, the proposed Act should include a provision that the Secretary of the Interior should cooperate with State and local officials in providing adequate facilities and medical care until the last patient shall have deceased, and . . .

Your Committee on Culture and the Arts concurs with the intent and purpose of H.C.R. No. 86, as amended herein, and recommends that it be referred to the Committee on Water, Land Use, Development, and Hawaiian Homes in the form attached hereto as H.C.R. No. 86, H.D. 1.

Signed by all members of the Committee.

Representatives Carroll and Sutton did not concur.

SCRep. 768      Culture and the Arts on H.C.R. No. 43

The purpose of this Concurrent Resolution is to recognize our cultural heritage and to highlight the interest in preserving that heritage by proclaiming the week of December 2 to December 8, 1975, as Historic Waianae Coast Week.

The people of the Waianae Coast are highly representative of our multifarious culture here in Hawaii. They exhibit our diverse ethnicity and actively promote the rich cultural heritage of our islands.

Your Committee recommends an amendment for the purpose of geographical accuracy. The amendment would replace the word "east" in line 1 with the word "west".

For the purpose of disseminating the Concurrent Resolution to interested parties not presently listed in the Concurrent Resolution, your Committee also recommends that this Concurrent Resolution be amended by deleting the word "and" in the last line of the Concurrent Resolution, changing the period after the word "Jaycees" in the last line of the Concurrent Resolution to a comma, and adding the following phrase:

the Makakilo Jaycees, the Waianae Business and Professional Women's Association, and the Waianae Coast Culture and Arts, Inc.

Your Committee on Culture and the Arts concurs with the intent and purpose of H.C.R. 43, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. 43, H.D. 1.

Signed by all members of the Committee.

SCRep. 769      Culture and the Arts on H.C.R. No. 109

The purpose of this Concurrent Resolution is to request the Postmaster General to issue a postage stamp to commemorate the bicentennial of the arrival of Captain James Cook in Hawaii.

James Cook, born October 27, 1728, rose to be one of the most outstanding explorers of the 18th century. He is known as a great navigator, cartographer, and sea physician for his experiments on scurvey, for which he won a gold medal, the highest award of the Royal Society. He discovered and docked in Waimea, Kauai, in January, 1778, and sighted the islands of Maui and Hawaii in November, 1778. Your Committee feels it fitting that a postage stamp be issued to commemorate the bicentennial of his arrival in the islands, 1978. Because selection of designs for postage stamps are made several years in advance by the Citizen's Stamp Advisory Committee, a request for a Captain Cook stamp must be forwarded to the Postmaster General as soon as possible.

Your Committee on Culture and the Arts concurs with the intent and purpose of H.C.R. No. 109 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 770      Environmental Protection on H.C.R. No. 128

The purpose of this concurrent resolution is to request the Public Works Committees of the U.S. House of Representatives and the U.S. Senate to amend the Federal Water Pollution Control Amendments of 1972 (P.L. 92-500) so as to permit the administrator of the Environmental Protection Agency to accept an effluent with a lesser degree of treatment that is discharged into deep ocean waters if such discharge is compatible with the Federal Act.

Your Committee finds that the imposition of secondary treatment requirements in all cases will not serve the public interest in Hawaii because:

1. the effluent from an advanced primary process will be discharged at a substantial depth several thousand feet from the shore and would provide much-needed nutrients

to the ocean without harming the surrounding environment;

2. the added cost of installing secondary treatment at Sand Island has been estimated at a cost of over \$9,000,000; and

3. the doubling of energy consumption by a secondary facility. These findings have been affirmed by the Office of Environmental Quality Control, the Environmental Center at the University of Hawaii and other major private environmental groups in Hawaii.

Your Committee on Environmental Protection concurs with the intent and purpose of H.C.R. No. 128 and recommends its adoption.

Signed by all members of the Committee except Representative Carroll.

SCRep. 771 Environmental Protection on H.R. No. 686

The purpose of this resolution is to request the Public Works Committees of the U.S. House of Representatives and the U.S. Senate to amend the Federal Water Pollution Control Amendments of 1972 (P.L. 92-500) so as to permit the administrator of the Environmental Protection Agency to accept an effluent with a lesser degree of treatment that is discharged into deep ocean waters if such discharge is compatible with the Federal Act.

Your Committee finds that the imposition of secondary treatment requirements in all cases will not serve the public interest in Hawaii because:

1. the effluent from an advanced primary process will be discharged at a substantial depth several thousand feet from the shore and would provide much-needed nutrients to the ocean without harming the surrounding environment;

2. the added cost of installing secondary treatment at Sand Island has been estimated at a cost of over \$9,000,000; and

3. the doubling of energy consumption by a secondary facility. These findings have been affirmed by the Office of Environmental Quality Control, the Environmental Center at the University of Hawaii and other major private environmental groups in Hawaii.

Your Committee on Environmental Protection concurs with the intent and purpose of H.R. No. 686 and recommends its adoption.

Signed by all members of the Committee except Representative Carroll.

SCRep. 772 Youth and Elderly Affairs on H.R. No. 335

The purpose of this resolution is to request the House Committee on Youth and Elderly Affairs to study the problems of dependent aged, handicapped and disabled persons, and to recommend ways in which the activities of all citizens and organized groups can be enlisted in support of public services to these persons.

In order to allow sufficient time for such study, your Committee has amended this resolution to require the Committee to submit a report of its findings and recommendations no later than twenty days prior to the commencement of the Regular Session of 1976, rather than prior to the adjournment of the current session, as originally provided.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.R. No. 335, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 335, H.D. 1.

Signed by all members of the Committee.

SCRep. 773 Youth and Elderly Affairs on H.R. No. 587

The purpose of this resolution is to request the Department of Social Services and Housing, the Hawaii Office of Economic Opportunity and the Honolulu Community Action Program to continue to work together to modify the complicated duplicate form

and fifteen-day advance notice required for eligible senior citizens to participate in the Honolulu Community Action Program's transportation service program.

Testimony submitted by Walter W.F. Choy, Director of the Hawaii Office of Economic Opportunity, stated that he has personal knowledge that there are eligible elderly who do not take advantage of these services because of the complexity and length of the form.

Your Committee is concerned that such senior citizens are discouraged by bureaucratic barriers from utilizing services to which they are entitled and which have been created for their benefit.

Your Committee understands that the receipt of federal funds for this program necessitates individual financial eligibility documentation. However, your Committee feels strongly that every possible effort must be made by the agencies concerned to ensure that no more than the minimum information necessary to comply with federal regulations is demanded of potential service recipients, and that this data be obtained with the least possible inconvenience to the aged.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.R. No. 587 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 774 Youth and Elderly Affairs on H.R. No. 652

The purpose of this resolution is to request the State Commission on Aging, in cooperation with the State Attorney General, to examine the feasibility of issuing to all residents age sixty and over universal certificates of identification; should issuance of certificates be found feasible, the Commission on Aging and the Attorney General are requested to propose a format and an implementation plan.

Your Committee finds that, should it prove feasible, a universal elderly certificate of identification would increase the efficiency of administering programs for the elderly and would reduce the hardships experienced by many senior citizens in attempting to prove their age in order to qualify for a variety of programs.

Both agencies to whom this resolution is directed have testified as to their willingness to work together towards implementing such a plan.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.R. No. 652 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 775 Youth and Elderly Affairs on H.R. No. 651

The purpose of this resolution is to request the State Commission on Aging and the county committees on aging to foster and coordinate senior citizen volunteer programs so that the knowledge, skills and experience of senior citizens are matched to the needs of agencies which can benefit from their services.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.R. No. 651 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 776 Youth and Elderly Affairs on H.R. No. 526

The purpose of this resolution is to express the support of the House of Representatives of the Eighth Legislature of the State of Hawaii, Regular Session of 1975, for the establishment by federal statute of a national network of youth advisory boards.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.R. No. 526 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 777      Judiciary on H.R. No. 656

The purpose of this House Resolution is to request the formation of an advisory panel to review procedures, rules, and guidelines relating to prison terms.

Your Committee finds that there is a serious lack of guidelines and procedures in the paroling of inmates in the correctional system. The need to improve this situation calls for broad based community input to establish a practical and equitable paroling process.

This resolution would provide for a panel which reflects a cross section of the community. It would review, investigate and develop procedures with respect to minimum sentencing, review of sentencing, right to counsel, and due process. The advisory panel would report their findings and recommendations to the Governor, the Legislature, the Courts, and the Board of Pardons and Paroles no later than 30 days prior to the beginning of the next Legislative Session.

Your Committee on Judiciary concurs with the intent and purpose of H.R. No. 656 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 778      Energy and Transportation on H.R. No. 228

The purpose of this resolution is to request that carpool vehicles on Kalaniana'ole Highway be allowed to use express bus lanes.

Your Committee finds that both the Department of Transportation and the City Department of Transportation Services realized that the solution to the transportation problems in the Kalaniana'ole Highway corridor lay in a coordinated highway facility. To accomplish this, the Department of Transportation formed the Kalaniana'ole Corridor Task Force composed of top level engineers from both the City and the State to plan the highway-transit facility, including the necessary intermediate steps. An Ad Hoc Committee, composed of members of this Task Force and the Honolulu Police Department, was formed to discuss permitting carpools in the express bus lanes on Kalaniana'ole Highway.

After further consideration of this resolution, your Committee has amended the resolution to facilitate its intent and purpose.

- (1) In the second "WHEREAS" clause "legislative" has been amended to read "government".
- (2) In the third "WHEREAS" clause "legislate" has been amended to read "consider".
- (3) The "BE IT FURTHER RESOLVED" clause has been amended so that alternatives be considered to allow carpool vehicles on Kalaniana'ole Highway to use express bus lanes.
- (4) An additional "BE IT FURTHER RESOLVED" clause to read that such considerations include the pending construction on Kalaniana'ole Highway and the interim use of lanes during such construction.

Your Committee on Energy and Transportation is in accord with the intent and purpose of H.R. No. 228, as amended in the form attached hereto as H.R. No. 228, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Kiyabu and Kondo.

SCRep. 779      Higher Education on S.B. No. 1679

The purpose of this bill is to allow a member of the State Board for Vocational Education other than the member who is the Chairman of the Board of Regents to be Chairman of the State Board for Vocational Education.

The purpose of the bill, as amended, is to reorganize the present administrative

structure for statewide vocational education by establishing a separate board for vocational education.

Your Committee recognizes the legislature's long standing commitment to quality vocational education programs and further recognizes the ongoing legislative concerns for potential problems of coordination when the administration of such programs are divided between two state agencies and between educational grade levels. In view of these concerns, the 1974 Legislature adopted House Resolution 275 requesting the Legislative Reference Bureau to review the administration of vocational education in the State.

Your Committee has reviewed both the recently released report prepared by the Legislative Reference Bureau entitled, Vocational Education in Hawaii: An Examination of its Administration and testimony presented pursuant to House Bill 766.

The Legislative Reference Bureau has found that since Act 71, Sessions Laws of Hawaii 1968, which designated the Board of Regents as the State Board for Vocational Education, that the State Board has:

- (1) Failed to define its jurisdiction and responsibilities. At the present time, questions relating to the State Board's jurisdiction over vocational education programs supported by the State's general fund as well as the State Board's authority over vocational education policy matter in the secondary schools remain unresolved.
- (2) Failed to exert the needed leadership over statewide vocational education concerns including monitoring the implementation of over-all goals and objectives of vocational education by the two operating agencies-- the Department of Education and the University of Hawaii.
- (3) Did not fulfill all its legal responsibilities as provided in 45 Title, Code of Federal Regulations, as well as carry out the spirit and intent of the provisions of chapter 305A, Hawaii Revised Statutes.
- (4) Failed to differentiate between its role and responsibilities as the Board of Regents resulting in improper use of University personnel to deal with statewide vocational education concerns and the irregular reassignment of statewide vocational education personnel for community college purposes.

Testimony received by your Committee from the Board of Regents, the Department of Education, the State Commission on Manpower and Full Employment and the ILWU, Local 142 reaffirmed the findings of the Legislative Reference Bureau's report.

The major recommendations of the report consist of retaining the Board of Regents as the State Board for Vocational Education with the following changes:

- (1) Designating a separate chairman for the State Board for Vocational Education. Presently, the chairman of the Board of Regents also serves as the chairman of the State Board for Vocational Education;
- (2) Replacing the President of the University of Hawaii as the Administrative Officer of the state Board for Vocational Education with the State Director for Vocational Education; and
- (3) Requiring the State Board for Vocational Education to formally establish bylaws and rules to provide operational procedures and clearly define roles and responsibilities.

The foregoing changes were intended to strengthen the leadership and resolve administrative problems which have impeded the statewide delivery of vocational education programs. However, on this issue of the administrative structure for vocational education, the State Manpower and Full Employment in its testimony proposed the establishment of a separate board for statewide vocational education composed of representatives from the Board of Regents, the Board of Education and representatives from labor, industry, and the general public.

Your Committee considered this proposal along with the Bureau's recommendations and conducted an indepth discussion of both alternatives in an effort to determine the most effective administrative structure.

In view of the weak performance of the Board of Regents as the State Board for Vocational Education since given this responsibility for the administration of statewide vocational education pursuant to Act 71, Session Laws of Hawaii 1968, it is uncertain whether the Board of Regents as the State Board for Vocational Education can fulfill its several dual responsibilities. The Board of Regents not only has the heavy responsibilities as the governing board of the University of Hawaii, but also functions as the 1202 Commission pursuant to Act 193, Session Laws of Hawaii, 1974. Because of the importance of vocational education and the \$10 million commitment of which approximately \$8 million is in state funds, your Committee feels effective administration and accountability is imperative. Therefore, your Committee recommends that a separate board be established to administer vocational education programs. This separate board could devote its total attention to vocational education, provide an objective, overall view of statewide vocational education, and meet the legislative concerns for accountability.

Your Committee has amended S.B. No. 1679, S.D. 1 as follows:

- (1) By establishing a separate State Board for Vocational Education which shall consist of two representatives from the Board of Education of which one shall be the chairman, two representatives from the Board of Regents of which one shall be the chairman, one representative each from labor, industry, and the general public, one representative who shall be a graduate of a public vocational education program and one vocational education student.

The powers of the newly created Board shall be in conformity with federal law. In addition, the Board shall have the power to review and comment on all state general fund and federal fund budget requests relating to vocational education programs administered by the Department of Education and the University of Hawaii and submit such comments to the legislature.

- (2) By designating the State Director for Vocational Education the administrative officer of the State Board for Vocational Education. The staff of the State Director shall be the staff of the State Board for Vocational Education.
- (3) By transferring the functions relating to statewide vocational education from the Board of Regents as the State Board for Vocational Education to the newly created State Board for Vocational Education. Provisions for transfer of personnel and real and personal property have also been included.

Your Committee on Higher Education is in accord with the intent and purpose of S.B. No. 1679, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1679, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 780      Agriculture on H.R. No. 404

The purpose of this Resolution is to request the University of Hawaii in cooperation with other agriculturally oriented organization to explore the possibilities of utilizing the existing facilities of the Pineapple Research Institute for the College of Tropical Agriculture as an Agricultural Experiment Station; findings to be submitted fifteen days prior to the Regular Session of 1976.

Your Committee on Agriculture, after making an on-site inspection of the Pineapple Research Institute, finds that the Institute is located on about 140 acres of prime agricultural land near Mililani Town, Oahu. The facilities consist of offices and conference rooms, laboratories, greenhouses, equipment sheds, storage spaces, an experimental canning facility and two houses. Your Committee is cognizant of the value of such facilities and land to the College of Tropical Agriculture's program. The retention for research purposes will give the State an opportunity to do research at an elevation and location obtainable nowhere else on Oahu. This affords the State a chance to do research on similar soil and weather conditions where land for diversified agriculture might become available in the future. Results of such research will also have state-wide and international implications. The available land area should facili-



tate the State's efforts towards finding more practical solutions in strengthening diversified agriculture.

Your Committee is aware that the Institute will terminate operations in December 1975. Because the land is bordered by urban developments, it is speculated that the land will be sold for urban usage. Therefore, your Committee requests that the Governor and the Chairman of the Board of Land and Natural Resources initiate negotiations for the purchase or lease of the Pineapple Research Institute land and facilities upon completion of the College of Tropical Agriculture's study; provided however that such study indicate feasibility of establishing an agricultural experiment station.

Your Committee suggests that the study should look into the possibility of other agencies or departments sharing the facilities and land. Your Committee further suggests that the study consider seeking various source of funds for purchase of the facilities and land or for the operations of the program.

Your Committee on Agriculture concurs with the intent and purpose of H.R. No. 404, as amended herein, and recommends that it be referred to your Committee on Higher Education in the form attached hereto as H.R. No. 404, H.D. 1.

Signed by all members of the Committee.

SCRep. 781      Finance on S.B. No. 846

The purpose of this bill is to defer incremental and longevity pay increases to employees of all bargaining units in any fiscal year that an increase in the applicable wage schedule is affected.

The bill further provides certain employees with increments and longevity increases during fiscal year 1975-76 which otherwise would be deferred under collective bargaining agreements.

The collective bargaining law does not invalidate sections of the Hawaii Revised Statutes that provide for the granting of annual increments and longevity pay increases but the continual granting of these increases is costly and inappropriate under the current collective bargaining system.

July 1, 1976, is set as the cut off date for implementing the deferral concept as the majority of the collective bargaining contracts expire on June 30, 1976. However, in order to bring all bargaining units up to a reasonable base upon which all units can start negotiation under the deferral concept, this bill grants increments and longevity increases to those employees who would have been entitled to such increases during fiscal year 1975-76, had they not deferred these increases through collective bargaining.

Your Committee has amended the new material beginning at line 15, page 3a through line 5, page 4, to clarify the language to read:

"Effective July 1, 1976, an employee shall not be entitled to his normal annual increment or longevity increase, as the case may be, in any fiscal year that an increase in the applicable salary or wage board schedule is effected, whether by statute or agreement, and no part of such fiscal year shall be counted as service creditable for any future increment or longevity pay increase; provided that any collective bargaining agreement, the expiration date of which is beyond June 30, 1976, which provides for a general wage adjustment together with incremental and longevity increases shall be observed in accordance with the terms of the agreement in effect on June 30, 1975 for an employee covered by such agreement."

Your Committee has appropriated \$4,540,000 in general funds. \$398,000 in federal funds and \$534,400 in special and other funds for the purposes of this bill.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 846, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 846, S.D. 1, H.D. 2.

Signed by all members of the Committee.

SCRep. 782 Finance on S.B. No. 637

The purpose of this bill is to eliminate the requirement that a policeman, fireman, or corrections officer be required to attain the age of fifty-five years before retiring without penalty from the police department or the fire department of the various counties.

Presently, the retirement formula for general members, including policemen, firemen, and corrections officers allows them to retire before attaining age fifty-five if they have twenty-five years of credited service, but at a reduced benefit rate. The maximum benefit of eighty per cent for policemen, firemen, and corrections officers is not reached until thirty-two years of service.

In the interests of maintaining vital forces in these occupations and in recognition of the physical and mental stress caused by the hazards of the occupations, this bill proposes to eliminate the age of retirement with full benefits.

Your Committee has amended the bill by requiring at least 30 years of credited service as a fireman or corrections officer rather than 25 years of credited service as was previously proposed. The years of credited service required for policemen is retained at 25 years.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 637, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 637, S.D. 1, H.D. 2.

Signed by all members of the Committee.

SCRep. 783 Finance on S.B. No. 142

The purpose of this bill is to grant additional retirement credit to a public employee who retires or leaves government service in good standing with 60 days or more of unused sick leave.

Public employees who leave public employment after many years of dedicated service must forfeit the sick leave time which they did not use during the period of their employment. In many instances, the number of accumulated days for sick leave is considerable and tends to indicate that few employees abuse the sick leave privilege. This bill favors the employee who does not abuse sick leave benefits and provides an incentive not to abuse this privilege.

Your Committee approves the retirement credit for unused sick leave granted by this bill and views this as a small reward to those employees who did not abuse the sick leave privilege. For the first 60 days, three months retirement credit will be allowed, plus another month's credit for each additional 20 days.

The section to appropriate funds for this bill is deleted by your Committee, and the sections of the bill are renumbered to reflect this change. The effective date section is also amended to delete unnecessary language.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 142, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 142, H.D. 1.

Signed by all members of the Committee.

SCRep. 784 Finance on S.B. No. 115

The purpose of this bill is to improve the collective bargaining law of the State to insure that the State receives all the rights and benefits it should when bargaining with employees and that the public employees receive all the rights and benefits they should receive when bargaining with the State.

The collective bargaining process does not function at its best when subjected to a "whipsaw" situation on cost items between the various bargaining units. Staggered requests for legislative approval on negotiated cost items have caused planned budgets to be amended or modified in order to accommodate these items. This inevitably leads to inefficient government operations when programs have to be cut or funds taken away. Such effects cannot be deemed to be in the best of the public's interest.

Your Committee believes that this bill will establish some order to the collective bargaining process for public employees which in turn will help to eliminate last minute cuts, additions and other changes to the government's planned operating budget.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 115, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 785      Environmental Protection on H.R. No. 705

The purpose of this resolution is to direct that the master plan for McKinley High School preserve and enhance the historic facades and beautiful grounds of the campus.

Your Committee finds that suggestions have been made that McKinley High School should be razed and replaced by an expanded civic center complex. Your Committee believes that McKinley High School should be preserved to reflect its beauty, history and tradition.

Your Committee concurs with the intent and purpose of H.R. No. 705 and recommends its referral to your Committee on Education.

Signed by all members of the Committee.

SCRep. 786      Water, Land Use, Development, and Hawaiian Homes and  
Environmental Protection on S.B. No. 42

The purpose of this bill is to establish special interim management of developments within an area along the shoreline while a general coastal management program is being developed.

The Congress of the United States enacted a Coastal Zone Management Act of 1972, Public Law 92-583, which authorized grants to the State to plan and develop programs with the cooperation of Federal agencies to set policies and processes for the effective control of coastal areas. Accordingly, the legislature in 1973 passed Chapter 205A, Hawaii Revised Statutes, Coastal Zone Management, a program which shall be prepared by the Department of Planning and Economic Development and will set forth objectives and policies in conformity with the Federal Act, and which will serve as a guide to all State and county agencies in exercising their authority to implement programs in the State's coastal zones.

However, your Committees find that since the Coastal Zone Management program will not be finished until 1978, there is a need for interim controls before permanent losses of valuable resources and management options occur. Your Committees have amended S.B. No. 42, S.D. 2, H.D. 1 to establish needed interim controls of the shoreline and certain areas subject to salinity and tidal influences while a general coastal management program is being developed.

An inadvertent drafting error occurred in the title of S.B. No. 42, S.D. 2, H.D. 1 and your Committees have corrected this by restoring the original title and the bill now reads: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL SHORELINE PROTECTION."

Your Committees have redefined authority so that authority shall mean the county planning commission except where such commission serves as an advisory body only. In such case, authority means the county council or such body as the council designates by ordinance.

A special management area not less than 100 yards is retained. Your Committees have amended the section to exclude areas such as the Ala Wai Canal, Kapalama Stream, Nuuanu Stream and other areas abutting established waterways or inland body of water that is undergoing development at the time of the effective date of the bill. Your Committees intend that areas such as the Waialoa Pond in Hilo, Kawainui Swamp and Heeia Meadows on Oahu, and Hanalei and Huleia Rivers on Kauai, should be protected.

Your Committees, in reviewing the definitions section of the bill, noted that the definition of "shoreline" originally proposed created a possible ambiguity in situations

where there was both a vegetation line and a debris line on a given shore and these two lines were at different distances from the water. In order to clarify this matter, your Committees amended the definition pursuant to the guidelines set forth in the County of Hawaii vs. Sotomura, et al., 54 Haw. 176 (1973). The Court reasoned that the upper reaches of the wash of the waves varied from day to day and that, as a result, the debris line would also vary from day to day. The vegetation line, the growth of which is limited by the year's highest wash of the waves, would be a more permanent line, providing, thereby, the greatest public use and ownership of the State's shoreline that is possible.

Full and effective opportunity for public involvement through public hearings is retained. Your Committees find that any such hearings shall, when possible, be held jointly and concurrently with all other hearings that may be required by law, including environmental impact statement hearings, if such hearings are held under Chapter 343.

Your Committees have also made minor changes for clarification of language and redefined the language under which the authority may administer emergency permits.

Section 3 has been amended to include planned unit developments and planned developments. A severability clause has been added. Your Committees have amended line 18 on page 10 by substituting the words "superceded by" for "the legislature enacts" in order to prevent any time lapsing between the enactment by the legislature pursuant to the Coastal Zone Management Act of 1972 and to Chapters 205A-1 and 205A-2, H.R.S., and the implementation thereof.

Your Committees on Water, Land Use, Development, and Hawaiian Homes, and Environmental Protection are in accord with the intent and purpose of S.B. No. 42, S.D. 2, H.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 42, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives  
Larsen, Ikeda, Kamalii and Oda.

SCRep. 787      Legislative Management

Informing the House that House Resolution Nos. 773 to 783, Senate Bill No. 514, Senate Draft No. 1, House Draft No. 2; Standing Committee Report Nos. 788 to 838; and Conference Committee Report No. 1, Re: House Bill No. 360, House Draft No. 1, Senate Draft No. 1, Conference Draft No. 1, have been printed and distributed.

Signed by all members of the Committee.

SCRep. 788      Higher Education on S.B. No. 1188

The purpose of this bill is to enable two employees of the University of Hawaii to become regular civil service employees on the basis of their performance in their jobs over the past several years.

Your Committee concurs with the sentiments of the Senate Higher Education Committee and the House Labor and Public Employment Committee as expressed in Senate Standing Committee Report No. 500 and House Standing Committee Report No. 677.

Your Committee on Higher Education is in accord with the intent and purpose of S.B. No. 1188 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 789      Consumer Protection and Commerce on H.C.R.No. 33

The purpose of this concurrent resolution is to request each department of the State to review its operations and make provisions to provide services and facilities to the public at the satellite City Halls to foster conservation of fuel and energy.

The City of Honolulu first began the establishment of satellite City Halls in 1973 and now have facilities in Kaneohe, Wahiawa, Waianae, Waipahu, Kailua, and Hawaii Kai. The satellites have been very successful in these outlying areas as they save

the general public gasoline and time by cutting down on trips to Honolulu for services. It is estimated that in the month of October, 1974, 12,116 persons utilized the satellite City Halls rather than driving to the downtown offices. A recent survey by the satellite City Halls indicates that thirty per cent of the walk in customers requested State services and had to be redirected to Honolulu. The demand for State services have reached such proportions to warrant expanding the satellite City Halls to include such State services as marriage licenses, State I.D.'s, consumer protection services, income tax forms, fishing and hunting licenses, work permits for minors, food stamps, State park permits, Department of Social Services information, Hawaii Housing information, as well as counseling and other human services.

Your Committee on Consumer Protection and Commerce concurs with the intent and purpose of H.C.R. No. 33 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 790 Youth and Elderly Affairs on H.R. No. 653

The purpose of this resolution is to request the State Commission on Aging and the Departments of Health, Taxation and Social Services and Housing to study rules, regulations and statutes which discourage the development of licensed adult care homes for the elderly, and to recommend changes to these laws.

Your Committee is in accord with the State's proposed "Master Plan for the Elderly" in its advocacy of developing incentives to the development of non-medical, non-institutional facilities to provide care for elderly persons capable and desirous of living in a family-type environment. Such an arrangement allows for more independence to the senior citizen at less expense to the taxpayer.

Testimony submitted to your Committee reveals that, far from providing incentives to such homes, the State's present policies, as outlined in H.R. No. 653, add to the already considerable financial burdens shouldered by the providers of adult home care.

Your Committee has deleted references to "intermediate care facilities" and substituted "adult care homes" in order to clarify the resolution's intent to exclude from its purview health-related institutions requiring professional staffing.

The first "BE IT RESOLVED" clause on page two has been amended to direct the Department of Social Services and Housing and the Department of Health to examine the monthly maintenance income and the annual cost of living increases in order to make recommendations regarding appropriate adjustments, rather than making such adjustments independently of the legislature.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.R. No. 653, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 653, H.D. 1.

Signed by all members of the Committee.

SCRep. 791 Youth and Elderly Affairs on H.R. No. 444

The purpose of this resolution is to request the Family Court and the Corrections Division of the Department of Social Services and Housing to continue to work together to resolve the problems arising from the exercise of concurrent jurisdiction over juvenile offenders by the two agencies.

Historically, all of the youthful offenders who were committed to the Hawaii Youth Correctional Facility except for the short-term commitments, were committed to the care and custody of the Department of Social Services and Housing. In recent years, the Family Court has begun to retain jurisdiction over these minors during the duration of their residency at the facility and continued with this jurisdiction upon the youth's release to parole status. Currently, out of a total of 69 boys and 20 girls at the facility, the Family Court has concurrent jurisdiction over 29 boys and 7 girls or a total of 36 out of the population of 89.

Testimony heard by your Committee indicates that in many such cases, the juveniles

concerned are thwarted in their attempts to ascertain what standards they need to meet in order to be released from the facility; often they meet the requirements of one agency in the belief that this will lead to their release, only to find that the other agency has different or additional demands which are yet unsatisfied.

Your Committee finds that the above-described situation gives rise to gratuitous disappointment, resentment and frustration in children who need precisely the opposite experience if they are to be encouraged to adopt socially desirable behavior.

Testimony submitted by the Department of Social Services and Housing indicates that the Department has met with the Family Court Judges and the Court Administrators to begin to work out mutually agreeable inter-agency policies and guidelines beginning April 1975. The Attorney General's Office was represented during this meeting and, according to the Department, will continue to be involved in subsequent meeting.

Your Committee has been assured by Mr. Masaru Oshiro, deputy director of the Department of Social Services and Housing, that as the discussions progress, other agencies will be invited to participate.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.R. No. 444 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 792 Youth and Elderly Affairs on H.C.R. No. 115 (Majority)

The purpose of this concurrent resolution is to request the Speaker of the House of Representatives and the President of the Senate to appoint an interim committee composed of members of the House Committee on Youth and Elderly Affairs and the Senate Committee on Human Resources to review the feasibility of requiring the licensing of all family boarding homes and rooming houses for the elderly.

Your Committee is concerned with the growing number of homes offering care to such individuals without having to meet minimum standards for physical accommodations, nutrition, or provision for personal care and activities.

Your Committee has amended the first "BE IT RESOLVED" clause so as to provide that the interim committee is to review the feasibility of requiring the licensing of all boarding homes and rooming houses providing care for the elderly rather than only those receiving State funding for the boarding or rooming of former State hospital patients or the elderly on welfare as originally provided.

The first paragraph has been amended and the second paragraph deleted, for purposes of consistency with the above amendment.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.C.R. No. 115, as amended herein, and recommends that it be referred to the Committee on Consumer Protection in the form attached hereto as H.C.R. No. 115, H.D. 1.

Signed by all members of the Committee.

Representative Sutton did not concur.

SCRep. 793 Youth and Elderly Affairs on H.R. No. 238

The purpose of this resolution is to request the Committee on Youth and Elderly Affairs to review the feasibility of requiring licensure of all boarding homes and rooming houses providing shelter and care to the elderly.

Your Committee is concerned with the growing number of homes offering care to such individuals without having to meet minimum standards for physical accommodations, nutrition, or provision for personal care and activities.

Your Committee has amended the first BE IT RESOLVED clause so as to provide that the Committee is to review the feasibility of requiring the licensing of all boarding homes and rooming houses providing care for the elderly rather than only those receiving State funding for the boarding or rooming of former State hospital patients or

the elderly on welfare as originally provided.

The first paragraph has been amended and the second paragraph deleted, for purposes of consistency with the above amendment.

In order to allow sufficient time for this project, an amendment has been made which provides for submission of a report of findings and recommendations not later than twenty days prior to the commencement of the Regular Session of 1976.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.R. No. 238, as amended herein, and recommends that it be referred to the Committee on Consumer Protection in the form attached hereto as H.R. No. 238, H.D. 1.

Signed by all members of the Committee.

SCRep. 794 Environmental Protection on H.C.R. No. 49

The purpose of this concurrent resolution is to direct the Office of Environmental Quality Control, with the aid of a task force, to prepare a recommended organizational structure to reflect resource recovery from solid wastes in the State of Hawaii. The task force will consist of representatives of various State agencies, a representative from the City and County of Honolulu and one neighbor island county, plus certain private groups.

Your Committee finds that there is a state-wide need for more clearly defined responsibilities among the public and private sector. The OEQC has undertaken a feasibility study of major recycling potentials in Hawaii. Successful recycling practices need to be associated with a governmental structure which will provide needed flexibility to take advantage of changing market conditions and new technology. H.C.R. No. 49 will allow the accomplishment of this task.

Your Committee on Environmental Protection concurs with the intent and purpose of H.C.R. No. 49 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 795 Environmental Protection on H.R. No. 79

The purpose of this resolution is to direct the University of Hawaii to prepare, submit, and have approved, in accordance with Chapter 343, Hawaii Revised Statutes, environmental impact statements for all actions involving the acquisition of lands by the University of Hawaii.

The University presently complies with all laws and regulations concerning environmental impact statements for construction on University lands. This resolution will have impact statements also prepared for land acquisitions by the University.

Your Committee on Environmental Protection concurs with the intent and purpose of H.R. No. 79 and recommends its adoption.

Signed by all members of the Committee except Representative Carroll.

SCRep. 796 Consumer Protection and Commerce on H.R. No. 497

The purpose of this resolution is to request the Public Utilities Commission to make a study of the use of school busses as tour vehicles.

During the hearing on this resolution, your Committee heard testimony from the Hawaii Sightseeing Association, an association representing twenty-five transportation companies, to the effect that on numerous occasions, school busses are being utilized as tour busses when not being used to transport students and that such use as tour busses is without the proper certificate from the Public Utilities Commission.

Your Committee finds that such violations of the Motor Carrier Law should be checked.

Your Committee on Consumer Protection and Commerce concurs with the intent and purpose of H.R. No. 497 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 797 Consumer Protection and Commerce on H.R. No. 576

The purpose of this Resolution is to request the Speaker of the House of Representatives to appoint an interim committee to study the suitability of establishing an office of the insurance commissioner.

Under present law, the Director of the Department of Regulatory Agencies is the insurance commissioner in addition to his other duties. Further, there is a separate commissioner of motor vehicle insurance who is placed in the Department of Regulatory Agencies for administrative purposes only.

Your Committee finds that because of the complexity and scope of the duties of the insurance commissioner and the commissioner of motor vehicle insurance, a study should be made as to the feasibility of establishing a separate office of the insurance commissioner to regulate the insurance industry.

Your Committee on Consumer Protection and Commerce concurs with the intent and purpose of H.R. No. 576 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 798 Housing and Youth and Elderly Affairs on H.R. No. 296

The purpose of this resolution is to request the Hawaii Housing Authority to examine the possibility of providing elderly housing in Kohala, and in Laupahoehoe and consider the expansion of elderly housing facilities in Honokaa on the island of Hawaii.

The purpose of this resolution has been expanded to provide for the inclusion of another possible elderly housing project site in Puna, Hawaii.

Your Committees find that because of special obstacles faced by the elderly in securing adequate housing for themselves the assistance by agencies within the state government is needed, such as the Hawaii Housing Authority, to surmount these obstacles. These problems faced by the elderly are considerably magnified because of Hawaii's critical land and housing situation.

Your Committees on Housing and Youth and Elderly Affairs, upon consideration of this resolution, recommend that the County of Hawaii be included with the Hawaii Housing Authority when examining housing for the elderly on the island of Hawaii.

Your Committees on Housing and Youth and Elderly Affairs concur with the intent and purpose of H.R. No. 296, as amended herein, and recommend its adoption in the form attached hereto as H.R. No. 296, H.D. 1.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 799 Culture and the Arts on H.R. No. 647

The purpose of this Resolution is to request the Legislative Auditor to undertake a financial and management audit of the State Foundation on Culture and the Arts.

Your Committee on Culture and the Arts concurs with the intent and purpose of H.R. No. 647 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 800 Culture and the Arts on H.R. No. 646

The purpose of this Resolution is to request the Legislative Auditor to undertake a financial and management audit of the Hawaii Foundation for History and the Humanities to determine the efficiency, effectiveness, and adequacy of the management, organization, financial recordkeeping, expenditures, and operations of the Foundation.

Your Committee on Culture and the Arts concurs with the intent and purpose of



H.R. No. 646 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 801 Culture and the Arts on H.R. No. 503

The purpose of this resolution is to laud the efforts of the Hawaii Youth Symphony, and to acknowledge the House of Representatives' support of the Hawaii Youth Symphony in recognition of the dedication of its students and their conductors and parents.

The Honolulu Youth Symphony is an eleemosynary organization with two principal goals: to foster cultural enrichment of the community through stimulation, encouragement, and implementation of the study of orchestral instruments by Hawaii's elementary, intermediate, and high school students; and to present these talented youngsters in musical performances designed and performed by youth. The orchestra presents concerts at schools on all the neighbor islands, as well as in central and rural Oahu.

Your Committee on Culture and the Arts concurs with the intent and purpose of H.R. No. 503 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 802 Culture and the Arts on H.R. No. 332

The purpose of this Resolution is to recognize our cultural heritage and to highlight the interest in preserving that heritage by proclaiming the week of December 2 to December 8, 1975, as Historic Waianae Coast Week.

The people of the Waianae Coast are highly representative of our multifarious culture here in Hawaii. They exhibit our diverse ethnicity and actively promote the rich cultural heritage of our islands.

Your Committee recommends an amendment for the purpose of geographical accuracy. The amendment would replace the word "east" in line 1 with the word "west".

For the purpose of disseminating the Resolution to interested parties not presently listed in the Resolution, your Committee also recommends that this Resolution be amended by deleting the word "and" in the last line of the Resolution, changing the period after the word "Jaycees" in the last line of the Resolution to a comma, and adding the following phrase:

the Makakilo Jaycees, the Waianae Business and Professional Women's Association, and the Waianae Coast Culture and Arts, Inc.

Your Committee on Culture and the Arts concurs with the intent and purpose of H.R. No. 332, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 332, H.D. 1.

Signed by all members of the Committee.

SCRep. 803 Culture and the Arts on H.R. No. 575

The purpose of this Resolution is to request the Postmaster General to issue a postage stamp to commemorate the bicentennial of the arrival of Captain James Cook in Hawaii.

James Cook, born October 27, 1728, rose to be one of the most outstanding explorers of the 18th century. He is known as a great navigator, cartographer, and sea physician for his experiments on scurvy, for which he won a gold medal, the highest award of the Royal Society. He discovered and docked in Waimea, Kauai, in January, 1778, and sighted the islands of Maui and Hawaii in November, 1778. Your Committee feels it fitting that a postage stamp be issued to commemorate the bicentennial of his arrival in the islands, 1978. Because selection of designs for postage stamps are made several years in advance by the Citizen's Stamp Advisory Committee, a request for a Captain Cook stamp must be forwarded to the Postmaster General as soon as possible.

Your Committee on Culture and the Arts concurs with the intent and purpose of H.R. No. 575 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 804      Public Assistance and Human Services and Labor and Public  
Employment on H.R. No. 130

The purpose of this resolution is to request the House Committee on Public Assistance and Human Services and the House Committee on Labor and Public Employment to jointly review the State's manpower and training services delivery system giving particular attention to the priority given to current public assistance recipients.

The Director of Labor and Industrial Relations supports this resolution and is willing to assist your Committees in their efforts.

Your Committees have amended the resolution by changing the reporting date for their study to twenty days prior to the beginning of the Regular Session of 1976.

Your Committee on Public Assistance and Human Services and your Committee on Labor and Public Employment concur with the intent and purpose of H.R. No. 130, as amended herein, and recommend its adoption in the form attached hereto as H.R. No. 130, H.D. 1.

Signed by all members of the Committees.

SCRep. 805      Public Assistance and Human Services and Labor and Public  
Employment on H.R. No. 143

The purpose of this resolution is to request your Committees to examine the progress of the Department of Social Services and Housing in implementing a public service employment program.

Your Committees have expanded the purpose of this resolution to include a review of other work programs for and the work incentives of recipients of public assistance.

The Director of Labor and Industrial Relations, the Director of Social Services, the Executive Secretary of the State Advisory Commission on Manpower and Full Employment, and the Legislative Coalition support the resolution and are willing to assist your Committees in their efforts.

Your Committees have amended the resolution by expanding its purpose and by changing the reporting date for their study to twenty days prior to the beginning of the Regular Session of 1976.

Your Committee on Public Assistance and Human Services and your Committee on Labor and Public Employment concur with the intent and purpose of H.R. No. 143, as amended herein, and recommend its adoption in the form attached hereto as H.R. No. 143, H.D. 1.

Signed by all members of the Committees.

SCRep. 806      Public Assistance and Human Services on H.R. No. 642

The purpose of this resolution is to request the Department of Social Services and Housing to develop a management information plan.

The Department of Social Services and Housing recognizes the need for development of a management information plan and supports the resolution. Your Committee intends that the Department should expand its management information capabilities beyond the specific points enumerated in the resolution. Your Committee also intends that the management information plan should include a summary of how each piece of information collected can be used.

Your Committee has made minor changes in the wording of the resolution which do not affect its substance.

Your Committee on Public Assistance and Human Services concurs with the intent and purpose of H.R. No. 642, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 642, H.D. 1.

Signed by all members of the Committee.

SCRep. 807      Public Assistance and Human Services and Health on  
H.C.R. No. 120

The purpose of this concurrent resolution is to request the County/State Hospital System to adjust its fees in order to keep federal funds from being lost and in order to make it possible for private and non-profit intermediate care facilities to continue to treat recipients of Medicaid.

PL 92-603 requires that Medicaid and Medicare payments to acute care and skilled nursing facilities be at the lesser of customary fees or reasonable charges. PL 92-603 also requires that the average State Medicaid payment to all intermediate care facilities combined must be reasonably less than the average State Medicaid payment to all skilled nursing facilities combined. Your Committees feel that the impact of PL 92-603 is such that the County/State Hospital System must adjust its fees as rapidly as possible. Both the Department of Health and the Department of Social Services and Housing recognize the problem and agree on the solution.

Your Committees have amended the concurrent resolution to request that fees be increased as close to cost as possible. Your Committees have also added a provision directing the Director of Health and the Director of Social Services to jointly submit a report to the Legislature during the Regular Session of 1976, comparing the fees charged by each County/State Hospital with reasonable charges as determined by Medicaid standards.

Your Committee on Public Assistance and Human Services and your Committee on Health concur with the intent and purpose of H.C.R. No. 120, as amended herein, and recommend its adoption in the form attached hereto as H.C.R. No. 120, H.D. 1.

Signed by all members of the Committees except Representative Ajifu.

SCRep. 808      Public Assistance and Human Services and Health on  
H.R. No. 645

The purpose of this resolution is to request the Department of Health and the Department of Social Services and Housing to cooperate to develop a unified financial and service plan for extended care of wards of the State.

The Departments agree that such a plan is needed and strongly endorse the resolution. Potentially such a plan will both save the State money and lead to better care for wards of the State.

Your Committees have made minor changes in the wording of the resolution which do not affect its substance.

Your Committee on Public Assistance and Human Services and your Committee on Health concur with the intent and purpose of H.R. No. 645, as amended herein, and recommend its adoption in the form attached hereto as H.R. No. 645, H.D. 1.

Signed by all members of the Committee.

SCRep. 809      Public Assistance and Human Services and Health on  
H.R. No. 644

The purpose of this resolution is to request the Department of Health to propose necessary legislation and a plan of action which would assist the Department of Social Services and Housing in providing Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) and which would extend such services as are felt necessary to all children.

Your Committees intend for the Department of Health to consider the needs of the Department of Social Services and Housing when devising a plan for health services to be provided to all children. Your Committees feel that there is a need for a plan to coordinate existing school health services, "outreach" programs for EPSDT of children eligible for Medicaid, and community services provided by the Department

of Health to mothers and children. Your Committees do not intend for the Department of Health to provide EPSDT for all children. However, your Committees feel that unless certain forms of screening and immunization are provided free to all children, then children who are not eligible for Medicaid may be denied services that will protect them from crippling diseases and disabilities. The Department of Health and the Department of Social Services and Housing feel that there is room for improvement in public health services for children.

Your Committees have amended the title and wording of the resolution so as to make it clear that it is not the intent of the resolution that the Department of Health administer EPSDT to all children. The resolution has also been amended to include consideration of children who are not in school.

Your Committee on Public Assistance and Human Services and your Committee on Health concur with the intent and purpose of H.R. No. 644, as amended herein, and recommend its adoption in the form attached hereto as H.R. No. 644, H.D. 1.

Signed by all members of the Committees.

SCRep. 810      Public Assistance and Human Services and Health on  
H.R. No. 643

The purpose of this resolution is to request the Attorney General to recommend changes in State law and State policy for the purpose of maximizing Medicaid, Medicare, and Supplementary Security Income payments on behalf of individuals eligible for State health programs.

Your Committees believe that this resolution will set the groundwork for the State to increase its federal revenues and lead to better cooperation between the Department of Health and the Department of Social Services and Housing. Both departments support the resolution.

Your Committees have made minor changes in the wording of the resolution which do not affect its substance.

Your Committee on Public Assistance and Human Services and your Committee on Health concur with the intent and purpose of H.R. No. 643, as amended herein, and recommend its adoption in the form attached hereto as H.R. No. 643, H.D. 1.

Signed by all members of the Committees.

SCRep. 811      Agriculture and Judiciary on H.C.R. No. 126

The purpose of this Concurrent Resolution is to request the Attorney General to conduct an investigation pursuant to Chapter 480 H.R.S., as it relates to the egg, poultry and feed industries and to report his findings, actions and recommendations, if any, to the Legislature no later than twenty days before the convening of the 1976 Regular Session.

At the joint hearing on March 31, 1975, the principal researcher and author of the report on "Feed for Hawaii's Livestock Industry" presented an overview of the study. This report was prepared by the Legislative Reference Bureau at the request of the 1976 Regular Session.

Your Committees on Agriculture and Judiciary learned that during the interviews conducted throughout the course of the study by the researcher, the names of several business entities recurred with respect to the egg and poultry industry. The information furnished centered on the allegation that several major feed firms in the State were directly involved in egg and broiler production and as such enjoyed an unfair and possibly illegal competitive advantage. The term monopoly was frequently used by the interviewees in describing the consequence of the involvement of the feed firms in the poultry industry. The interviewees offered the further opinion that while many people in the poultry and feed industry have been aware of the "problem" for a number of years, no formal complaints have been made for fear of reprisal.

The report states that the nature and recurrence of the complaints of interviewees together with the management structure of the business as disclosed by the official records suggests that there may be some basis to the complaint of possible violations

with reference to Section 480-8, Interlocking Directorates, Hawaii Revised Statutes, and other provisions of Chapter 480, Hawaii Revised Statutes.

Accordingly, the Legislative Reference Bureau recommends that the Attorney General of the State of Hawaii be requested to further investigate the "complaint" at hand to determine whether the provisions of Chapter 480, Hawaii Revised Statutes, or other applicable laws have been violated. Irrespective of whether violations can in fact be established, a major purpose which will have been achieved by such an investigation will be a "clearing of the air" on this matter.

The Attorney General's office stated that it has not received any complaint on the feed industry at this time; however, if this Concurrent Resolution is adopted, a thorough investigation will be conducted and a report will be presented to the Legislature as requested in the Concurrent Resolution. Your Committees feel that the Attorney General's office should consult with and seek the assistance of appropriate Federal agencies, if necessary, in the pursuance of the investigations and actions.

The Hawaii Farm Bureau Federation testified that the high price of feeds in Hawaii may in part be attributed to a feed marketing system that is not as free and competitive as it should be for reasons not fully understood to the independent egg and poultry producers. The Federation feels that this matter is worthy of a thorough investigation and corrective action by the Attorney General's office.

Your Committees on Agriculture and Judiciary concur with the intent and purpose of H.C.R. No. 126 and recommend its adoption.

Signed by all members of the Committees.

SCRep. 812      Agriculture on H.R. No. 441

The purpose of this Resolution is to direct the Department to conduct an investigation on the pricing of molasses in Hawaii and to report to the Legislature five days prior to the end of the current session.

Your Committee recognizes that an adequate investigation of the pricing of molasses will require more time than specified in the Resolution. Your Committee also believes that the Legislative Reference Bureau is in a better position to conduct the investigation than the Department of Agriculture. These changes are reflected in the attached amended Resolution.

Your Committee on Agriculture concurs with the intent and purpose of H.R. No. 441, as amended herein, and recommends that it be adopted in the form attached hereto as H.R. No. 441, H.D. 1.

Signed by all members of the Committee.

SCRep. 813      Agriculture on H.R. No. 581

The purpose of this Resolution is to request the Department of Agriculture to set standards governing the treatment of horses while in transport. The standards would include minimum requirements for: (A) handling; (B) feeding; (C) watering; (D) sanitary conditions; (E) ventilation; and (F) shelter.

Your Committee agrees with testimony presented by the Paniolo Press and the Department of Agriculture supporting the need to establish standards for adequate handling of horses during transport.

Your Committee on Agriculture concurs with the intent and purpose of H.R. No. 581 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 814      Agriculture on H.R. No. 579

The purpose of this Resolution is to request the House Committee on Agriculture to conduct a statewide interim study on agricultural cooperative associations in Hawaii.

Your Committee agrees with the testimony presented by the Department of Agriculture that a determination of why farmers are or are not members of agricultural cooperatives would be useful in assessing the present situation and future potential of agricultural cooperatives in Hawaii. Your Committee finds that the statewide hearings, at a local level, may be the most accurate way of identifying the causes of an apparent reluctance of farmers to join cooperatives.

Your Committee on Agriculture concurs with the intent and purpose of H.R. No. 579 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 815      Agriculture on H.R. No. 427

The purpose of this Resolution is to request the Governor to appoint an action task force to recommend a plan of action to save agriculture on Oahu and those engaged in agricultural production and to stimulate the growth and prosperity of agriculture and agricultural communities on Oahu such as Waianae, Waimanalo and Kahuku as well as other districts determined to be depressed areas.

Your Committee is in agreement with testimony by the Chairman of the Board of Agriculture that the creation of a task force on Oahu is not comparable to the situation which led to the creation of the Kohala, Kauai and Molokai task forces, i.e., a shut-down of sugar and pineapple production with subsequent unemployment problems of State concern.

The major problems facing agriculture on Oahu are more localized and concern urban encroachment, water supply and land tenure in such agricultural depressed areas as Waianae, Waimanalo and Kahuku. Resolution of these problems on Oahu can best be accomplished by the establishment of agricultural parks under Chapter 171, part V, Hawaii Revised Statutes.

Your Committee, however, believes that the task force's recommended plan of action to maintain agriculture on Oahu will stimulate the involved departments to thoroughly assess the problems and initiate coordinated, priority actions to mitigate or solve such problems.

Your Committee on Agriculture concurs with the intent and purpose of H.R. No. 427 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 816      Water, Land Use, Development, and Hawaiian Homes and  
Environmental Protection on H.R. No. 500

The purpose of this resolution is to request the Department of Planning and Economic Development to review its progress in coastal zone planning.

Your Committees have amended the resolution by deleting reference to the implementation of a coastal zone management program earlier than required by the Federal Coastal Zone Management Act.

Your Committees on Water, Land Use, Development, and Hawaiian Homes, and Environmental Protection concur with the intent and purpose of H.R. No. 500 as amended herein, and recommend its adoption in the form attached hereto as H.R. No. 500, H.D. 1.

Signed by all members of the Committee except Representatives Kihano and Carroll.

SCRep. 817      Water, Land Use, Development, and Hawaiian Homes and  
Environmental Protection on H.R. No. 499

The purpose of this Resolution is to request the DPED to review its plans to provide for public involvement in the coastal zone planning program.

Your Committees have amended the Resolution by deleting reference to H.B. No. 257.

Your Committees on Water, Land Use, Development, and Hawaiian Homes, and Environmental Protection concur with the intent and purpose of H.R. No. 499 as amended herein, and recommend its adoption in the form attached hereto as H.R. No. 499, H.D. 1.

Signed by all members of the Committee except Representative Carroll.

SCRep. 818 Health on H.R. No. 591

The purpose of this resolution is to request a study by the Department of Health, Hospital and Medical Facilities Branch, to document the need and feasibility of establishing a medical facility in the Heeia-Hauula area.

Presently, there are over 22,000 residents in the Heeia to Hauula district. In addition, there are many weekend and holiday visitors who enjoy recreational facilities in this area who may at some time be in need of emergency medical care. Your Committee finds that there are no general medical facilities in the Heeia to Hauula area. The nearest medical facilities are Castle Memorial Hospital in Kaneohe, a distance about ten to fifteen miles, and Kahuku Community Hospital, a distance of about twenty miles. Your Committee recognizes the need to explore the possibility of establishing a medical facility in the Heeia to Hauula area to ensure prompt and adequate medical care when needed.

Your Committee on Health concurs with the intent and purpose of H.R. No. 591 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 819 Health on H.R. No. 433

The purpose of this resolution is to request the Department of Health, Hospital and Medical Facilities Branch, to conduct a study to determine the feasibility of establishing a hospital or an advance medical care center in Hawaii Kai, Oahu.

Your Committee finds that there is no general hospital facilities in the southeast Oahu area and that present medical facilities provide minimal medical services to a large and ever growing community.

At the present time, Hawaii Kai has a population of approximately 22,000 people and is projected to accommodate an estimated 30,000 to 60,000 people in the near future. In addition, because of its fine beaches, surfing and tourist attractions, it attracts thousands of beach goers and sight-seers weekly. As a result, with its growing population and natural inclination towards water-oriented recreation, an increasing amount of emergency medical attention is required in order to accommodate the needs of the community.

Your Committee also recognizes that the closest medical office to serve Hawaii Kai is a small clinic which is operated in Niu Valley by Kaiser Hospital. Presently, the clinic is not set-up to handle serious emergencies, nor does it provide 24 hours medical services. Therefore, because of the distance and lack of medical services available in the area, emergency medical attention is not readily available to Hawaii Kai residents.

Your Committee on Health concurs with the intent and purpose of H.R. No. 433 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 820 Health on H.R. No. 650

The purpose of this resolution is to request the Department of Health to determine why health records show students to be so much at variance with required and recommended immunizations, physical examinations, and tuberculin tests and to report of its progress and plan for a systematic follow-up of student health record review.

Your Committee finds that State laws requiring students to receive physical examinations and immunizations before entering school are important health measures for detecting health problems and preventing the spread of communicable diseases among

school-age children. Therefore, your Committee recognizes the need to have the Department of Health review its records to determine the discrepancies that do exist in order to insure the well-being of our school children.

In a study done by the Legislative Auditor on the Student Health Services Pilot Project, reports indicate that many students in both project and non-project schools were not in compliance with the preventive health requirements mandated by law. The Legislative Auditor also reported that in a survey of 1,388 students, of which 673 were from project schools and 715 from non-project schools, 81 students had no health records.

Your Committee also finds that until the enactment of Act 51, SL 1974, which made immunization compulsory for school entrance, enforcement action was obstructed by a Department of the Attorney General ruling that the compulsory school attendance law superseded immunization requirements. With the enactment of Act 51, approximately 99% of the incoming class are in full compliance with immunization requirements. With respect to those students admitted into public schools prior to the enactment of Act 51, a catchup program was instituted in order to immunize these students.

At the present time, all new entering students receive a physical examination. The value of mandatory routine physical examinations at 4th, 7th and 10th grades as recommended by local physicians and the Department of Education needs to be analyzed further.

Your Committee on Health concurs with the intent and purpose of H.R. No. 650 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 821      Housing on H.R. No. 194

The purpose of this resolution is to request the City and County of Honolulu to amend building and zoning codes for single-family residences to permit the addition of a rental unit with separate facilities.

Your Committee finds that the conversion of single-family units will help alleviate the current housing shortage as well as assist homeowners burdened by soaring costs.

Your Committee, upon further consideration, has made the following amendments to H.R. No. 194:

(1) The title and body of the resolution has been amended by deleting the term "multi-unit" wherever it appeared and inserting "two-family dwelling" in place of such term. This reflects your Committee's desire to clarify the intent of the term "multi-unit". The words "more than one rental unit" was also deleted in keeping with this intent.

(2) Your Committee has also amended the resolution to include the provision of adequate off-street parking and other necessary facilities in the "Be it Resolved" paragraph as a stipulation to the City and County of Honolulu's amendments to the building and zoning codes.

(3) All references requesting assistance and financial support from the Hawaii Housing Authority have been deleted from the last two paragraphs of the Resolution.

Your Committee on Housing concurs with the intent and purpose of H.R. No. 194, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 194, H.D. 1.

Signed by all members of the Committee.

SCRep. 822      Housing on S.C.R. No. 9

The purpose of this concurrent resolution is to urge the U.S. Department of Agriculture to adopt rules and regulations to implement Section 516 of the 1974 Housing and Community Development Act. This section authorizes the U.S. Department of Agriculture to facilitate the purchase of condominiums in rural areas by low and moderate income



persons through the granting and insuring of loans.

Your Committee recognizes that condominium development on lower-cost rural land can make available much-needed housing at prices within the means of low or moderate income households. However, the funds from this program are not now available to Hawaii and other states because rules and regulations to govern the program have not been formulated and adopted. This concurrent resolution requests the assistance of the U.S. Department of Housing and Urban Development and the Hawaii Housing Authority to assist the U.S. Department of Agriculture in formulating such rules and regulations.

Your Committee on Housing concurs with the intent and purpose of S.C.R. No. 9 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 823      Housing on H.R. No. 636

The purpose of this resolution is to request the Hawaii Housing Authority and other federal, state and county agencies involved in the sale and rental of dwellings to set aside plots of land on the grounds of their housing projects so that occupants may garden and grow vegetables and flowers for their personal consumption.

Your Committee finds that the occupants of public housing projects as well as representatives of the Hawaii Housing Authority wholeheartedly endorse this concept.

Your Committee on Housing concurs with the intent and purpose of H.R. No. 636 and recommends its adoption.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 824      H.R. No. 481

The purpose of this resolution is to request a study from various departments in the State government to determine the possibility and feasibility of a program wherein the state would guarantee mortgage loans from private lenders in return for which these private lenders would set aside a certain amount of their mortgage funds to assist in the development of public housing.

Your Committee finds that the time is appropriate, due to the shortage of mortgage loans and the rising costs of construction and land, for the State to consider guaranteeing private mortgage money to private lenders in return for which these private lenders would make money available for financing public housing.

Your Committee on Housing, upon consideration of this resolution, recommends the following amendments.

1. That the Hawaii Housing Authority be given the overall responsibility along with the Departments of Planning and Economic Development; Regulatory Agencies; Budget and Finance, and Accounting and General Services.
2. That representatives of the general community be involved in this study and that these representatives come from a broad cross-section as possible.

Your Committee on Housing concurs with the intent and purpose of H.R. No. 481, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 481, H.D. 1.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 825      Water, Land Use, Development, and Hawaiian Homes on H.R.  
No. 535

The purpose of this resolution is to urge the city and county of Honolulu to negotiate a license type transfer of property with the Federal government.

Also, to request Hawaii's Congressional Delegation to do everything within its power to facilitate such a land transfer.

The present location of the Pearl City fire station results in a limited zone of service for newer areas and unnecessary overlapping of zones among existing stations in older areas.

Census Bureau projections indicate a continued high density development of this area with continued expansion of population growth and supporting educational, commercial and recreational facilities.

Your Committee feels the establishment of a fire station at the desired location will provide full use of the fire station's optimum service zone and proffer cooperative coverage to other fire fighting units.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.R. No. 535 and recommends its adoption.

Signed by all members of the Committee except Representatives Abercrombie and Ikeda.

SCRep. 826      Water, Land Use, Development, and Hawaiian Homes on  
H.R. No. 590

The purpose of this resolution is to request the Department of Land and Natural Resources to identify all public lands lacking public access and to submit an inventory of such lands, along with recommendations for access routes.

The open spaces of the mountains and lands and beaches and sea are the essence of the quality of life enjoyed by generations of Island people.

Your Committee feels there is an obligation of the State and County governments not only to protect those public rights-of-way which already exist but also to provide access to areas presently denied to the public. Activities such as swimming, surfing, fishing, scuba-skin diving, hiking, hunting, picnicking, and camping have been limited due to the lack of access.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.R. No. 590 and recommends its adoption.

Signed by all members of the Committee except Representative Ikeda.

SCRep. 827      Water, Land Use, Development, and Hawaiian Homes and  
Agriculture on H.R. No. 598

The purpose of this resolution is to request a study and to determine the feasibility of establishing an agricultural park for orchid enterprises and related nursery operations in Kona.

Your Committees recognize the need for development of diversified agriculture on the island of Hawaii to strengthen the economy and to make good use of the natural richness of Hawaii.

The State agricultural lands now under lease in the vicinity of Keahole Airport are idle and apparently not being utilized by lessees.

Your Committees recommend the following amendments, to read:

In the BE IT RESOLVED clause, "Planning and Economic Development" is deleted, and "the Department of Land and Natural Resources" is inserted.

In the BE IT FURTHER RESOLVED clause, "Planning and Economic Development" is deleted, and "the Department of Land and Natural Resources" is inserted.

Your Committee on Water, Land Use, Development, and Hawaiian Homes and Agriculture concur with the intent and purpose of H.R. No. 598, as amended herein, and recommend it be adopted in the form attached hereto as H.R. No. 598, H.D. 1.

Signed by all members of the Committees except Representatives Ikeda and Oda.

SCRep. 828 Youth and Elderly Affairs on H.C.R. No. 132 (Majority)

The purpose of this concurrent resolution is to request the office of the Legislative Reference Bureau to conduct a study on the rights of minors, including a study of minors' rights vis a vis parents' rights and rights of other individuals and agencies where there appears to be a conflict.

This concurrent resolution allows the Legislative Reference Bureau a maximum of three years in which to complete this study and report. The purpose of providing for three years rather than one is to avoid having to appropriate funds for the first year of the study, which will probably be limited to a survey of existing case-law in the area, and to enable the Bureau to enlist the assistance of volunteers --particularly students and professors at the University of Hawaii--in order to complete the task without special funding.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.C.R. No. 132 and recommends its adoption.

Signed by all members of the Committee.

Representative Sutton did not concur.

SCRep. 829 Youth and Elderly Affairs on H.R. No. 717 (Majority)

The purpose of this resolution is to request the office of the Legislative Reference Bureau to conduct a study on the rights of minors, including a study of minors' rights vis a vis parents' rights and rights of other individuals and agencies where there appears to be a conflict.

This resolution allows the Legislative Reference Bureau a maximum of three years in which to complete this study and report. The purpose of providing for three years rather than one is to avoid having to appropriate funds for the first year of the study, which will probably be limited to a survey of existing case-law in the area, and to enable the Bureau to enlist the assistance of volunteers--particularly students and professors at the University of Hawaii--in order to complete the task without special funding.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.R. No. 717 and recommends its adoption.

Signed by all members of the Committee.

Representative Sutton did not concur.

SCRep. 830 Youth and Elderly Affairs on H.R. No. 185

The purpose of this resolution is to urge state agencies to hire more elderly persons as paraprofessionals, with the terms of such employment to be determined by each agency to suit its own needs and those of the senior citizens employed.

Your Committee finds that useful employment of senior citizens is vital to their economic existence as well as playing an important role in fostering mental health. Such a program will also prove beneficial to the agencies concerned and to the public at large, who will profit from the experience the elderly will bring to public service.

A single technical amendment has been made to the next-to-last "BE IT RESOLVED" clause, eliminating a redundant phrase in the interest of correct grammar and clarity of expression.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.R. No. 185, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 185, H.D. 1.

Signed by all members of the Committee.

SCRep. 831 Youth and Elderly Affairs on H.R. No. 292

The purpose of this resolution is to extend the congratulations of the Legislature to the owners and managers of Holiday Mart Discount Department Stores for initiating a discount sales plan for the elderly, to request that this plan be made permanent, and to urge other retail enterprises in this State to follow suit in instituting such plans.

Your Committee has amended this resolution to specifically include Parkview GEM of Hawaii, Inc., which has also implemented a discount sales plan for senior citizens.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.R. No. 292, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 292, H.D. 1.

Signed by all members of the Committee.

SCRep. 832 Youth and Elderly Affairs on H.R. No. 430 (Majority)

The purpose of this resolution is to request the Department of Social Services and Housing, in conjunction with the Department of Labor and Industrial Relations, to study the feasibility of the establishment of adequate, reasonably-priced child-care centers by the State of Hawaii.

Your Committee finds that lack of such facilities causes undue hardship for many of Hawaii's working parents who must allocate to child-care a large proportion of their much-needed incomes; and for many single parents, and others whose earning power cannot sustain this burden, there is no alternative but to surrender their educational and vocational ambitions and remain at home to care for their children.

Your Committee finds that this situation is deleterious to the State and its citizens, and therefore recommends the study requested by this resolution as a step toward remedying it.

The recommendation of the State Department of Social Services and Housing has been adopted in amending the length of time allowed for the study requested; instead of reporting its findings and recommendations prior to the adjournment of the 1975 Session, the Department is now to report no later than twenty days prior to the commencement of the Regular Session of 1976.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.R. No. 430 as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 430, H.D. 1.

Signed by all members of the Committee.

Representative Sutton did not concur.

SCRep. 833 Youth and Elderly Affairs and Housing on H.R. No. 333

The purpose of this resolution is to request the State of Hawaii to increase its efforts in the development of housing for the elderly.

This request is prompted by the serious lack of homes available to our senior citizens both nationally and statewide. The problem becomes more acute when considering Hawaii's own shortage of land and subsequent high costs for housing needs.

Your Committees are cognizant of the fact that a home is more than just a physical structure. It is a source of pride, love, togetherness and spirit, and an environment where one can mold a meaningful way of life.

As such, our senior citizens, more than anyone else, should be entitled to such an atmosphere. They have made full and significant contributions during their productive years. To neglect their needs now is to neglect our humanitarian interests as men and women.

Your Committee on Youth and Elderly Affairs and your Committee on Housing concur with the intent and purpose of H.R. No. 333 and recommend its adoption.

Signed by all members of the Committees except Representative Ikeda.

SCRep. 834 Youth and Elderly Affairs and Housing on H.R. No. 573

The purpose of this resolution is to request the Hawaii Housing Authority to develop and implement elderly housing plans in Waipahu, Oahu, and on the island of Molokai. The resolution asks that the Hawaii Housing Authority submit a progress report of its housing plans for these areas twenty days prior to the convening of the Regular Session of 1976.

The Comprehensive Master Plan for the Elderly report which was released in December, 1974, disclosed that one-third of the homes in Hawaii are owned by the elderly and that one out of every eight lack plumbing, were overcrowded and were over thirty years old. It revealed also that Waipahu, Oahu and the island of Molokai, were the two areas where the need for elderly housing developments is most critical.

As such, and because of the State's commitment to provide "suitable housing, independently selected, designed and located with reference to special needs and available at costs which older citizens can afford," as articulated in section 349-6, Hawaii Revised Statutes, it is imperative that the State address itself to this problem.

Your Committee on Youth and Elderly Affairs and your Committee on Housing concur with the intent and purpose of H.R. No. 573 and recommend its adoption.

Signed by all members of the Committees except Representative Ikeda.

SCRep. 835 Water, Land Use, Development, and Hawaiian Homes on H.R. No. 670

The purpose of this resolution is to request the Department of Land and Natural Resources to reassess the orientation of the Kahana Valley plans.

The residents of Kahana exhibit a deep feeling for the land; a love of the valley's mountains, streams, plants, and ocean; a spirit of community; and a common desire to preserve the quiet dignity of their fading lifestyle.

In testimony presented before your Committee, the residents of Kahana stressed two desires: 1) to remain in the valley to preserve their culture and gentle country lifestyle, and 2) to preserve Kahana for future generations of residents, and not tourists, so that they may come to share, enjoy and know the true beauty of Hawaii as it is.

Your Committee feels that the Mogi Plan for Kahana Valley is not concrete enough for many of the residents. There are details in the plan which are inconsistent with the intent, such as relocation and housing. The Mogi Plan envisions Kahana as a tourist oriented facility which does not fulfill the needs of the people.

Your Committee feels that Kahana should remain a demonstration of Hawaiian culture by the people who love, understand, and know it best.

Your Committee recommends the following amendments:

In the second WHEREAS clause, the phrase "similar to Kokee" is deleted and a correction of a typographical error in the last sentence.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.R. No. 670, as amended herein, and recommends that it be referred to the Committee on Culture and the Arts in the form attached hereto as H.R. No. 670, H.D. 1.

Signed by all members of the Committee except Representative Machida.

SCRep. 836 Finance on H.C.R. No. 9

The purpose of this concurrent resolution is to request the Congress of the United States to ensure that, should any fuel tax increase be legislated, the states will receive the revenues produced by such legislation.

Should there be an increase in the federal fuel tax, the added revenues produced thereby, if earmarked for state purposes, would provide the states with badly needed funds for transportation services, particularly those which are alternatives to the private automobile.

Your Committee on Finance concurs with the intent and purpose of H.C.R. No. 9 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 837 Youth and Elderly Affairs on H.R. No. 462

The purpose of this resolution as received by your Committee was to request all state and county owned hospitals and dispensaries to dispense drugs to any citizen over the age of 65 at cost.

Testimony submitted by the Department of Health indicated that the Department agrees that some type of assistance should be given to our elderly citizens to lower the cost of drugs. However, the Department feels that the approach taken by H.R. No. 462 raises a number of problems regarding available resources, changes to regular hospital practice and the possible need to change existing legal requirements, including the following:

(1) The county/state hospitals are not geared to dispensing drugs to the general public. They have neither the staff nor sufficient space to increase their capability to handle this new responsibility. Also, the types of brand name drugs carried by hospitals are limited, and this will be especially so when the planned drug formulary is developed.

(2) The matter of lessened control over pharmacy operations will be a matter of concern if hospitals are to handle dispensing to the general public who are not patients of the hospital.

(3) The question of whether there will be any conflict with pharmacy laws and regulations needs to be answered.

(4) There is proposed federal legislation concerning maximum allowable cost for drugs; the impact of such legislation should be analyzed and coordinated with the proposals made in H.R. No. 462 before action is taken.

(5) The Office of Consumer Protection, in conjunction with the Department of the Attorney General, is in the process of holding hearings concerning the cost of prescription drugs; any legislative proposals in this area should take into account the results of these hearings.

Because of the need to explore these matters, your Committee recommends that the dispensing of drugs to the elderly at cost be deferred pending completion of a study to resolve the above-enumerated questions.

Your Committee has therefore amended this resolution to provide for a study to be done by the Department of Health on the feasibility and ramifications of dispensing medical drugs at cost to persons age 65 and over by all dispensers of medical drugs, including but not limited to all state owned and operated hospitals and dispensaries, public and private pharmaceutical companies, the Hawaii Pharmaceutical Association and dispensing physicians. The Department is to submit a report of its findings and recommendations no later than twenty days prior to the convening of the Regular Session of 1976.

The title and "BE IT RESOLVED" clause have been amended and the first and second "BE IT FURTHER RESOLVED" clauses deleted for purposes of consistency with the above amendment.

An additional two clauses have been added to ensure that the study and recommendations take into account the proposed federal rules and the work of the Office of Consumer Protection in this area.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.R. No. 462, as amended herein, and recommends that it be referred to the Committee on Health in the form attached hereto as H.R. No. 462, H.D. 1.

Signed by all members of the Committee.

SCRep. 838 Youth and Elderly Affairs on H.C.R. No. 116

The purpose of this concurrent resolution is to request the Speaker of the House of Representatives and the President of the Senate to appoint an interim committee to review and study the Juvenile Justice Master Plan.

After careful consideration of written and oral testimony presented by the State Law Enforcement and Juvenile Delinquency Planning Agency, the Hawaii Council of the National Council on Crime and Delinquency, the Juvenile Justice Master Plan Ad Hoc Committee, and many other agencies, your Committee finds that the proposed Juvenile Justice Master Plan requires a great deal of refining in order to make its proposals sufficiently concrete for legislative consideration; and that this process needs to provide for greater community participation than was present in the formulation of the original plan.

Your Committee further finds that the interim committee proposed by this concurrent resolution will, by making itself available to the State Law Enforcement and Juvenile Delinquency Planning Agency for discussion and by keeping itself informed of the plan's progress, increase the efficiency of the refining process. Such liaison will also improve the basis of the legislative decision-making on the plan which is to occur next session.

An amendment has been made to the first "BE IT RESOLVED" clause, providing that the President of the Senate shall choose members of the interim committee from the Senate membership at-large, rather than from the members of the Senate Committee on Human Resources and the Senate Committee on Judiciary only.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.C.R. No. 116, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 116, H.D. 1.

Signed by all members of the Committee.

SCRep. 839 Agriculture on H.C.R. No. 140

The purpose of this Concurrent Resolution is to request the Department of Agriculture, in cooperation with the Department of Taxation, to examine alternative methods to keep sugar profits in Hawaii, and to report its findings and recommendations at least twenty days prior to the convening of the 1976 Regular Session.

Your Committee on Agriculture finds that the 1973 value of production of raw sugar cane and molasses totalled \$222 million. In 1974, that figure jumped to \$735 million. Although sugar prices have declined since 1974, they are still above \$500 per ton. In 1974, the average return to the Hawaii sugar companies for a ton of raw sugar was \$690 compared to the 1973 return of \$180 per ton. State taxes paid by the sugar companies in 1973 were approximately \$8.5 million. It is estimated the taxes to be paid the State in 1974 will amount to roughly \$22 million.

A review of various 1974 annual reports reveal that sugar accounted for 50 percent of the corporate profits of Castle and Cooke in 1974. Amfac's gross revenue from sugar jumped from \$68 million in 1973 to \$208 million in 1974. In 1974, agriculture accounted for 50 percent of Alexander and Baldwin's gross revenues compared to 28 percent in 1973.

Your Committee is aware that the sugar industry has expended and continue to expend large sums for field and factory equipment and supplies for research/development, etc., but the greatly increased price and gross revenue since 1974 indicate a need to examine alternative as well as additional methods to keep sugar profits in Hawaii, particularly in view of the fact that Hawaii's major sugar companies are subsidiaries of corporations having national and international interests.

Your Committee on Agriculture concurs with the intent and purpose of H.C.R. No. 140 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Inaba, Machida, Amaral and Oda.

## SCRep. 840 Labor and Public Employment on H.C.R. No. 130

The purpose of this Concurrent Resolution is to urge the United States Congress to amend the Comprehensive Employment and Training Act of 1973 to include Hawaiians as a special target group by name to receive the benefits mandated by the Act.

Your Committee finds that unemployment has consistently struck our citizens of Hawaiian descent with greater severity than the population as a whole and that they are deserving, as native Americans, of the benefits of the greater efforts and resources which are mandated to be expended by the Secretary of Labor for the resolution of these employment problems under the Comprehensive Employment and Training Act. Other native American groups who have demonstrated significant employment problems, such as native American and Alaskan Indians, have been specifically targeted for assistance under the Act, and our own citizens of Hawaiian descent are equally deserving of this aid, and, therefore should be specifically designated by name in the Act.

Your Committee on Labor and Public Employment concurs with the intent and purpose of House Concurrent Resolution No. 130 and recommends its adoption.

Signed by all members of the Committee.

## SCRep. 841 Labor and Public Employment and Public Assistance and Human Services on H.C.R. No. 4

The purpose of this concurrent resolution is that full employment at wages sufficient to end the need for public assistance be established as a goal of the State of Hawaii, and that the state government, the political subdivisions of the State, and private employers be encouraged to increase their efforts at public service employment and job training to realize this goal.

Your Committees received testimony on House Concurrent Resolution 4 with the understanding that to have anything less than full employment is a major cost to the state. For example, in 1974 with an unemployment average of 7.6 per cent in Hawaii the wasted manpower in dollar terms, at \$5,000.00 per capita income, amounted to \$130,000,000.00. Further, the cost of unemployment in social terms are severe since joblessness is more than an economic waste. The loss in social status and self-esteem is critical for a large part of our population on public assistance.

Your Committees on Labor and Public Employment and Public Assistance and Human Services concur with the intent and purpose of House Concurrent Resolution No. 4 and recommend its adoption.

Signed by all members of the Committees except Representative Amaral.

## SCRep. 842 Water, Land Use, Development, and Hawaiian Homes and Agriculture on H.C.R. No. 127

The purpose of this Concurrent Resolution is to secure the full support of the Legislature for the preservation and expansion of diversified agriculture in Waiahole-Waikane along with the long-term leasing of land to the farmers and residents of Waiahole-Waikane and to request the Departments of Land and Natural Resources, Agriculture, Planning and Economic Development and the College of Tropical Agriculture to take immediate steps to assist the expansion of agriculture in the Waiahole-Waikane valleys.

Your Committees on Water, Land Use, Development, and Hawaiian Homes, and Agriculture recognize that maintaining areas such as Waiahole and Waikane that would permit a "rural life style" amid congested urban communities is desirable. Certainly some such areas should be preserved and maintained as a part of the State's heritage. Presently there are only limited acreages being used for diversified agriculture. The total agricultural sales from this area's 43 acres of papaya, 36 acres of bananas, and 156 acres of ornamentals, sweet potatoes, flowers, taro and cattle production are estimated at \$280,000. There are approximately 700 acres of good agricultural lands in the Waiahole-Waikane Valleys. However, the area does provide agricultural potentials for selected crop systems. The major limiting factor has been the uncertainty of land tenure which has prevented farmers from obtaining loans to develop the agricultural potential of the area. This is the primary issue that should be considered relative to the Waiahole-Waikane area.



If farming is to be successfully expanded in this area, it will be necessary to solve the land tenure problem.

Since the present land owner cannot presumably be required to give long-term leases, we believe that the remaining alternative of condemnation and purchase of the lands by the state as an agricultural park would be desirable. The state could then lease farmers for terms compatible with good agricultural management.

Your Committees on Water, Land Use, Development, and Hawaiian Homes, and Agriculture are aware that the proposed urbanization of Waiahole-Waikane was one of the most controversial issues during the 1974 Five-Year Boundary Review. The major property owner of the two valleys had asked for an urban boundary change to permit the construction of 7,000 single and multi-family housing units to accommodate a projected population of 20,000 to 25,000 people. The petition for reclassification was eventually rejected by the Land Use Commission.

What happens to Waiahole-Waikane could affect all of Oahu. The preservation and expansion of agriculture is only one of the issues.

A second issue is the desirability of a new community of 20,000-25,000 on the Windward coast. A February, 1975 report from the Department of Planning and Economic Development estimates that the July, 1974, population of Hawaii Kai and Kalama Valley was 20,000 persons (5,829 housing units). The decision to permit such a development will have a major impact upon the direction of growth on Oahu.

A third issue is water. As reported by the developers to the Land Use Commission, the Board of Water Supply has said the present domestic system can supply only 1,000 to 1,500 units. The additional 5,500 to 6,000 units must be supplied by new sources. As most of you know, 30 million gallons of water per day are presently transported from the mountains above Waiahole-Waikane to Central Oahu for sugar irrigation. The Waiahole ditch water is doubly important because of its freshening influence when it percolates down into the basal lens which supplies the drinking water for the Pearl Harbor, Waianae and Honolulu populations. The domestic water demands generated by a major development in Waiahole-Waikane represent a potential threat to the Waiahole ditch waters. As our laws are presently written, the domestic use of water has priority over agricultural uses.

Your Committees urge the involved departments and the College of Tropical Agriculture to coordinate their efforts to achieve the objective of the Concurrent Resolution.

Your Committees on Water, Land Use, Development, and Hawaiian Homes, and Agriculture are in accord with the intent and purpose of H.C.R. No. 127 and recommend its adoption.

Signed by all members of the Committees except Representative Amaral.

SCRep. 843 Higher Education on H.C.R. No. 71

The purpose of this concurrent resolution, as amended, is to request the Board of Regents of the University of Hawaii to establish a policy on the allocation of funds to the various units in the University system. This policy shall also delineate procedures that will allow and invite the participation of interested parties, including faculty and students.

The intent of this resolution is to encourage broader understanding of and participation in the University's budget process -- preparation, expenditures, and management.

In 1974-75, State general funds in the University budget totaled over \$80,000,000. Budget projections indicated that the total will be greater in the upcoming fiscal year. Based upon extensive research on the preparation of this sizable budget, your Committee has concluded that the executive administration of the University has consulted minimally or not at all with campus administrators at the lower level, faculty, and students.

Further, your Committee has found that many people at the University -- including certain administrators -- do not have a clear understanding of the University budget process. As a result, many people who have pertinent information and insight into budget matters at the program level, have no direct means for providing input. The lack of clarity and certainty regarding this process arises from a lack of general

University policies and specific guidelines regarding the allocation of funds.

Your Committee has heard testimony from the University of Hawaii that due to the exigencies of the budgetary process, participation by administrators, faculty, and students is not possible. Instead, the Executive administration is encouraging the Chancellors and Provosts to set up advisory planning committees at each campus. These committees are to be designed to increase awareness of the budget-building process so that concerned parties will be able to provide appropriate input early in the process -- before the campus budgets are combined into the University budget.

Your Committee understands the difficulty inherent in constructing a responsible, responsive budget. It is firm in its resolve, however, that the University establish, in addition to the advisory planning committees, a policy and specific procedures regarding the allocation of funds to the various units in the University system.

Your Committee has amended this resolution by eliminating public hearings as a procedural requirement. The intent of this amendment is to provide the University with reasonable flexibility in determining the means to implement the Committee's intent.

Your Committee on Higher Education concurs with the intent and purpose of H.C.R. No. 71, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 71, H.D. 1.

Signed by all members of the Committee except Representatives  
Hakoda and Ikeda.

SCRep. 844 Higher Education on H.C.R. No. 34

The purpose of this resolution is to name the newly completed art building on the Manoa campus after Mark Kamemori Miyashiro.

Your Committee finds that, over the years, Mark Kamemori Miyashiro, the former owner of Kuhio Grill, has given valuable aid and encouragement to promising young art students of Hawaii. His sentiments for human beings and his insight into Hawaii's culture and arts led him to support many of these students who later gained distinction in national art circles. Your Committee believes that naming the art building after a community person such as Mark Kamemori Miyashiro will symbolize both the link between the University of Hawaii and the community and the University's concern for community activities and arts in Hawaii. Your Committee finds that the art building is presently designated just "Art" and therefore recommends that the building as a whole, and not just the gallery as suggested by the University, be named after Mr. Miyashiro.

Also, your Committee believes that to insure fair and thorough procedures for the future naming of buildings, the University should establish an ad hoc committee composed of appropriate parties in the community and the University to name each of the University's new buildings.

Your Committee on Higher Education concurs with the intent and purpose of H.C.R. No. 34 and recommends its adoption.

Signed by all members of the Committee except Representatives  
Hakoda and Ikeda.

SCRep. 845 Culture and the Arts on H.C.R. No. 141

The purpose of this Concurrent Resolution is to request the Hawaii Bicentennial Commission to coordinate efforts to develop suitable flags for the islands of Kauai, Niihau, Oahu, Molokai, Lanai, Kahoolawe, Maui, and Hawaii for display during the 1976 and 1978 Bicentennial celebrations.

The State of Hawaii can be physically and culturally defined as a chain of islands, each with its own unique historical tradition and cultural heritage. A flag of each major island in the State can symbolize these important facets of the State and instill among the residents of the islands a sense of pride. Each island now boasts of a distinctive color and flower, and an island flag would complement these symbols.

Your Committee feels strongly that the Bicentennial Commission, through its efforts in development of flags for each island, should encourage as much public participation as possible.

Your Committee on Culture and the Arts concurs with the intent and purpose of H.C.R. No. 141 and recommends its adoption.

Signed by all members of the Committee except Representatives Kawakami, Sakima, Carroll, Evans, Kamalii and Medeiros.

SCRep. 846      Legislative Management

Informing the House that House Resolution Nos. 784 to 788, House Concurrent Resolution No. 149, Standing Committee Report Nos. 839 to 845, and Standing Committee Report Nos. 847 to 888, have been printed and distributed.

Signed by all members of the Committee.

SCRep. 847      Public Assistance and Human Services

The purpose of this resolution is to request the Department of Social Services and Housing to assume payment for group therapy expenses of recipients of public assistance.

The Department now pays for individual therapy expenses. The Department agrees that group therapy should be included in the State Medical Assistance Plan as long as appropriate safeguards are taken. Major insurance plans which include group therapy all have controls on the period of time during which payment will be made.

Your Committee has made minor changes in the wording of the resolution which do not affect its substance. The Director of Social Services is asked to report on his Department's actions twenty days prior to the Regular Session of 1976 rather than prior to the end of the Regular Session of 1975.

Your Committee on Public Assistance and Human Services concurs with the intent and purpose of H.R. No. 368, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 368, H.D. 1.

Signed by all members of the Committee except Representative Mizuguchi.

SCRep. 848      Public Assistance and Human Services on H.R. No. 476

The purpose of this resolution is to request that Department of Social Services and Housing payments for child care services be reassessed and increased as necessary to the extent that the budget will allow. The Director of Social Services is also requested to ask for a supplemental budget to increase payments should it prove necessary.

The Department of Social Services and Housing supports this resolution and has testified that payments should be increased. The community also strongly supports this resolution.

Your Committee has made minor changes in the wording of the resolution which do not affect its substance. In addition, your Committee has asked for a detailed analysis of child care services directly or indirectly financed or subsidized by the Department. Your Committee is concerned that the Department may be losing federal funds by using multi-purpose "close-ended" social service matching funds instead of other federal grants. Your Committee is also concerned that different qualities of child care services are being provided to children with similar backgrounds. Your Committee is also concerned that the Department may be subsidizing child care services for some indigent families without adequate controls or concern with equity for other indigent families.

Your Committee on Public Assistance and Human Services concurs with the intent and purpose of H.R. No. 476, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 476, H.D. 1.

Signed by all members of the Committee except Representative Mizuguchi.

SCRep. 849      Public Assistance and Human Services and Health on H.R.  
No. 641

The purpose of this resolution is to request the County/State Hospital System to adjust its fees in order to keep federal funds from being lost and in order to make it possible for private and non-profit intermediate care facilities to continue to treat recipients of Medicaid.

PL 92-603 requires that Medicaid and Medicare payments to acute care and skilled nursing facilities be at the lesser of customary fees or reasonable charges. PL 92-603 also requires that the average State Medicaid payment to all intermediate care facilities combined must be reasonably less than the average State Medicaid payment to all skilled nursing facilities combined. Your Committees feel that the impact of PL 92-603 is such that the County/State Hospital System must adjust its fees as rapidly as possible. Both the Department of Health and the Department of Social Services and Housing recognize the problem and agree on the solution.

Your Committees have amended the resolution to request that fees be increased as close to cost as possible. Your Committees have also added a provision directing the Director of Health and the Director of Social Services to jointly submit a report to the Legislature during the Regular Session of 1976, comparing the fees charged by each County/State Hospital with reasonable charges as determined by Medicaid standards.

Your Committee on Public Assistance and Human Services and your Committee on Health concur with the intent and purpose of H.R. No. 641, as amended herein, and recommend its adoption in the form attached hereto as H.R. No. 641, H.D. 1.

Signed by all members of the Committee except Representatives Mizuguchi and Ajifu.

SCRep. 850      Labor and Public Employment and Health on H.R. No. 242

The purpose of this Resolution is to request that the Director of the Department of Labor and Industrial Relations report to the House of Representatives on the implementation of the Hawaii Prepaid Health Care Act before the end of the 1975 Regular Session. The Resolution further asks to include in his report any amendments that would extend prepaid health care to other classes of workers not now under Chapter 393, Hawaii Revised Statutes, the Hawaii Prepaid Health Care Act.

Your Committees learned at a hearing on H.R. No. 242 that due to the law taking effect on January of this year, the Director of the Department of Labor and Industrial Relations felt a report on the implementation of the Act would be premature at this time and a request was made to extend the date.

Your Committees are in agreement with the recommendation of the Director of the Department of Labor and Industrial Relations and has therefore amended H.R. No. 242 to extend the date for submission of a report on the implementation of the Hawaii Prepaid Health Act and any amendments thereto to twenty days prior to the convening of the 1976 Regular Session.

Your Committees on Labor and Public Employment and Health are in accord with the intent and purpose of H. R. No. 242, as amended herein, and recommend that it be referred to your Committee on Judiciary in the form attached hereto as H.R. No 242, H.D. 1.

Signed by all members of the Committee except Representative Amaral.

SCRep. 851      Water, Land Use, Development, and Hawaiian Homes on S.C.R.  
No. 83

The purpose of this concurrent resolution is to request state, county and federal agencies and private property owners to cooperate with The Friends of the William Ellis Trail in its efforts to make the trail in its entirety accessible to the public.

Your Committee finds that the William Ellis Trail is representative of the first major exploration and in-depth survey undertaken on the Island of Hawaii; that it links many important sites significant to the history of the entire state; that it is associ-

ated with cultural, historical and natural features which deserve greater recognition and protection; and that efforts of The Friends of the William Ellis Trail should be supported and encouraged by the state.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of S.C.R. NO. 83, S.D. 1 and recommends its referral to the Committee on Culture and the Arts.

Signed by all members of the Committee.

SCRep. 852      Water, Land Use, Development, and Hawaiian Homes on  
H.R. No. 708

The purpose of this resolution is to establish a park within Kaneohe Bay.

Kaneohe Bay is rich in natural resources and recreational assets. Many economic benefits stem directly from the natural and scenic beauty found in and around Kaneohe Bay.

Your Committee feels the entire Kaneohe Bay and its watershed should be considered as an entity. As an example, maintaining the Heeia Meadowlands/Heeia Marshlands as a natural flood plain basin will preserve the biological filtration process of runoff waters through its existing grasslands. If this filtration basin is not preserved in some manner, the effects of siltation, sedimentation, and pollution witnessed in other areas certainly will destroy the remaining viable portion of Kaneohe Bay.

As an entity, future development of any kind would be designed only to make the maximum contribution to its preservation and enhancement for the total enjoyment for all the people of Hawaii.

Your Committee endorses as a Bicentennial project the proposal to establish Kaneohe Bay and its shoreline as a park to ensure the maximum availability and utilization of this unique area of natural beauty.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.R. No. 708 and recommends that it be referred to the Committee on Environmental Protection.

Signed by all members of the Committee.

SCRep. 853      Agriculture and Water, Land Use, Development, and Hawaiian  
Homes on H.R. No. 695

The purpose of this Resolution is to request the Governor to authorize the Department of Land and Natural Resources with the cooperation and assistance of the Departments of Accounting and General Services, and Planning and Economic Development to conduct a study to provide ways and means to establish a Farmers Market at Fort Armstrong for the Hawaii Farm Bureau Federation so that sufficient space will be made available for use by agricultural producers on all islands in the State and to submit a report of its findings and actions to the Legislature no later than 20 days prior to the convening of the 1976 regular session.

The Hawaii Farm Bureau Federation strongly supports the Resolution because it provides an opportunity for neighbor island and Oahu farmers to utilize state lands and facilities for a centralized retail outlet for a portion of their production.

A major portion of the farmers' production will continue to flow to wholesalers whose major sales constitute imported commodities.

The HFBBF believes that the popularity and success of the people's open market sponsored by the City and County of Honolulu indicate a need for a centralized Farmer's Market in a primary market area where fresh, locally grown fruits and vegetables can be sold at reasonable retail prices in a suitable and convenient location such as the Food Distribution Center at Fort Armstrong. Although the Fort Armstrong site is the HFBBF's first choice, they are not adverse to other suitable state owned waterfront site. The Resolution has been amended to reflect this alternative.

The Department of Land and Natural Resources agrees with the concept of a Farmer's Market but feels that there would be a basic conflict between the Food Produce Center at Fort Armstrong, already partially operational, and the establishment of a Farmer's Market within the same area.

The requested study should include substantial inputs from the Hawaii Farm Bureau Federation.

The Department of Agriculture supports the intent and purpose of the Resolution.

Your Committees on Agriculture, and Water, Land Use, Development, and Hawaiian Homes concur with the intent and purpose of H.R. No. 695, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 695, H.D. 1.

Signed by all members of the Committee except Representative Amaral.

SCRep. 854      Water, Land Use, Development, and Hawaiian Homes on H.R. No. 724

The purpose of this Resolution is to request the Office of the Legislative Auditor to conduct a management audit on the implementation of the non-educational programs authorized by Act 4, Session Laws of Hawaii 1965.

Act 4, Session Laws of Hawaii 1965, was enacted to augment and ensure the ease of operation and implementation of the Hawaiian Homes Commission Act of 1920. However, your Committee has found that the intent and purposes of the Hawaiian Homes Commission Act are still implemented with difficulty. Also, the achievement of the purposes and goals of the Hawaiian Homes Commission Act as amended by Act 4, Session Laws of Hawaii 1965, has never been assessed. No evaluation of the relative value and utility of the laws has been made available for legislative consideration.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.R. No. 724 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 855      Water, Land Use, Development, and Hawaiian Homes on  
H.C.R. No. 135

The purpose of this Concurrent Resolution is to request the Office of the Legislative Auditor to conduct a management audit on the implementation of the non-educational programs authorized by Act 4, Session Laws of Hawaii 1965.

Act 4, Session Laws of Hawaii 1965, was enacted to augment and ensure the ease of operation and implementation of the Hawaiian Homes Commission Act of 1920. However, your Committee has found that the intent and purposes of the Hawaiian Homes Commission Act are still implemented with difficulty. Also, the achievement of the purposes and goals of the Hawaiian Homes Commission Act as amended by Act 4, Session Laws of Hawaii 1965, has never been assessed. No evaluation of the relative value and utility of the laws has been made available for legislative consideration.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.C.R. No. 135 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 856      Water, Land Use, Development, and Hawaiian Homes and  
Agriculture on H.C.R. No. 143

The purpose of this concurrent resolution is to request the Departments of Planning and Economic Development, Agriculture, and Land and Natural Resources, the City and County of Honolulu Department of Planning, and any other appropriate agencies, to review land use classification, the general plan of the City and County of Honolulu, and any other relevant land use plans, and studies which incorporate projected patterns of use and needs as related to Windward Oahu.

Also, that these efforts include but not be limited to possible recommendations

to the State Land Use Commission for re-designation of parcels of land in Windward Oahu which, based on its findings, could assist in preserving agricultural lands and traditional life styles as well as to prevent uncontrolled urban sprawl.

Windward Oahu has long been characterized by a unique rural life style and also represents one of Oahu's diversified agricultural strongholds incorporating prime agricultural lands.

After years of exhaustive review, debate, and litigation, TH-3 has been deemed necessary to provide an efficient and safe transportation corridor between downtown Honolulu and Windward Oahu.

The greatest impact of the completion of TH-3 will be felt by the communities of Kahaluu, Waiahole, Waikane, Hakipu and Kualoa. These communities will be thrown wide open to development. The McCandless proposal and the Mokolii Land Company proposal, coupled with the present growth rate, will add well over 50,000 people by 1990 to a population now of 12,000. Problems other than urban sprawl will also occur, such as the availability of water to the proposed number of housing units.

Your Committees feel that this kind of explosive growth and urban sprawl that many citizens fear will result, need not take place if careful planning and appropriate land classification and zoning are instituted.

Your Committees feel that this concurrent resolution can provide the type of growth that the people seem to desire if careful planning of its land use is carried out.

Your Committees recommend that in the last BE IT FURTHER RESOLVED clause, a certified copy be also sent to the Director of the Department of Transportation.

Your Committees on Water, Land Use, Development, and Hawaiian Homes, and Agriculture, concur with the intent and purpose of H.C.R. No. 143, as amended herein, and recommend that it be adopted in the form attached hereto as H.C.R. No. 143, H.D. 1.

Signed by all members of the Committees except Representative Oda.

SCRep. 857      Water, Land Use, Development, and Hawaiian Homes and  
Agriculture on H.R. No. 747

The purpose of this resolution is to request the Departments of Planning and Economic Development, Agriculture, and Land and Natural Resources, the City and County of Honolulu Department of Planning, and any other appropriate agencies to review land use classification, the general plan of the City and County of Honolulu, and any other relevant land use plans, and studies which incorporate projected patterns of use and needs as related to Windward Oahu.

Also, that these efforts include but not be limited to possible recommendations to the State Land Use Commission for re-designation of parcels of land in Windward Oahu which, based on its findings, could assist in preserving agricultural lands and traditional life styles as well as to prevent uncontrolled urban sprawl.

Windward Oahu has long been characterized by a unique rural life style and also represents one of Oahu's diversified agricultural strongholds incorporating prime agricultural lands.

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Your Committees feel that this kind of explosive growth and urban sprawl that many citizens fear will result, need not take place if careful planning and appropriate land classification and zoning are instituted.

Your Committees feel that this resolution can provide the type of growth that the people seem to desire if careful planning of its land use is carried out.

Your Committees recommend that in the last BE IT FURTHER RESOLVED clause, a certified copy be also sent to the Director of the Department of Transportation.

Your Committees on Water, Land Use, Development, and Hawaiian Homes, and Agriculture, concur with the intent and purpose of H.R. No. 747 as amended herein, and recommend it be adopted in the form attached hereto as H.R. No. 747, H.D. 1.

Signed by all members of the Committee except Representative Oda.

SCRep. 858      Agriculture and Water, Land Use, Development, and Hawaiian  
Homes on H.R. No. 680

The purpose of this Resolution is to request the Department of Land and Natural Resources with the cooperation and assistance of the Department of Agriculture, the Department of Planning and Economic Development, the College of Tropical Agriculture and other persons and organizations including appropriate representatives of the various county governments in the State to conduct an in-depth study of the feasibility of establishing a statewide system of agricultural preserves and to present a report of its findings and recommendations with appropriate cost data prior to the convening of the 1976 Regular Session of the Legislature.

Your Committees on Agriculture and Water, Land Use, Development, and Hawaiian Homes find that agricultural parks are too often seen as a substitute for agricultural preserves. While it is true that ag parks do afford protection from urban encroachment, the time and resources required to develop ag parks are major constraints which limit their usefulness in protecting ag lands; ag parks simply cannot protect more than a very limited amount of acreage. For this reason, it is necessary to explore other means of protecting our prime ag lands.

Michigan, New Jersey and Connecticut are three states which have recently come to realize that the taxation of ag lands on its use value is not sufficient to halt urban encroachment. All three states are currently considering the establishment of ag preserves. In each instance, the purchase of development rights or easements is an integral part of the plan. The value of the development rights or easements is considered to be the difference between market value and the value in agricultural use. Since both types of valuations are already on the tax books in Hawaii, it would be relatively easy to adapt an agricultural preserve/development rights system for our State.

The Departments of Land and Natural Resources, and Agriculture are in favor of the Resolution; the former, however, prefers a supportive rather than a lead role. The Department of Agriculture is willing to accept the lead role and the Resolution is amended accordingly.

The Hawaii Farm Bureau Federation strongly supports the Resolution as a matter of their continuing policy on the preservation of agricultural lands in the State.

Your Committees on Agriculture, and Water, Land Use, Development, and Hawaiian Homes concur with the intent and purpose of H.R. No. 680 as amended herein, and recommend its adoption in the form attached hereto as H.R. No 680, H.D. 1.

Signed by all members of the Committee except Representative Amaral.

SCRep. 859      Finance on H.R. No. 417

The purpose of this resolution is to request your Committee to undertake during the interim period between the 1975 and 1976 legislative sessions a study of capital improvement projects which have been authorized but not implemented for the purpose of determining which authorizations may be lapsed, to study the possible establishment of provisions for the control of the rate of bond authorizations and the reduction or lapsing of such authorizations under prescribed conditions.

Your Committee has amended this resolution to also include a study of the feasibility of establishing a long-term capital improvements budgeting and planning system.



An in-depth review of these matters by your Committee would be guided by the overall intent of safeguarding the State's legal debt margin and determining the need for comprehensive policies on capital budget planning.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 417, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 417, H.D. 1.

Signed by all members of the Committee.

SCRep. 860 Finance on H.R. No. 682

The purpose of this resolution is to request that the Director of the State Tax Department and the Insurance Commissioner formulate and publish clearly defined guidelines regarding conditions of employment which establish the employment status of individual insurance solicitors as employees or independent contractors.

Certain insurance solicitors are exempt from the general excise tax and the exemption from the excise tax depends on their employment status as employees or independent contractors as determined by the State Tax Department. The criteria used by the Tax Department to make this determination contain certain ambiguities which make it difficult for other insurance solicitors to qualify for exemption from the excise tax.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 682 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 861 Finance on H.R. No. 704

The purpose of this resolution is to request the State and the various counties to direct contracting agencies to withhold no more than a total of ten per cent of the invoice price of all materials for use on a public project which are delivered to the job site or a suitable storage facility.

The practice of withholding a percentage of the cost of materials varies for zero up to forty-six per cent, often is without good reason, particularly when contractors must furnish performance bonds or progress payments of portions thereof can be retained by the State or counties concerned. The materials furnished by contractors would place cash in the hands of contractors who could then be in better financial condition to obtain favorable prices on materials ordered because of the available funds. Reasonable payment practices would encourage other competent contractors to bid on government projects.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 704 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 862 Youth and Elderly Affairs and Judiciary on H.R. No. 179

The purpose of this resolution is to request the Speaker of the House of Representatives to appoint an interim committee to review and study the Juvenile Justice Master Plan.

After careful consideration of written and oral testimony presented by the State Law Enforcement and Juvenile Delinquency Planning Agency, the Hawaii Council of the National Council on Crime and Delinquency, the Juvenile Justice Master Plan Ad Hoc Committee, and many other agencies, your Committees find that the proposed Juvenile Justice Master Plan requires a great deal of refining in order to make its proposals sufficiently concrete for legislative consideration; and that this process needs to provide for greater community participation than was present in the formulation of the original plan.

Your Committees further find that the interim committee proposed by this resolution will, by making itself available to the State Law Enforcement and Juvenile Delinquency Planning Agency for discussion and by keeping itself informed of the plan's progress,

increase the efficiency of the refining process. Such liaison will also improve the basis of the legislative decision-making on the plan which is to occur next session.

An amendment has been made to include in the interim committee members of the House Committee on Judiciary.

In order to allow adequate time for this study to be made, your Committees have amended this resolution so as to require the report of findings and recommendations to be submitted no later than twenty days prior to the commencement of the Regular Session of 1976, instead of prior to the adjournment of the current session as was originally provided.

Your Committees on Youth and Elderly Affairs and Judiciary concur with the intent and purpose of H.R. No. 179, as amended herein, and recommend its adoption in the form attached hereto as H.R. No. 179, H.D. 1.

Signed by all members of the Committees except Representatives  
Kunimura and Carroll.

SCRep. 863      Culture and the Arts and Judiciary on S.C.R. No. 99

The purpose of this Concurrent Resolution is that the Legislature declare March 5 of every year as Immigration Memorial Day of the Filipino Federation of America.

The first large wave of Filipino immigrants arrived on Hawaii's shores in 1906, with successive waves in 1929 and 1945, bringing to Hawaii over 110,000 people. Since 1967, between 50 percent and 75 percent of the immigrants to Hawaii have been from the Philippines. Today, 12.4 percent of the residents of Hawaii are of Filipino ethnic background.

Your Committees on Culture and the Arts and Judiciary concurs with the intent and purpose of S.C.R. No. 99 and recommend its adoption.

Signed by all members of the Committee.

SCRep. 864      Housing on H.C.R. No. 137

The purpose of this concurrent resolution is to establish a joint Senate/House interim committee to conduct an in-depth review of the State's housing programs. This review shall also include, but not be limited to, an inquiry of the findings and recommendations contained in the Financial Audit of the Hawaii Housing Authority as submitted by the Legislative Auditor of the State of Hawaii. The joint interim committee shall also be charged with the responsibility of developing recommendations regarding elderly housing projects.

Your Committee feels that a review by a joint interim committee, comprised of members from both legislative chambers, is the most appropriate and expeditious means of accomplishing the intent and purpose of this concurrent resolution. The acute housing problems of this State has led your Committee to conclude that in order to attack these problems with any degree of success, maximum cooperation and coordination by the Housing Committees of the House of Representatives and the Senate are a matter of necessity.

The Financial Audit of the Hawaii Housing Authority, recently submitted to the Legislature by the Legislative Auditor, has brought the Committee on Housing to the opinion that assistance by a joint interim committee may be required so that the statutory functions of the Hawaii Housing Authority may be better achieved.

Your Committee is cognizant of the report submitted by the 1974 House Interim Committee on Elderly Housing Problems, to the House of Representatives, 1975 Legislature, and the findings and recommendations developed by this interim committee. Your Committee on Housing hopes to continue to expand and update the previously gathered information in order to develop and implement the kinds of legislative programs needed to successfully solve the problems the elderly encounter in seeking and maintaining adequate shelter.

Your Committee on Housing, upon consideration of this concurrent resolution, recommends the scope of investigation and research be broadened to consider elderly

housing projects on all islands since the needs and present services offered to the elderly vary from island to island.

Your Committee on Housing concurs with the intent and purpose of H.C.R. No. 137, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 137, H.D. 1.

Signed by all members of the Committee.

SCRep. 865      Education on S.C.R. No. 93

The purpose of this Resolution is to request the Department of Education to develop a unit of study on Voter and Citizen Responsibility within the high school social studies curriculum and to report back to the Legislature twenty days prior to the 1976 session on its implementation plans for the unit.

Your Committee received testimony from various people concerning this program of voter education. The Deputy City Clerk stated that "the problem of low voter participation among our young voters is one which concerns all the County Clerks, and they are in agreement with such a program as this resolution proposes." The Election Administrator of the Lieutenant Governor stated that "although statistics show that Hawaii has the best voter turnout in the nation, . . . about one out of every three individuals who were eligible to vote" in the 1974 General Election "failed to exercise this privilege." The Election Administrator further stated that "getting people on the registration lists does not automatically mean that they are going to show up at their polling places to cast their ballots. . . . We would like to see that all of our students are afforded the opportunity to take at least a unit of study in voter education within the required social studies curriculum before graduation from high school as preparation and encouragement to exercise their voting privileges."

The Hawaii State Teachers Association "agrees with the intent of the resolution and the fact that apathy among voters may be reduced through a unit of study on voter and citizen responsibility in the educational system." The Department of Education concurs with the intent of this resolution concerning voter education. The Department pointed out the financial necessities for the development of this program.

The Chairperson of Voter Service and Public Relations of the League of Women Voters endorsed this program and acquainted the Committee with a pilot project. "A pilot Voter Education Course for Hawaii's High School was taught at Kaiser High School last year. It was developed by a League member sponsored by the University of Hawaii, with the cooperation of the Department of Education. When the results of this experimental course were compared with a regularly taught social studies course offered students, it showed that there was a significant difference in student interest and attitude toward participating in the political process."

Your Committee on Education concurs with the intent and purpose of S.C.R. No. 93, S.D.1, and recommends its adoption.

Signed by all members of the Committee.

SCRep. 866      Education on H.R. No. 617

The purpose of this Resolution is to join with the people of the State of Hawaii in celebrating Public Schools Week and commending the teachers and administrators of all public schools for their tireless dedication to the education and training of the youth of our State.

Public Schools Week has been observed since 1920 and will be celebrated April 21 through 25, 1975. Public Schools Week affords every citizen the opportunity to remain informed about the public schools in his community. Public Schools Week is celebrated each year to renew and reaffirm the dedication of the people of Hawaii to the continuation and improvement of the free public school system.

Your Committee on Education concurs with the intent and purpose of H.R. No. 617 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 867      Agriculture on H.R. No. 679

The purpose of this Resolution is to request the College of Tropical Agriculture to increase its effectiveness of agricultural services by developing, internally, an agricultural service center and to submit a progress report to the Legislature anytime prior to twenty days of the convening of the 1976 Regular Session.

Your Committee on Agriculture finds that the College of Tropical Agriculture is in the process of developing a service program. This program is organized to focus the expertise of multiple disciplines on specific agricultural problems; briefly to coordinate much of the existing service work done by the College such as the soil, tissue and forage testing services, the plant disease clinic and the service work on insect pests. This approach will enable the following:

1. Provide the best and most comprehensive recommendations to producers facing production problems.
2. Provide a means of assuring the best and quickest response to agricultural producers having problems.
3. Provide a systematic means by which CTA personnel in various disciplines can make input on specific problems.
4. Compile information which will enable CTA personnel to establish cause and effect of agricultural problems.
5. Provide a systematic monitoring of problems to establish effectiveness of recommendations.
6. Compile data and information which will improve the ability to make specific recommendations for specific problems.
7. Identify problems which require research in order to assist extension personnel in making recommendations for producers' problems.

Your Committee suggests the following elements in the organizational structure to provide for a strong program:

1. A Management of Agricultural Services.
2. An Agricultural Services Advisory Committee.
3. A coordinator of each service.

The College of Tropical Agriculture wishes to add a field section to the program. It will be partially a trouble-shooting program to demonstrate control measures in the field, but more important will be the function of taking new information from research and demonstrating it in the field in cooperation with the Extension Service to provide that vital connecting link between research and extension. This will also enable the research-extension team to work out changes and refinements necessary to make the new program work in the field. The College believes that the field program will be an innovative addition, and will ensure that the primary benefits of the program go to the agricultural community.

Your Committee on Agriculture feels that the Service Center and its field demonstration component should be part of the Cooperative Extension Service Program, and not a new component of the College of Tropical Agriculture. The staff with CTA works directly with farmers, ranchers and agribusiness people, and consequently, this servicing aspect will strengthen the Cooperative Extension Service delivery system. This approach will tend to increase the effectiveness of the communication channel among departmental units in the College and between the College and the agricultural community.

Your Committee on Agriculture is in accord with the intent and purpose of H.R. No. 679 and recommends its adoption.

Signed by all members of the Committee except Representative Amaral.

SCRep. 868      Agriculture on H.R. No. 721

The purpose of this Resolution is to request the Dean of the College of Tropical Agriculture, University of Hawaii to evaluate current research conducted at all Branch Stations and to see to it that research to meet peculiar needs and interests of the agricultural community of the given county or areas in which they are located should also be given prominence.

The purpose of branch stations is to have field areas to obtain production information on crops and animals relating to different soil types and climatic conditions. Crops are compatible with soil type and climate; thus the crops investigated at the various stations throughout the State are the major crops grown in the area. Other crops are investigated to determine their range of adaptability and their nutritional requirements under different conditions.

The HAES agrees that the Branch Stations were established to provide research in support of agricultural development, and priority space or staff time on the Branch Stations is devoted to this goal. But, the Station tries not to neglect the needs of the local community. It is Station policy that all Branch Station Superintendents should try to serve the needs of the county by being aware of the task force priorities that apply in that county and the projects that are being put forward by departments to meet those priorities. Superintendents are required to seek "to have work on (priority) projects established at their stations to the fullest possible extent permitted by the labor and financial resources available."

A compilation of commodities studied by location and projects under-way at each location, and the shifts in emphasis over the past few years, substantiate the fact that research activities undertaken by the Branch Stations are increasingly consistent with the general and special needs of commodity groups in the primary service areas. Exceptions to this rule are found mainly on Oahu where the research stations must make some accommodation for the research needs of the instructional program.

Your Committee also finds that the Hawaii Agricultural Branch Research Stations, located in all counties, have conducted work planned and directed by department chairmen. This arrangement often results in research without full regard to interdepartmental or interdisciplinary approaches and, therefore, misses the real needs of the particular agricultural community.

Your Committee feels that a more comprehensive overview of research needs and progress can be made at a higher level. Needs determined in this way could better involve all departments necessary for solving a problem. For administrative purposes, your Committee feels that Branch Station personnel should be responsible to one individual and budgeting should be located with the research stations to cover the operations. Similar budgeting seems desirable in county extension offices to provide for demonstrations of new research information and for solving emergency problems in the county. Such local budgeting in extension offices and research stations would allow flexibility of use whenever problems develop or new research should be demonstrated.

Your Committee suggests that this approach be given careful consideration during the evaluation process, and further recommends that the Dean of the College of Tropical Agriculture report his evaluation, plans and actions to the Legislature not later than fifteen days prior to the convening of the 1976 Regular Session. The Resolution is amended to provide for this report.

Your Committee on Agriculture concurs with the intent and purpose of H.R. No. 721, as amended herein, and recommends that it be referred to your Committee on Higher Education in the form attached hereto as H.R. No. 721, H.D. 1.

Signed by all members of the Committee except Representative Amaral.

SCRep. 869      Energy and Transportation on H.R. No. 416

The purpose of this Resolution is to determine the suitability of canoe storage facilities.

Testimony presented before your Committee stresses a need to obtain adequate facilities to house canoes on or near the water. Presently, canoes are left on the beach unattended, an invitation for vandalism, theft and outright destruction. Because of the lack of storage facilities, insurance cannot be obtained to cover the losses.

Hawaiian canoes are not easily hauled to and from the sea on trailers. The canoes, made of either koa logs or fiberglass, are fragile due to their length. Their length alone is an invitation to damage. Koa canoes, which take years to complete, cost upwards of \$10,000.

Your Committee feels that storage facilities are urgently needed, to shield the canoes from vandals. Canoe racing is a unique and colorful heritage of Hawaii that is now a nationally recognized sporting event, and the future of Hawaiian canoe racing may be jeopardized due to the lack of storage facilities.

The Department of Land and Natural Resources is to manage this in-house study, to be presented to the Legislature twenty days prior to the convening of the Regular Session of 1976.

Your Committee on Energy and Transportation concurs with the intent and purpose of H.R. No. 416, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Clarke.

SCRep. 870      Energy and Transportation on H.R. No. 731

The purpose of this Resolution is to request the Speaker of the House of Representatives to appoint an interim committee to review various proposed modes of mass transit.

Your Committee has heard considerable testimony throughout this session regarding the need for mass transit, various proposed modes, and costs and effectiveness of these modes.

The testimony and a review of the studies and other materials relating to mass transit systems indicate the complexity of this issue. More importantly, the financial, social, and economic impact of mass transit is such that it is essential that this issue receive the thorough review it deserves.

However, your Committee has not had sufficient information, nor the time and opportunity to conduct the necessary evaluation of the proposed forms of mass transit and to focus on the economic, social, and political implications such as financing, impact on employment, energy, land use, life style, and the jurisdiction and management of such a system.

Your Committee believes that this Resolution would provide the needed time to help round out a sensible legislative transportation package for adoption by the Legislature during the 1976 Regular Session.

Therefore, your Committee believes that it would be appropriate and prudent to review the various proposed modes of mass transit during the interim between legislative sessions.

Your Committee on Energy and Transportation is in accord with the intent and purpose of H.R. No. 731, and recommends its adoption.

Signed by all members of the Committee except Representative Clarke.

SCRep. 871      Energy and Transportation on H.R. No. 329 (Majority)

The purpose of this Resolution is to request the Legislative Reference Bureau to study the feasibility of establishing a state level Department of Motor Vehicles in Hawaii whose responsibilities would include but not necessarily be limited to the regulation of motor vehicles and motor vehicle operators in the State.

Favorable testimony has been presented on this Resolution from representatives of the Department of Transportation, Honolulu Police Department and the Auto Club of Hawaii.

Your Committee finds that the State has no single agency concerned with the administration of motor vehicle laws and regulations. Your Committee finds that the administration of these laws and regulations are fragmented among a myriad of State and County agencies. This situation is such that it is virtually impossible for a private citizen to determine where to seek information concerning any particular aspect of various

motor vehicle laws and regulations. Your Committee finds that this division of administrative responsibilities foster non-standard procedures and uncoordinated efforts.

Your Committee finds that a study is needed to determine the wisdom of placing all functions regarding motor vehicles under one jurisdiction rather than the present system of dispersing administrative responsibility.

Your Committee on Energy and Transportation is in accord with the intent and purpose of H.R. No. 329, and recommends its adoption.

Signed by all members of the Committee except Representative Clarke.

Representative Carroll did not concur.

SCRep. 872      Public Assistance and Human Services and Health on  
H.R. No. 364

The purpose of this resolution is to request a review of the program to move patients out of institutions operated by the Department of Health.

The Departments of Health and Social Services and Housing support the resolution. Both Departments agree that further efforts must be made to deinstitutionalize patients even when such patients are not eligible for Medicaid or SSI.

Your Committees have made minor changes in the wording of the resolution which do not affect its substance. The Department of Health is assigned responsibility in place of the House Committee on Health to review the progress made in deinstitutionalizing patients.

Your Committee on Public Assistance and Human Services and your Committee on Health concur with the intent and purpose of H.R. No. 364, as amended herein, and recommend its adoption in the form attached hereto as H.R. No. 364, H.D. 1.

Signed by all members of the Committee except Representative Mizuguchi.

SCRep. 873      Public Assistance and Human Services on H.R. No. 367

The purpose of this resolution is to direct the Department of Social Services and Housing to publicize and implement the food stamp program in a manner which would ensure the enrollment and participation of all residents of the State eligible for food stamp benefits.

The Department of Social Services and Housing supports this resolution. Your Committee desires that the Department develop a reliable measure of how many welfare recipients and how many other poor families in Hawaii are not utilizing food stamp benefits for which they are eligible. Your Committee also desires that the Department monitor the success of any program established to extend food stamp benefits to eligible persons.

Your Committee has made minor changes in the wording of the resolution which do not affect its substance.

Your Committee on Public Assistance and Human Services concurs with the intent and purpose of H.R. No. 367, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 367, H.D. 1.

Signed by all members of the Committee except Representative Mizuguchi.

SCRep. 874      Public Assistance and Human Services on H.R. No. 134

The purpose of this resolution is to request the House Committee on Public Assistance and Human Services to study the income maintenance policies of the State, review alternative programs and systems, and recommend a fiscally sound income maintenance plan which would enable the poor to rise above the poverty level and leave the welfare system.

Your Committee has amended the purpose of this resolution to provide that the House Committee on Labor and Public Employment also participate in making the study of the State's income maintenance policies.

The current income maintenance policies of the State need improvement. Some recipients of public assistance are "better off" than some members of the working public. There is reason to believe that current public assistance and unemployment compensation programs penalize people who choose to work. The Department of Labor and Industrial Relations and the Department of Social Services and Housing recognize these problems and are willing to assist in any study of the State's income maintenance policies.

Your Committee has amended the resolution to provide that the House Committee on Labor and Public Employment shall participate in the study. Your Committee on Public Assistance and Human Services and your Committee on Labor and Public Employment feel that wages and "fringe benefits" provided to workers should be examined along with public assistance payments by both Committees jointly. Other changes in the resolution's wording do not affect its substance.

Your Committee on Public Assistance and Human Services concurs with the intent and purpose of H.R. No. 134, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 134, H.D. 1.

Signed by all members of the Committee except Representative Mizuguchi.

SCRep. 875      Environmental Protection on H.R. No. 572

The purpose of this resolution is to direct the Office of Environmental Quality Control, with the aid of a task force, to prepare a recommended organizational structure to reflect resource recovery from solid wastes in the State of Hawaii. The task force will consist of representatives of various State agencies, a representative from the City and County of Honolulu and one neighbor island county, plus certain private groups.

Your Committee finds that there is a state-wide need for more clearly defined responsibilities among the public and private sector. The OEQC has undertaken a feasibility study of major recycling potentials in Hawaii. Successful recycling practices need to be associated with a governmental structure which will provide needed flexibility to take advantage of changing market conditions and new technology. H.R. No. 572 will allow the accomplishment of this task.

Your Committee on Environmental Protection concurs with the intent and purpose of H.R. No. 572 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 876      Labor and Public Employment and Public Assistance and Human Services on H.R. No. 235

The purpose of this House Resolution is to request that Hawaii's congressional delegation urge the United States Immigration and Naturalization Service to determine the exact number of illegal aliens in Hawaii and to study the problems caused by such aliens.

Further, it is requested that the Honolulu Director of the United States Immigration and Naturalization Service commence a similar study immediately.

The United States Immigration and Naturalization Service reports that the number of illegal aliens in this country to be rapidly rising with over four million already residing in this country, and an estimated seven hundred in Hawaii. They are reported to be receiving welfare and medical benefits and are holding down jobs which would otherwise go to citizens who are unemployed.

Your Committees on Labor and Public Employment and Public Assistance and Human Services concur with the intent and purpose of H.R. No. 235, and recommend its adoption.

Signed by all members of the Committee except Representatives Naito and Sakima.



## SCRep. 877 Labor and Public Employment on S.C.R. No. 78

The purpose of this resolution is to have this Legislature request Federal agencies, in particular the Hawaii Regional Exchange (HRE), the Hawaii arm of the Army and Air Force Exchange Service (AAFES), which have been or may be importing alien labor to perform work in the State of Hawaii not to enter into any agreement to import alien labor. It also requests Hawaii's Congressional Delegation to assist in achieving this purpose.

Unemployment is a major problem in the State of Hawaii. Every effort is being made to create jobs for residents in Hawaii. Effective July 1, 1973, the Hawaii Regional Exchange (HRE), the Hawaii Arm of the Army and Air Force Exchange Services (AAFES) contracted its auto repair work to a Korean Company, Keico, Inc., which imported labor from Korea to carry out the contract in the State of Hawaii. As a result, twenty-six employees of Hawaii lost their jobs.

At the public hearing before your Committee, those testifying were in support of S.C.R. No. 78.

Your Committee on Labor and Public Employment concurs with the intent and purpose of S.C.R. No. 78, and recommends its adoption.

Signed by all members of the Committee.

## SCRep. 878 Labor and Public Employment on H.R. No. 196

The purpose of this Resolution is to request Congress to investigate the inequities within the Social Security Act and to make the necessary revisions.

Your Committee finds that regardless of the amount the wife contributes to the social security system, the husband only receives a flat rate of \$255.00, unless he can prove that his wife provided more than half of his support one year prior to her death. Contrary to this, if the husband dies, the wife receives nearly three-fourths of her husband's monthly income.

This discrimination against men is even more acute in view of the Supreme Court decision of March 19, 1975, which ruled that the government could not discriminate between widowers and widows with children to care for, when paying Social Security benefits.

Your Committee on Labor and Public Employment concurs with the intent and purpose of H.R. No. 196, and recommends its adoption.

Signed by all members of the Committee.

## SCRep. 879 Labor and Public Employment on H.R. No. 139

The purpose of this resolution is to request the House Committee on Labor and Public Employment to review:

1. The implementation of the Hawaii Occupational Safety and Health law;
2. The effectiveness of state and county coordination in enforcing the law;
3. The adequacy of staffing; and
4. Other resources required to carry out occupational safety programs.

Your Committee finds there are problems related to the implementation of the law, there is an apparent lack of coordination between and among state and county agencies responsible for said implementation, and a review as proposed in the resolution is necessary.

The resolution as introduced requested the review to be conducted during the 1975 session. Your Committee, however, is of the opinion that a study of this magnitude would be difficult to complete during the short time remaining in the present session. It has therefore amended the resolution to request that the review be conducted during the interim between this session and the Regular Session of 1976. It has also expanded

the scope of the study to include a review of the rules and regulations promulgated under the law.

Your Committee on Labor and Public Employment concurs with the intent and purpose of H.R. No. 139, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 139, H.D. 1.

Signed by all members of the Committee.

SCRep. 880      Labor and Public Employment on H.R. No. 8

The purpose of this resolution is to request the Executive branch of the State government to examine its management practice and procedures in the interest of efficiency and economy.

The Department of Budget and Finance is in agreement with the purpose of this resolution and has taken several steps to promote increased effectiveness, efficiency and economy in the management of the State's programs.

The Management Improvement Program of the Department of Budget and Finance provides staff assistance to the various departments of the Executive branch, appraising and evaluating their operations and recommending the application of sound management practices. In addition, each department is encouraged to utilize its own analytical staff in appraising and evaluating the operation of its programs.

Recently, an Institute for Management and Analysis in government was established in the Department of Budget and Finance which, it is felt, will be a significant step in the direction of improved governmental operations.

Your Committee on Labor and Public Employment concurs with the intent and purpose of H.R. No. 8 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 881      Labor and Public Employment on H.R. No. 290

The purpose of this Resolution is to urge the United States Congress to amend the Comprehensive Employment and Training Act of 1973 to include Hawaiians as a special target group by name to receive the benefits mandated by the Act.

Your Committee finds that unemployment has consistently struck our citizens of Hawaiian descent with greater severity than the population as a whole and that they are deserving, as native Americans, of the benefits of the greater efforts and resources which are mandated to be expended by the Secretary of Labor for the resolution of these employment problems under the Comprehensive Employment and Training Act. Other native American groups who have demonstrated significant employment problems, such as native American and Alaskan Indians, have been specifically targeted for assistance under the Act, and our own citizens of Hawaiian descent are equally deserving of this aid, and, therefore should be specifically designated by name in the Act.

Your Committee on Labor and Public Employment concurs with the intent and purpose of House Resolution No. 290 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 882      Consumer Protection and Commerce on H.R. No. 681

The purpose of this resolution is to have the Attorney General examine the higher prices charged by gasoline distributors for gasoline delivered to rural and outlying areas of Oahu with regard to the reasonableness, appropriateness, and legality of such higher prices.

It is the practice of wholesale gasoline distributors to charge higher prices for gasoline delivered to the rural and outlying areas of Oahu. There are different price differentials depending on the zone to which gasoline is delivered. The zones are established by the various gasoline distributors and radiate outward from the central distribution point.

The gasoline distributors maintain that such price differentials are justified to recover additional costs of delivery to areas which are distant from the central distribution point. However, the effect of the price differential is to raise gasoline prices for consumers in the outlying areas.

Your Committee is not convinced that the price differential is appropriate or reasonable as no evidence has been presented that the costs of transportation are not included in the wholesale price of gasoline without the added charges for delivery to outlying areas. Therefore, an examination by the Attorney General is appropriate in order to determine the reasonableness, appropriateness and legality of the price differential.

Your Committee has amended the resolution to reflect the fact that higher prices are charged not only to areas west of Pearl City but to other rural and outlying areas.

Your Committee on Consumer Protection and Commerce concurs with the intent and purpose of H.R. No. 681, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 681, H.D. 1.

Signed by all members of the Committee.

SCRep. 883      Consumer Protection and Commerce on H.R. No. 752

The purpose of this resolution is to request the Legislative Auditor to conduct a study of the field of social work for the purpose of determining the need for regulation of social workers and the most desirable form of regulation, if needed.

Your Committee finds that the activities of social workers directly affect the health and welfare of the public and that regulation of social workers may be needed to protect the public from unprofessional, improper, unauthorized or unqualified practice of social work.

The resolution has been amended to clarify your Committee's intention that the field of family and marriage counseling be included within the scope of the term social work.

Your Committee on Consumer Protection and Commerce concurs with the intent and purpose of H.R. No. 752, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 752, H.D. 1.

Signed by all members of the Committee.

SCRep. 884      Consumer Protection and Commerce on H.R. No. 753

The purpose of this resolution is to request the Legislative Auditor to conduct a study of the financing system in Hawaii for the purpose of making recommendations for improving the functioning of the system.

Your Committee finds that the financing system plays an important role in the economic health of the country and the State, and that the purpose of regulating the financing system is to insure that financial institutions be both competitive and sound.

Your Committee further finds that the present laws regulating financial institutions were enacted some years ago and may need changes to meet the needs of present economic conditions.

Your Committee on Consumer Protection and Commerce concurs with the intent and purpose of H.R. No. 753 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 885      Education on H.R. No. 729

The purpose of this Resolution is to request that the Department of Education plan and construct a new and modern library in the Waipahu area.

The present Waipahu Library is inadequate in meeting the educational, economical, professional, cultural and social needs of the community. The present library is

noisy and not conducive to a study environment due to a lack of sound proofing in addition to not being easily accessible to the general public.

It is the belief of your Committee that a modern and well-equipped library would be educationally beneficial to all residents and students of the Waipahu area.

Your Committee offers a technical amendment due to a misspelling in the Resolution.

Your Committee on Education concurs with the intent and purpose of H.R. No. 729, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 729, H.D.1.

Signed by all members of the Committee except Representative Oda.

SCRep. 886      Consumer Protection and Commerce on H.C.R. No. 139

The purpose of this concurrent resolution is to request a study of the "time sharing" concept of condominium ownership.

During the Seventh and Eighth Legislatures, bills have been introduced to give legal recognition to the "time sharing" concept of condominium ownership. Under this type of ownership, a number of persons may own a single condominium unit during different periods of time. For example, one owner may have ownership of a unit for six months of a year and another owner may own the unit during the remaining six months.

Members of the Legislature and the public have expressed concern as to the economic impact of "time sharing" on the hotel industry, the construction industry, on State taxes, and State administrative costs. Meanwhile, in the absence of any laws on the subject, various methods of "time sharing" or "vacation ownership" plans based on the concept of time period use of apartments have been conceived and marketed without regulation to protect consumers.

Your Committee finds that a study is needed to determine the impact of "time sharing" and the need for regulation of "time sharing" ownership of condominiums.

Your Committee has amended the concurrent resolution to delete the Legislative Reference Bureau as one of the agencies making the study. As amended, the resolution requests that the Real Estate Commission conduct the study.

Your Committee on Consumer Protection and Commerce concurs with the intent and purpose of H.C.R. No. 139, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 139, H.D. 1.

Signed by all members of the Committee.

SCRep. 887      Consumer Protection and Commerce on H.R. No. 734

The purpose of this resolution is to request a study of the "time sharing" concept of condominium ownership.

During the Seventh and Eighth Legislatures, bills have been introduced to give legal recognition to the "time sharing" concept of condominium ownership. Under this type of ownership, a number of persons may own a single condominium unit during different periods of time. For example, one owner may have ownership of a unit for six months of a year and another owner may own the unit during the remaining six months.

Members of the Legislature and the public have expressed concern as to the economic impact of "time sharing" on the hotel industry, the construction industry, on State taxes, and State administrative costs. Meanwhile, in the absence of any laws on the subject, various methods of "time sharing" or "vacation ownership" plans based on the concept of time period use of apartments have been conceived and marketed without regulation to protect consumers.

Your Committee finds that a study is needed to determine the impact of "time sharing" and the need for regulation of "time sharing" ownership of condominiums.

Your Committee has amended the resolution to delete the Legislative Reference Bureau as one of the agencies making the study. As amended, the resolution requests that the Real Estate Commission conduct the study.

Your Committee on Consumer Protection and Commerce concurs with the intent and purpose of H.R. No. 734, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 734, H.D. 1.

Signed by all members of the Committee.

SCRep. 888 Education on H.R. No. 705

The purpose of this Resolution is to direct that the master-plan for McKinley High School should reflect the beauty, history, and tradition of McKinley High School by preserving and enhancing, wherever possible, the broad lawns and historic facades.

McKinley High School is presently being masterplanned to up-date its facilities to meet future needs. McKinley has long reflected the history and tradition of Hawaii and should be enhanced to continue in this fashion.

Your Committee on Education concurs with the intent and purpose of H.R. No. 705 and recommends its adoption.

Signed by all members of the Committee except Representative Oda.

SCRep. 889 Culture and the Arts on H.R. No. 760

The purpose of this Resolution is to request the Hawaii Chapter of the National Railway Historical Society, Incorporated, to extend the tracks of the restored Waialua Agricultural Company Railroad to Kaena Point.

Your Committee on Culture and the Arts concurs with the intent and purpose of H.R. No. 760 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll and Evans.

SCRep. 890 Higher Education on H.R. No. 761

The purpose of this resolution, as amended, is to request the University of Hawaii to seek to maintain the necessary level of funding for student help positions and to maintain the 20-hour work week for such students. The intent of this resolution is for the University to continue to provide economic support to those students with financial need and to provide an inexpensive and competent source of help to full-time staff.

Your Committee has received testimony from the Chancellor of the University, the ASUH, and several facilities management student help workers, and finds as follows:

- (1) Due to the shortage of funds, the working hours of facilities management student help have been reduced from 20 hours per week to 12 hours. In addition, student help will be released on April 30, 1975.
- (2) The shortage of student help funds has been caused by two factors both of which were unforeseen at the beginning of the fiscal year:
  - (a) an increased minimum wage for student help went into effect in January 1975
  - (b) unlike previous years, salary turnover savings from regular positions could not be used to augment any shortages in student help funds.
- (3) Several avenues for securing necessary funds to continue the employment of student help at past standards have yet to be fully investigated by the administration.

Your Committee has already expressed, through its budget recommendations, its support for expanded student help opportunities at the University. In keeping with its intent to aid deserving students and secure inexpensive work services for the University, your Committee has directed the University administration, through this resolution, to actively seek funds from all reasonable sources to maintain the necessary level of funding for student help. Your Committee has amended the title and body of this resolution to more precisely reflect this request. The intent of the resolution is unchanged by the amendments.

Also, your Committee would like to stress that it views the current problem between the University and its facilities management student help as only an instance of a larger, more pressing problem: the University has no explicit policy delineating the rights and responsibilities of its student help. Therefore, your Committee has amended the resolution by requesting that the University immediately develop policies and procedures regarding the rights and responsibilities of its student help.

Your Committee on Higher Education concurs with the intent and purpose of H.R. No. 761, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 761, H.D. 1.

Signed by all members of the Committee except Representatives  
Abercrombie, Ho, Yuen, Ikeda and Larsen.

SCRep. 891      Health on H.R. No. 663

The purpose of this resolution is to encourage all correctional institutions under State jurisdiction to study the feasibility of utilizing Transcendental Meditation and the Science of Creative Intelligence in rehabilitation programs.

Your Committee finds that Transcendental Meditation is a unique and simple technique of gaining rest and relaxation which one can easily learn and benefit from regardless of personal religion or philosophy. Transcendental Meditation has been utilized in Federal and state correctional institutions in eight states, as well as in Canada, England and Germany. Studies indicate that through Transcendental Meditation, a viable preventive and curative alternative to substance and other dependencies including cigarette smoking, alcohol and drugs can be attained. Results also show that by practicing Transcendental Meditation, individuals become more stable and alert, more coordinated and productive, more adaptable and self-confident, more creative and most important, attain a positive outlook. Pilot Project have also shown significant reduction in areas such as institutional anxiety levels, custodial problem behavior and drug abuse.

Your Committee also finds that to date over 400,000 Americans in virtually every walk of life have received personal instruction in this technique, which is relatively simple and where individuals with physical and mental handicaps have benefitted from Transcendental Meditation.

Your Committee on Health has amended the resolution to cover only state correctional facilities and also requests that the Department of Social Services and Housing report on the status of implementation of Transcendental Meditation to the Regular Session of 1976.

Your Committee on Health concurs with the intent and purpose of H.R. No. 663, as amended herein, and recommends that it be referred to the Committee on Judiciary, in the form attached hereto as H.R. No. 663, H.D. 1.

Signed by all members of the Committee.

SCRep. 892      Health on H.R. No. 126

The purpose of this resolution is to have an interim committee conduct a study and review of state needs in mental retardation, an examination of the Waimano Training School and Hospital, and an assessment of state needs of a comprehensive plan of mental retardation.

Your Committee finds that the Waimano Training School and Hospital has deteriorated in recent years, resulting in severe limitation of the rehabilitation programs and danger to patients of the facility. Measures to counteract the deterioration, expand

programs of treatment, improve institutional facilities for persons requiring institutionalization, and a move towards a more progressive and aggressive handling of mental retardation and its accompanying problems need to be formulated.

The Department of Health has moved ahead to remedy some of the deficiencies at Waimano, which was made possible by the release of funds for improvement to facilities as well as increases in staff. Also, the Department of Health is developing a statewide plan for health services for the developmentally disabled.

Your Committee has amended the resolution to have the Department of Health report on the programs, operations of Waimano Training School and Hospital, and the status of any changes and improvements to the Waimano Training School and Hospital implemented or by then in progress, twenty days prior to the convening of the Regular Session of 1976.

Your Committee on Health concurs with the intent and purpose of H.R. No 126, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 126, H.D. 1.

Signed by all members of the Committee.

SCRep. 893      Public Assistance and Human Services and Health on  
H.R. No. 515

The purpose of this resolution is to direct the various departments and agencies of the State of Hawaii to assist and support The Habilitat wherever and whenever possible and in particular to assist The Habilitat to acquire suitable physical facilities to house its residents.

Your Committees have narrowed the purpose of the resolution to requesting that the departments and agencies of the State of Hawaii assist The Habilitat to acquire suitable physical facilities.

Your Committees feel that The Habilitat serves a number of useful functions and should be assisted in acquiring new facilities.

Your Committee on Public Assistance and Human Services and your Committee on Health concur with the intent and purpose of H.R. No. 515 as amended herein, and recommend its adoption in the form attached hereto as H.R. No. 515, H.D. 1.

Signed by all members of the Committees.

SCRep. 894      Energy and Transportation on H.R. No. 741

The purpose of this resolution is to request the House Committee on Energy and Transportation to study the Legislative Auditor's report on the Harbors Division, Department of Transportation.

Your Committee has heard testimony throughout this session pertaining to the need to improve the Recreational Boating Program in the State. Your Committee has reached the conclusion that legislative action is required to improve the Recreational Boating program.

Some of the problems regarding the recreational boating program have surfaced previously and are presently being audited by the Legislative Auditor in accordance with H.R. No. 415, H.D. 1, Seventh Legislature, Regular Session of 1974, requesting the Legislative Auditor to conduct such an audit. The Legislative Auditor is expected to complete the report during the interim. Your Committee believes that the interim provides an opportune time for the legislature to study the Legislative Auditor's report.

Your Committee supports the intent and purpose of this resolution and believes it necessary that an interim committee be formed to study and review the problems of the State's Recreational Boating Program.

After further consideration, your Committee has amended this resolution to specifically state that the Speaker of the House of Representatives appoint an interim committee composed of members of the House Committee on Energy and Transportation to receive and study the Legislative Auditor's report on the Recreational Boating Program of

the Harbors Division, Department of Transportation.

Your Committee on Energy and Transportation is in accord with the intent and purpose of H.R. No. 741, as amended in the form attached hereto as H.R. No. 741, H.D. 1, and recommends its adoption.

Signed by all members of the Committee.

SCRep. 895      Energy and Transportation on H.R. No. 756

The purpose of this resolution is to provide for a uniform beautification plan for difficult-to-maintain utility strips in certain residential areas.

Under existing conditions, residents whose property is on steep grades contained by high retaining walls, must actually drive from the front of the house to the utility strip area in the rear, in order to maintain it. An example of this difficult maintenance problem may be found along a portion of Komo Mai Drive, west of Waimano Home Road in Pearl City. It is the feeling of your Committee that under these circumstances, the City and County of Honolulu, in support of the plight of the homeowner, should offer assistance by allowing the homeowner to create tree wells and cement the utility strip area along designated residential streets, thus improving the safety of pedestrians, the health of the residents and satisfying the neighborhood beautification requirements by providing a uniform appearance.

Your Committee on Energy and Transportation is in accord with the intent and purpose of H.R. No. 756 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 896      Education and Higher Education on S.C.R. No. 36

The purpose of this concurrent resolution is to request that the Department of Education and the University of Hawaii College of Education develop and install pre-service curriculum courses that would aid the regular school teacher in identifying and working with special education students in the classroom, and that the Department of Education and the University of Hawaii provide in-service training and to request of both institutions that they report on their program and its installation to the Eighth Legislature, Regular Session of 1976.

Your Committees find that there is a need to provide regular school teachers with the necessary background that will aid them in identifying and assisting slow learner students and students with adjustment problems in the classroom. Because regular school teachers are the individuals most familiar with the needs of their students, the responsibility of differentiating these students from the trainable and educable mentally retarded rests with them. Your Committees believe that the proposed pre-service courses and in-service training program will provide teachers with the necessary background.

Your Committees on Education and Higher Education jointly concur with the intent and purpose of S.C.R. No. 36, S.D. 1, and recommend its adoption.

Signed by all members of the Committees.

SCRep. 897      Higher Education on H.R. No. 440

The purpose of this resolution is to request the Board of Regents of the University of Hawaii to review and evaluate the operation and organization of the University Bookstore system with a view towards enabling the branch stores to be more responsive to the needs of the respective campuses and determining whether branch stores should be expanded.

Your Committee has heard testimony from the Vice Chancellor for Administration of the University of Hawaii and the Director of the University of Hawaii Bookstore and finds that efforts are being made by the central bookstore to maximize the responsiveness of each branch store to the needs and desires of its campus, while maintaining efficient and economical operations. The University of Hawaii Bookstores are centralized to capitalize on the benefits of a large retail operation, including bulk purchasing



discounts, savings in duplicate accounting personnel, centralized employee and management training, advancement of funds, and planning expertise during expansion. Currently, the central management has guidelines for branch store operations. Each branch store manager has the authority to adjust these guidelines to the needs of his particular store.

Your Committee believes that the University of Hawaii Bookstore should expand its efforts to provide a greater variety of merchandise at the branch stores to meet the needs of each campus community. Non-required books and periodicals should be highly considered in this merchandise selection to supplement course materials and the varied interests of the students.

Your Committee has amended the resolution by eliminating the concept of self governance for each branch store. Your Committee believes that centralization of University bookstore operations is necessary for both efficiency and economy and the meeting of needs of each campus. The intent and purpose of the resolution remain unchanged by the amendment.

Your Committee on Higher Education concurs with the intent and purpose of H.R. No. 440, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 440, H.D. 1.

Signed by all members of the Committee.

SCRep. 898 Higher Education on H.R. No. 557

The purpose of this resolution is to request the governor to designate a task force composed of representatives of the University of Hawaii, Department of Defense, Leahi Hospital, and Ruger Theater to plan for coordinated utilization of facilities and services by these agencies in the Fort Ruger area.

The intent of this resolution is to insure proper consideration and planning in regards to the impact of the establishment of the East Honolulu Community College on facilities, organizations, and the community in the Ruger area.

Your Committee has held a public hearing on this resolution, received testimony from the President of the University of Hawaii, the Provost of Kapiolani Community College, and the Adjutant General of the State, and finds as follows:

- 1) through its budget recommendations and its committee report, the Higher Education Committee has supported the transfer of Kapiolani Community College from the Pensacola site to the Ruger site
- 2) careful consideration and planning are necessary in regards to the impact of such a transfer on facilities, organizations, and the community in the Ruger area
- 3) a system planning approach -- with input from all affected parties -- will consider the pertinent problems, concerns, and issues, and provide a means for maximizing benefits for the agencies involved and the public they serve, as well as reducing overall cost factors
- 4) the parties testifying have indicated their commitment to a systems planning approach and to a task force as an implementing agent of this approach.

Therefore, your Committee fully supports the establishment of a task force to plan for the coordinated utilization of facilities and services in the Ruger area. In the interest of involving all affected parties, your Committee has amended the resolution to include the Department of Land and Natural Resources as a party to be represented on the task force.

Your Committee on Higher Education concurs with the intent and purpose of H.R. No. 557, as amended herein, and recommends that it be adopted in the form attached hereto as H.R. No. 557, H.D. 1.

Signed by all members of the Committee.

SCRep. 899 Higher Education on H.R. No. 82

The purpose of this resolution, as amended, is to request the President of the University of Hawaii to appoint a person who is qualified to speak on the issues and needs of community colleges, to the position of Chancellor of Community Colleges.

The reorganization plan for the community colleges, recently approved by the Board of Regents, was the result of many months of review and consultation with faculty and staff groups. The Board of Regents has expressed its belief that this plan will be effective and the lines of responsibilities will be clear and functional. The plan provides for a Chancellor of Community Colleges who will be responsible for the operations of the community colleges and who reports directly to the President of the University.

Your Committee has amended this resolution, in response to the recent reorganization plan, by replacing the position of Vice President of Community Colleges with the position of Chancellor of Community Colleges. Your Committee has made other amendments to reflect its concerns about the appointment of a person to the position of Chancellor.

Your Committee on Higher Education concurs with the intent and purpose of H.R. No. 82, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 82, H.D. 1.

Signed by all members of the Committee.

SCRep. 900 Higher Education on H.R. No. 273

The purpose of this resolution is to name the newly completed art building on the Manoa campus after Mark Kamemori Miyashiro.

Your Committee finds that, over the years, Mark Kamemori Miyashiro, the former owner of Kuhio Grill, has given valuable aid and encouragement to promising young art students of Hawaii. His sensitivity to human beings and his insight into Hawaii's culture and arts led him to support many of these students who later gained distinction in national art circles. Your Committee believes that naming the art building after a community person such as Mark Kamemori Miyashiro will symbolize both the link between the University of Hawaii and the community and the University's concern for community activities and arts in Hawaii. Your Committee finds that the art building is presently designated just "Art" and therefore recommends that the building as a whole, and not just the gallery as suggested by the University, be named after Mr. Miyashiro.

Also, your Committee believes that to insure fair and thorough procedures for the future naming of buildings the University should establish an ad hoc committee composed of appropriate parties in the community and the University to name each of the University's new buildings.

Your Committee on Higher Education concurs with the intent and purpose of H.R. No. 273 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 901 Higher Education on H.R. No. 744

The purpose of this resolution is to request

- (1) the Community College System of the University of Hawaii to reserve spaces in the vocational education programs not offered on the neighbor islands for neighbor island students and
- (2) the Board of Regents of the University of Hawaii in conjunction with the Community College System to explore and recommend in a report to the Legislature various methods of equalizing vocational/technical educational opportunities for neighbor island students.

According to testimony presented by the Director of Community College Services of the University of Hawaii, there are currently several opportunities available to

neighbor island students to enroll in Oahu community college programs. Neighbor island applicants can apply to Oahu colleges through the Coordinated Admissions Program, competing on an equal basis with Oahu applicants. A tentative agreement has also been made to reserve spaces for neighbor island students in level one classes of vocational programs unique to Oahu Community Colleges. As an example, spaces have been reserved until May 1st of each year in vocational education programs at the following schools:

<u>College</u>	<u>Spaces</u>
Honolulu Community College	111
Kapiolani Community College	75
Leeward Community College	38

A detailed breakdown of the programs offered at each school is as follows:

	<u>Spaces</u>
<u>Honolulu Community College</u>	
Applied Arts	12
Aviation Maintenance Technician	10
Commercial Baking	5
Cosmetology	9
Electronics Technology	10
Engineering Technology	6
Heavy Equipment Maintenance and Repair	5
Human Resources Development	5
Industrial Education	6
Paraprofessional in Human Services	30
Refrigeration/Air Conditioning Tech.	7
Sheet Metal and Plastics Technology	6
<u>Kapiolani Community College</u>	
Dental Assisting	6
Medical Assisting	6
Medical Laboratory Technician	4
Medical Records Technician	5
Occupational Therapy Assistant	4
Radiologic Technology	6
Respiratory Therapy	6
Dietary Technician	4
Food Services Education	30
Legal Paraprofessional	8
<u>Leeward Community College</u>	
Hospitality Education	12
Library Technology	8
Marine Technology	18

Several other programs previously offered only on Oahu have been expanded to various neighbor islands. The Police and Fire Science Programs have expanded to the neighbor islands. The Allied Health Programs are now offered at Kauai Community College, and the Dental Assistant Training Program is now offered at both Hawaii Community College and Maui Community College. Your Committee believes that the Community College System should continue its present efforts toward equalizing access to vocational/technical education opportunities.

Your Committee has amended the resolution to represent more precisely the facts as they have been presented. The purpose and intent of the resolution remain unchanged by the amendments.

Your Committee on Higher Education concurs with the intent and purpose of H.R. No. 744, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 744, H.D. 1.

Signed by all members of the Committee except Representatives Abercrombie, Ho, Ikeda and Larsen.

SCRep. 902 Higher Education on H.R. No. 716

The purpose of this resolution is

- (1) to direct the College of Continuing Education to continue its supportive, developmental, and remedial programs for women,
- (2) to request allocations for a specially identified resource center, that is readily available to the program and its clients, and
- (3) to retain a Continuing Education for Women program specialist who will serve as an advocate for women in the College.

Your Committee would like to set the context of its full support of the Continuing Education for Women program. During the last decade, beginning with the enactment of the first civil rights legislation, public officials have recognized that through special laws and special programs the inequities of our society can begin to be corrected. As a result, the United States has witnessed the birth of the Equal Employment Opportunity Commission, the Affirmative Action Program, Black Studies, as well as other ethnic studies programs, women's studies programs, minority recruitment programs, and developmental programs for women and ethnic minorities.

The development of these programs has been predicated on the knowledge that society, in terms of its laws, customs, attitudes, and practices has consciously, as well as unconsciously, denied certain segments of society equal access to opportunities in employment and education. In supporting and developing special programs, Congress, state legislatures, government agencies, business corporations, and Universities are demonstrating a visible and firm commitment to doing something about present inequalities in employment and education.

The Continuing Education for Women program can be viewed as a result of this commitment by the University and the Legislature of Hawaii.

Your Committee has heard testimony that current problems undermining the vitality and progress of the CEW program are rooted in the non-release of 1974-75 appropriations for the program and the soon-to-be executed transfer of the program from the Community Services unit to the Student Services unit within the College of Continuing Education. Based on testimony and consultation with the Chancellor of the University, the CEW program specialist, and an administrator in Student Services, your Committee finds that

- (1) certain significant questions regarding the effects of the planned transfer on the intent, character, and functions of the program remain unanswered and
- (2) the release of prior appropriations for the program would obviate the need to transfer the program to the Student Services unit, where funds are supposedly more readily obtainable.

Your Committee appreciates the University's attempt to streamline administrative operations. It is firm in its belief, however, that such streamlining should enhance rather than detract from the programs and the educational experiences of its students.

Therefore, your Committee reaffirms its support of the CEW program by requesting the University to actively seek the release of prior appropriations for the program and to fulfill its verbal agreement with the Committee to defer transfer of the program and conduct a thorough investigation, involving all concerned parties, of the potential effects of the planned transfer.

Your Committee has amended the resolution to reflect its aforementioned concern and support of the CEW program.

Your Committee on Higher Education concurs with the intent and purpose of H.R. No. 716, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 716, H.D. 1.

Signed by all members of the Committee except Representatives Abercrombie, Ho, Ikeda and Larsen.

SCRep. 903 Higher Education on H.R. No. 404

The purpose of this Resolution is to request the University of Hawaii, in cooperation with other agriculture oriented organizations, to explore the possibilities of utilizing the existing facilities of the Pineapple Research Institute as an agricultural experiment station for the College of Tropical Agriculture. The findings are to be submitted fifteen days prior to the Regular Session of 1976.

Your Committee on Higher Education, after making an on-site inspection of the Pineapple Research Institute, finds that the Institute is located on about 140 acres of prime agricultural land near Mililani Town, Oahu. The facilities consist of offices and conference rooms, laboratories, greenhouses, equipment sheds, storage spaces, an experimental canning facility and two houses. Your Committee is cognizant of the value of such facilities and land to the College of Tropical Agriculture's program. The retention for research purposes will give the State an opportunity to do research at an elevation and location obtainable nowhere else on Oahu. This affords the State a chance to do research on similar soil and weather conditions where land for diversified agriculture might become available in the future. Results of such research will also have state-wide and international implications. The available land area should facilitate the State's efforts towards finding more practical solutions in strengthening diversified agriculture.

Your Committee is aware that the Institute will terminate operations in December 1975. Because the land is bordered by urban developments, it is speculated that the land will be sold for urban usage. Therefore, your Committee requests that the Governor and the Chairman of the Board of Land and Natural Resources initiate negotiations for the purchase or lease of the Pineapple Research Institute land and facilities upon completion of the College of Tropical Agriculture's study; provided, however, that such study indicate feasibility of establishing an agricultural experiment station.

Your Committee suggests that the study should look into the possibility of other agencies or departments sharing the facilities and land. Your Committee further suggests that the study consider seeking various sources of funds for purchase of the facilities and land or for the operations of the program.

Your Committee on Higher Education concurs with the intent and purpose of H.R. No. 404, H.D. 1, and recommends its adoption.

Signed by all members of the Committee.

SCRep. 904 Higher Education on H.R. No. 517

The purpose of this resolution is to urge the University of Hawaii at Manoa Campus to develop a comprehensive and effective security program to prevent crime on campus.

Your Committee finds that an effective program of campus security is necessary to insure the safety and welfare of a campus community. Presently, the University of Hawaii at Manoa's security efforts involve a full time security force and a prevention program. The prevention program attempts to increase awareness of the dangers of thefts and assaults while providing suggestions and measures to avoid such crimes. This program also implements, where possible, suggestions from several sources, especially the International Association of College and University Security Directors.

Your Committee finds that the University of Hawaii at Manoa Campus should continue its current security efforts while expanding and publicizing its prevention program.

Your Committee on Higher Education concurs with the intent and purpose of H.R. No. 517 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 905 Culture and the Arts on H.R. No. 737

The purpose of this Resolution is to request the Hawaii Bicentennial Commission

to coordinate efforts to develop suitable flags for the islands of Kauai, Niihau, Oahu, Molokai, Lanai, Kahoolawe, Maui, and Hawaii for display during the 1976 and 1978 Bicentennial celebrations.

The State of Hawaii can be physically and culturally defined as a chain of islands, each with its own unique historical tradition and cultural heritage. A flag of each major island in the State can symbolize these important facets of the State and instill among the residents of the islands a sense of pride. Each island now boasts of a distinctive color and flower, and an island flag would complement these symbols.

Your Committee feels strongly that the Bicentennial Commission through its efforts in development of flags for each island should encourage as much public participation as possible.

Your Committee on Culture and the Arts concurs with the intent and purpose of H.R. No. 737 and recommends its adoption.

Signed by all members of the Committee except Representatives  
Carroll and Evans.

SCRep. 906      Culture and the Arts on S.C.R. No. 109

The purpose of this Concurrent Resolution is to extend the Legislature's commendation and best wishes to the people of Waiahole-Waikane.

The farmers and residents of Waiahole-Waikane play a major role in the agricultural production of the island of Oahu, producing over eighty percent of Oahu's sweet potatoes, thirty percent of the papayas and fifteen percent of the bananas. More importantly, the people preserve and defend a way of life that is a part of the heritage and culture of Hawaii that is rapidly fading in the milieu of twentieth century society. The rural life-style of the area with its close knit families, rich multifarious folk culture and quiet neighborhoods exemplify the aloha and ohana spirit.

Your Committee on Culture and the Arts concurs with the intent and purpose of S.C.R. No. 109, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives  
Carroll and Evans.

SCRep. 907      Water, Land Use, Development, and Hawaiian Homes on  
H.R. No. 727

The purpose of this Resolution is to request the office of the Legislative Auditor to conduct a management audit of the education programs established pursuant to Act 4, Session Laws of Hawaii 1965, relative to the Hawaiian Home program.

Your Committee has found that although the Act mandates that the Department of Hawaiian Home Lands work with the University of Hawaii and the Department of Education in developing and implementing educational programs geared to the children of lessees of Hawaiian Home Lands and that funds for these programs are partly derived from Hawaiian Home Loans Funds, the participation of the Commission has been limited, cursory and peripheral. An audit would develop insights into the programs that would help establish the directions and responsibilities of the Hawaiian Homes Commission and the Department of Hawaiian Home Lands.

For the purpose of accuracy, your Committee recommends that line 3 of paragraph 4 of the Resolution be amended by replacing the word "wholly" with the word "partly".

Your Committee also recommends that three paragraphs be inserted after paragraph four of the Resolution. The paragraphs will read as follows:

"WHEREAS, the strengths of the programs should be evaluated to support the continuation of the effort expressed in the mandate of the Hawaiian Homes Commission Act of 1920; and

WHEREAS, the programs must be evaluated to determine whether the needs of the homestead children are being met; and

WHEREAS, insight gained from an evaluation of the educational programs would help establish the direction and responsibilities of the Hawaiian Homes Commission and the Department of Hawaiian Home Lands; and"

For the purpose of rapid implementation of the management audit, your Committee also recommends that the second to the last paragraph of the Resolution be amended to read as follows:

"BE IT FURTHER RESOLVED that the Office of the Legislative Auditor submit a report on its findings and recommendations prior to the convening of the Regular Session of 1976; and"

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.R. No. 727, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 727, H.D. 1.

Signed by all members of the Committee except Representatives Abercrombie and Fong.

SCRep. 908      Water, Land Use, Development, and Hawaiian Homes on  
H.C.R. No. 134

The purpose of this Concurrent Resolution is to request the office of the Legislative Auditor to conduct a management audit of the education programs established pursuant to Act 4, Session Laws of Hawaii 1965, relative to the Hawaiian Home program.

Your Committee has found that although the Act mandates that the Department of Hawaiian Home Lands work with the University of Hawaii and the Department of Education in developing and implementing educational programs geared to the children of lessees of Hawaiian Home Lands and that funds for these programs are partly derived from Hawaiian Home Loans Funds, the participation of the Commission has been limited, cursory and peripheral. An audit would develop insights into the programs that would help establish the directions and responsibilities of the Hawaiian Homes Commission and the Department of Hawaiian Home Lands.

For the purpose of accuracy, your Committee recommends that line 3 of paragraph 4 of the Concurrent Resolution be amended by replacing the word "wholly" with the word "partly".

Your Committee also recommends that three paragraphs be inserted after paragraph four of the Concurrent Resolution. The paragraphs will read as follows:

"WHEREAS, the strengths of the programs should be evaluated to support the continuation of the effort expressed in the mandate of the Hawaiian Homes Commission Act of 1920; and

WHEREAS, the programs must be evaluated to determine whether the needs of the homestead children are being met; and

WHEREAS, insight gained from an evaluation of the educational programs would help establish the direction and responsibilities of the Hawaiian Homes Commission and the Department of Hawaiian Home Lands; and"

For the purpose of rapid implementation of the management audit, your Committee also recommends that the second to the last paragraph of the Concurrent Resolution be amended to read as follows:

"BE IT FURTHER RESOLVED that the Office of the Legislative Auditor submit a report on its findings and recommendations prior to the convening of the Regular Session of 1976; and"

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.C.R. No. 134, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 134, H.D. 1.

Signed by all members of the Committee except Representatives Abercrombie and Fong.

SCRep. 909 Education on H.R. No. 343

The purpose of this Resolution is to commend and encourage the Commission on the Year 2000 for its Experimental Communities School Project.

The Commission on the Year 2000 has been able to develop a school curriculum project for planning and futures education of merit with administrators, teachers and students. At those few schools where the School Project has been made available, the demand for the course has been beyond the schools' ability to supply it. Your Committee believes that the Commission's School Project should be made available to all public schools.

Your Committee urges the Commission to proceed as quickly as possible with the further development and implementation of the School Project on a statewide basis without diminution of its quality.

In testimony presented to your Committee, the Department of Education and the Hawaii State Teachers Association support this program. The Department points out that the School Project is awaiting in-house evaluation.

Your Committee on Education concurs with the intent and purpose of H.R. No. 343 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 910 Labor and Public Employment on H.R. No. 673

The purpose of this resolution is to request the Director of Labor and Industrial Relations to convene an ad hoc committee to review the workmen's compensation laws with respect to the responsibility of primary and secondary employers.

Further, that a report of the findings and recommendations of the ad hoc committee be prepared by the Director and be submitted to the Legislature at least twenty days prior to the convening of the Regular Session of 1976.

Your Committee recognizes that a review of the workmen's compensation laws with regard to the responsibility of primary and secondary employer may reveal methods to improve such areas of the law, and a clarification of the intent of the Legislature.

Your Committee on Labor and Public Employment concurs with the intent and purpose of H.R. No. 673, and recommends its adoption.

Signed by all members of the Committee except Representative Takamine.

SCRep. 911 Labor and Public Employment on H.R. No. 151

The purpose of this resolution is to request the House Committee on Labor and Public Employment to re-examine the collective bargaining law.

The House Committee is requested to analyze the implications of the entire collective bargaining law. The Committee would also review the effect of the collective bargaining law on the civil service system, particularly in terms of tenure, pay, classification and qualifications. The review would also include the possible need to clarify negotiable versus non-negotiable items.

Your Committee recommends the following amendments to H.R. No. 151:

1. On lines 4 and 5 of the Resolve Clause, delete the words, "and analyze the implications of the law as it regards worker attitude, efficiency, and effectiveness". This amendment would allow the House Committee on Labor and Public Employment to re-examine the collective bargaining law without restriction.

2. The completion date for the re-examination of the collective bargaining law would be twenty days prior to the convening of the 1976 session.

Your Committee on Labor and Public Employment concurs with the intent and purpose of H.R. No. 151, as amended herein, and recommends that it be adopted in the form



attached hereto as H.R. No. 151, H.D. 1.

Signed by all members of the Committee.

SCRep. 912 Labor and Public Employment on H.R. No. 150

The purpose of this resolution is to request the House Committee on Labor and Public Employment to review the policies and procedures of the Employees' Retirement System.

Your Committee recognizes that the State of Hawaii, as employer of a large percentage of residents, is doing its part to assure their employees of adequate pension coverage for their future years. It is the intention of the Legislature to protect the rights of these employees and retirees under the Employees' Retirement System and to safeguard the funds of the system.

Your Committee has amended this bill: (1) so as to assure a more comprehensive study of the Employees' Retirement System by deleting the specified areas of study; and (2) requesting a report of your Committee's finding to the House of Representatives twenty days prior to the opening of the Regular Session of 1976.

Your Committee on Labor and Public Employment concurs with the intent and purpose of H.R. No. 150, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 150, H.D. 1.

Signed by all members of the Committee.

SCRep. 913 Labor and Public Employment on H.R. No. 148

The purpose of this resolution as amended is to request the House Committee on Labor and Public Employment to conduct an interim study of the operations of state government, and to include an analysis of personnel positions and policies to ascertain whether or not each is being utilized to the fullest.

Your Committee recognizes that millions of dollars are being spent to employ hundreds of workers in government positions. And that a good governmental system depends on a basic understanding of what now exists, how this may be improved, and what is needed in terms of administration and legislation; thus, a review of personnel now employed in government would be helpful in planning future needs and activities.

Your Committee on Labor and Public Employment concurs with the intent and purpose of H.R. No. 148, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 148, H.D. 1.

Signed by all members of the Committee.

SCRep. 914 Labor and Public Employment on H.R. No. 146

The purpose of this resolution is to request the House Committee on Labor and Public Employment to investigate possible abuses of the unemployment insurance system and to report these findings prior to the commencement of the 1976 legislative session.

Your Committee has amended this resolution to more effectively effectuate the purpose of this resolution.

Your Committee on Labor and Public Employment concurs with the intent and purpose of H.R. No. 146, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 146, H.D. 1.

Signed by all members of the Committee.

SCRep. 915 Labor and Public Employment on H.R. No. 141

The purpose of this resolution is to request the House Committee in Labor and Public Employment to conduct a review of the Workmen's Compensation Program, the Temporary Disability Insurance Program, the Unemployment Compensation Program and the Prepaid Health Insurance Program.

Your Committee has amended this resolution to more effectively carry out the purpose.

Your Committee on Labor and Public Employment concurs with the intent and purpose of H. R. No. 141, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 141, H.D. 1.

Signed by all members of the Committee.

SCRep. 916 Consumer Protection and Commerce on H.R. No. 720

The purpose of this resolution is to request the Public Utilities Commission and the Director of the Department of Regulatory Agencies to investigate and assure that the costs applicable to the use of telephone ducts and boxes used by cable television companies be allocated fairly to consumers.

Public subscriptions for cable television service has increased in recent years, but current attempts to expand such services are being impeded by the inability of the television cable companies and the Hawaiian Telephone Company to agree upon an appropriate charge for use of telephone ducts and boxes by the cable television companies. Unreasonable charges for the use of telephone ducts and boxes by cable television companies will lead to higher charges for consumers of cable television. Moreover, the expansion of cable television services requires State attention to the effects of duct and box usage rates on cable television systems and the telephone company.

Your Committee on Consumer Protection and Commerce concurs with the intent and purpose of H.R. No. 720 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 917 Consumer Protection and Commerce on H.R. No. 694

The purpose of this resolution is to request the Real Estate Commission to review problems relating to the Horizontal Property Regimes Law, Chapter 514, Hawaii Revised Statutes, and to enact appropriate rules and regulations or recommend corrective legislation.

In 1974, the Real Estate Commission studied problems relating to the development and management of condominiums and submitted proposed legislation to this subject to the 1975 Legislature. There have been various suggestions to further amend the Horizontal Property Regimes Law in areas such as conflict of interest of condominium associations board members, solicitation of proxies, initial maintenance fees, and guidelines for incremental developments.

Your Committee finds that because of the popularity of condominiums in this State, it is important there be proper regulation of condominium development and management to protect consumers.

The resolution has been amended to correct technical errors in the form of the resolution.

Your Committee on Consumer Protection and Commerce concurs with the intent and purpose of H.R. No. 694, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 694, H.D. 1.

Signed by all members of the Committee.

SCRep. 918 Energy and Transportation on H.R. No. 414

The purpose of H.R. No. 414 is to request assistance from Hawaii's Congressional Delegation in obtaining public access to the shores and shore waters of West Loch, Pearl Harbor, for recreational activities.

Your Committee found that Pearl Harbor is one of the most valuable recreational resources in the State. This is particularly true because in addition to its natural advantages of being a large and protected body of water with extensive shoreline areas, it is also located in a densely populated area which badly needs more recreation-

al facilities. We believe it unfortunate and indeed undesirable to have such an advantageous recreational area restricted for the private use of only the military.

The opening of Pearl Harbor for civilian, as well as the present military, use is an objective that deserves immediate and continuing action. Therefore, your Committee believes it necessary to enlist the assistance of our Congressional Delegation in obtaining federal approval for civilian recreational use of and access to the shores and adjacent seas of Pearl Harbor in order to ensure adequate federal consideration.

Your Committee has heard testimony that the Department of Land and Natural Resources is taking the lead in developing a recreational park at Rainbow Bay, otherwise known as Aiea Bay. In addition, the Department of Transportation is apparently working with the Navy to open Pearl Harbor to recreational boating. We believe it appropriate for both these agencies to continue their efforts.

Your Committee has amended H.R. No. 414 to delete all reference to West Loch, as testimony received indicated that it would be more advantageous and desirable to utilize other areas of Pearl Harbor. In addition, another "BE IT RESOLVED" clause has been included to instruct various State agencies to make intensive efforts to obtain public access to Pearl Harbor.

Your Committee on Energy and Transportation is in accord with the intent and purpose of H.R. No. 414, as amended and attached hereto as H.R. No. 414, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Clarke.

SCRep. 919 Health on H.R. No. 127

The purpose of this resolution is to have an interim committee appointed to study and review programs related to the treatment of mental illness at Hawaii State Hospital and whereby, the Department of Health is requested to report to the interim committee on the status of existing programs, improvements and general operation of the hospital.

Your Committee finds that Hawaii State Hospital is the primary mental health treatment facility in the State. Due to inadequate services and facilities, the hospital has been criticized for its inadequacies. A survey done by the Joint Commission on Accreditation of Hospitals and recommendations made by the Accreditation Council for Psychiatric Facilities noted deficiencies in areas such as environment, management, medical records and staff, patient safety, dietetic services and disaster planning, pharmaceutical services, volunteer services, dental services, nuclear medicine service, pathology services and special care units.

As a result, your Committee finds that a review of existing practices and programs and the facilities at the Hawaii State Hospital is warranted for consideration for relevant changes necessary to the progressive treatment of mental illness.

Your Committee on Health concurs with the intent and purpose of H.R. No. 127 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 920 Judiciary on S.C.R. No. 54

The purpose of this resolution is to request the Bar Association of Hawaii to initiate a program of developing a prepaid legal services program in the State.

Your Committee recognizes the problem and need for prepaid legal services. Segments of the community who are either not affluent enough or do not qualify for low income legal services are being financially precluded from obtaining legal services.

Your Committee has recommended amendments to the concurrent resolution to request that the study and legislative proposals for a prepaid legal services program be undertaken by the Legislative Reference Bureau. Members of the Senate and House Judiciary Committees would be requested to consult with the Bar Association of Hawaii's Committee on Prepaid Legal Services so as to coordinate the development of the program. The resolution has been amended to reflect these changes.

Your Committee on Judiciary concurs with the intent and purpose of S.C.R. No. 54, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 54, H.D. 1.

Signed by all members of the Committee.

SCRep. 921      Judiciary on H.R. No. 444

The purpose of this resolution is to request the Family Court and the Corrections Division of the Department of Social Services and Housing to continue to work together to resolve the problems arising from the exercise of concurrent jurisdiction over juvenile offenders by the two agencies.

Your Committee is aware of the efforts being undertaken by the Department of Social Services and Housing and the Family Courts to formulate policies and guidelines to solve the concurrent jurisdiction problem.

Your Committee on Judiciary concurs with the intent and purpose of H.R. No. 444 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 922      Judiciary on H.R. No. 748

The purpose of this resolution is to request the Committee on Penal Law Revision of the Judicial Council of Hawaii to examine the plea bargaining process as it exists in the state. The resolution also requests the Committee to draft proposed legislation and/or rules of the court based on its findings and recommendations.

Your Committee finds that plea bargaining, as a valuable part of the criminal justice system, should be examined as to its function and role and that methods of improving the process be formulated and proposed.

Your Committee on Judiciary concurs with the intent and purpose of H.R. No. 748 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 923      Judiciary on H.R. No. 728

The purpose of this resolution is to have a committee, appointed by the Speaker of the House of Representatives, review the Ethics Code with respect to its definitions, application and administration. The resolution further requests that the committee recommend changes in the Code to encourage public service, particularly on boards and commissions, and to encourage responsible action by public officers and employees.

Testimony indicated that there is misunderstanding and uncertainty as to the provisions and applicability of the Ethics Code. This is especially true of post-government service employment, service on boards and commissions, and standards of conduct of State employees, officials and legislators.

Your Committee on Judiciary concurs with the intent and purpose of H.R. No. 728 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 924      Energy and Transportation on S.C.R. No. 135

The purpose of this Concurrent Resolution is to establish the Legislature's affirmative support in principle for the implementation of a fixed guideway rapid transit system which will ultimately serve a 23 mile length between Pearl City and Hawaii Kai and initially provide a workable segment of 14 miles from Halawa Stadium to Kahala Mall.

The Concurrent Resolution also calls for support of supplemental transportation systems in order to provide for a complete and viable transportation system for Oahu. The Concurrent Resolution is contingent upon the ability to secure from UMTA 80%

of the cost of the fixed guideway rapid transit system and the financial capabilities of the State in the future.

Your Committee has heard considerable testimony regarding the need for a fixed guideway system for Oahu and the urgency to begin the actual construction of such a system. While there has been general agreement with regard to the urgent need for a mass transit system consisting of fixed guideway rapid transit supplemented by express and feeder buses, some question has arisen as to the length of the fixed guideway.

Your Committee has reviewed the various proposals concerning the length of the fixed guideway. The systems range from 7 miles, Keehi Lagoon to the University of Hawaii, 8 miles, Airport to the University, 12 miles, Halawa Stadium to the University, 14 miles, Halawa to Kahala Mall.

The cost of constructing, let alone operating and maintaining a fixed guideway on Oahu is tremendous for any of the proposed system lengths. The estimated costs range from \$406 million for the 7 mile guideway to \$811 million for the 23 mile guideway. In any case, the financial implications loom large. As a result it is important that careful and considered review be given the decision to proceed with a fixed guideway.

The City's consultants recommend the 14 mile system as being the most feasible length since it would be the least costly to the City to construct and operate for many years. Your Committee concurs with this recommendation. However, the total estimated costs of about \$582 million for the 14 mile system has led to their request that the State participate in funding this project.

The City and County of Honolulu has assured us that a fixed guideway is necessary and indeed required to meet our transportation needs and requested State funding assistance. We concur with the necessity for a fixed guideway. However, we are troubled by the fact that while much testimony was presented regarding the estimated effectiveness of a fixed guideway, until very recently, definitive cost estimates were not available. For example, early in the session the 14 mile system was estimated to cost \$420 million less than estimated in 1972. This apparent discrepancy was caused by the failure to include escalation costs, and the estimates furnished us in March indicate the estimated costs with escalation to be \$582 million. We must be assured that the cost estimates are accurate and can be relied upon or we risk acting prematurely.

Our concern has been heightened by the fact that in an attempt to cut right-of-way and relocation costs certain segments of the fixed guideway have now been placed in the median area of the H-1 freeway east of the University of Hawaii and west of the Airport. While this may cut costs, there is some question that it is feasible in an engineering sense, more importantly it will permanently remove two lanes of the freeway in the area near the airport and will cause considerable traffic congestion in the long construction process.

Despite the costs and uncertainties, your Committee recognizes and appreciates the fact that much time, money, and effort has been expended, principally by the City and County of Honolulu, to ensure the feasibility and effectiveness of the proposed fixed guideway. As a result, and mindful of a certain urgency to further the City's application for federal grants to help fund the fixed guideway, your Committee wishes to express its support of a fixed guideway for Oahu. Your Committee has however amended S.C.R. No. 135 to limit support to a 14 mile fixed guideway. Testimony and studies have indicated that a 14 mile fixed guideway is the preferred alternative. Your Committee concurs with this recommendation and finds that it is the most reasonable and prudent course of action at this time.

In order to clearly express its intent and purpose your Committee has made the following amendments to S.C.R. No. 135.

- (1) The fourth WHEREAS clause has been amended to state only that there is a need for a fixed guideway. Reference to a 23 mile fixed guideway was deleted because it does not appear to be a necessary element of the system at the present time, and indeed is not the recommended alternative of the City's consultants report. Further, reference to a supplementary water-borne transit system was also deleted because it was not even included as part of the consultants recommendations.
- (2) The fifth WHEREAS clause has similarly been amended to indicate the

14 mile guideway is a feasible system rather than only a workable segment of a system. Reference to a 23 mile system and feeder and express buses have been deleted.

- (3) A new WHEREAS clause has been included to indicate the tremendous cost of a fixed guideway.
- (4) A new WHEREAS clause has been added to indicate that the City and County has requested State assistance in financing a fixed guideway.
- (5) A new WHEREAS clause has been added to indicate that mass transit systems are county responsibilities, but that it is recognized that it would be in the public interest to support a fixed guideway in the City and County.
- (6) A new WHEREAS clause has been added recognizing that State assistance will strengthen the City and County application for federal grants.
- (7) A new WHEREAS clause has been added to indicate the urgency of State support.
- (8) The BE IT RESOLVED clause was amended to: 1) delete reference to the length of the fixed guideway and to add that the State is prepared to provide financial support; 2) delete reference to support of a waterborne transit system because it is a county responsibility, the county has not requested assistance in implementing a waterborne transit system, and the City's consultants investigated waterborne transit, found it wanting, and did not include it as part of the recommended system; 3) delete reference to the City and County filing a grant application because this clause appears unnecessary.
- (9) Added a new proviso to clearly indicate the need for further review of the fixed guideway project especially in relation to the relative fiscal capacities of the State and the City and County to fund the project.
- (10) Added a new proviso to indicate that State financial support is contingent upon the designation of a Metropolitan Planning Organization that is recertified to receive the federal funding required to make this fixed guideway a feasible project.
- (11) Added a new proviso to indicate State financial support is contingent upon an acceptable agreement as required by federal rules between the MPO and the local A-95 agency which acts as a clearinghouse for federal funds.

Your Committee on Energy and Transportation is in accord with the intent and purpose of S.C.R. No. 135, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as S.C.R. No. 135, H.D. 1.

Signed by all members of the Committee except Representatives Kondo and Evans.

SCRep. 925      Agriculture on H.R. No. 740

The purpose of this Resolution is to request the Department of Agriculture, in cooperation with the Department of Taxation, to examine alternative methods to keep sugar profits in Hawaii, and to report its findings and recommendations at least twenty days prior to the convening of the 1976 Regular Session.

Your Committee on Agriculture finds that the 1973 value of production of raw sugar cane and molasses totalled \$222 million. In 1974 that figure jumped to \$735 million. Although sugar prices have declined since 1974, they are still above \$500 per ton. In 1974, the average return to the Hawaii sugar companies for a ton of raw sugar was \$690 compared to the 1973 return of \$180 per ton. State taxes paid by the sugar companies in 1973 were approximately \$8.5 million. It is estimated the taxes to be paid the State in 1974 will amount to roughly \$22 million.

A review of various 1974 annual reports reveal that sugar accounted for 50 percent of the corporate profits of Castle and Cooke in 1974. Amfac's gross revenue from sugar jumped from \$68 million in 1973 to \$208 million in 1974. In 1974, agriculture accounted for 50 percent of Alexander and Baldwin's gross revenues compared to 28 percent in 1973.

Your Committee is aware that the sugar industry has expended and continue to expend large sums for field and factory equipment and supplies, for research/development, etc., but the greatly increased price and gross revenue since 1974 indicate a need to examine alternative as well as additional methods to keep sugar profits in Hawaii, particularly in view of the fact that Hawaii's major sugar companies are subsidiaries of corporations having national and international interests.

Your Committee on Agriculture concurs with the intent and purpose of H.R. No. 740 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 926      Agriculture on H.R. No. 758

The purpose of this Resolution is to request the Secretary of Agriculture and the Secretary of Transportation of the United States to support and assist the development of inter-island air cargo transport service in Hawaii.

Your Committee on Agriculture recognizes that agricultural production and marketing in Hawaii will benefit from any improvements of any sort in transportation by either sea or air, resulting in adequate supplies of fresh, local foodstuff in the Honolulu markets at competitive prices to the consumer.

Your Committee also recognizes that our island state requires an efficient surface and air transportation system to maintain a reliable and timely flow of perishable agricultural commodities and livestock from neighbor island farms to the Honolulu market and also supply our neighbor islands with their daily needs. Improving Hawaii's air cargo capability and service is in fact improving the statewide transportation system.

Some of the poor services of our local airlines cited by the Hawaii Farm Bureau Federation include the following:

1. Refusal to haul hogs from Honolulu to Hilo.
2. Inadequate air cargo service including poor scheduling for perishable agricultural commodities from neighbor island airports near major producing areas to the Honolulu market.

The Resolution has been amended to include the Hawaii Congressional Delegation as recipients of certified copies.

Your Committee on Agriculture concurs with the intent and purpose of H.R. No. 758, as amended herein, and recommends that it be referred to the Committee on Energy and Transportation, in the form attached hereto as H.R. No. 758, H.D. 1.

Signed by all members of the Committee.

SCRep. 927      Agriculture on H.R. No. 726

The purpose of this Resolution is to request the State of Hawaii and the City and County of Honolulu to purchase animal waste as a supplement to commercial fertilizer for highway landscaping and medial strips, parks, golf courses, schools, governmental installations, etc.

This request is prompted because local cattle and poultry farms are confronted with large volume of animal waste that can be recycled and used as commercial fertilizer, substitute.

It is further expected that if our present cattle industry is expanded, more solid waste management problems may be created if use of livestock waste is not initiated in the immediate future. Where applicable, State and County agencies should take

the lead by specifying in contracts the use of animal waste fertilizer in lieu of commercial, chemical fertilizers.

Your Committee on Agriculture concurs with the intent and purpose of H.R. No. 726 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 928      Agriculture on H.R. No. 523

The purpose of this Resolution is to request the Department of Agriculture to study the possibility and feasibility of using grade B papayas in more productive ways such as school lunches and nectar juices. The Department of Agriculture is further requested to assist and advise papaya growers in making greater usage of grade B papayas.

Your Committee is aware that under Federal Marketing Order No. 928, grade and size regulations on papayas to be sold in the State have been enforced. Your Committee notes that since the exclusion of grade B fruit from the local markets in September 1972, the supply of fruit available for local consumption has continually increased from 10.7 million pounds in 1972 to 13.1 million pounds in 1974. Further, the retail prices in Honolulu remained constant at 32¢ per pound. Consequently, exclusion of sale of grade B fruit has not resulted in higher prices to the consumer.

However, the exclusion of grade B papaya from local sales has caused the development of a cull problem--an excess of grade B papayas which are consumable but which do not meet aesthetic quality standards required for grade A classification. Your Committee feels that there exists for these grade B papayas an alternative marketing use such that the sale of grade B papaya may develop into a viable industry to supplement present papaya sales.

Your Committee therefore feels that exploration into these alternatives should be conducted and that papaya farmers should be assisted in finding alternative uses for such grade B papayas.

Your Committee on Agriculture is in accord with the intent and purpose of H.R. No. 523 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 929      Agriculture and Water, Land Use, Development, and Hawaiian Homes on H.R. No. 344

The purpose of this Resolution is to urge the Board of Land and Natural Resources to extend agricultural leases in Waimanalo, Oahu, and to take such other steps as are necessary to ensure full production on State lands in that area.

There are about 40 State agricultural leases in the Waimanalo area of which about 30 are serviced by the Waimanalo Irrigation System.

The resolution cites the fact that the State controls substantial amounts of agricultural lands in Waimanalo, that the area may in the future be subject to encroachment by urban uses, that many of the Waimanalo farmers operating under State leases have less than ten (10) years remaining on twenty-five (25) year leases and that the Board has given no indication as to whether agricultural leases will be renewed at the end of the present lease term.

The Committees learned that insofar as giving indication as to whether agricultural leases will be renewed at the end of the present lease term, the Board of Land and Natural Resources is legally unable to do so prior to two (2) years of expiration of the leases. In respect to extending the term of the leases, the only avenue open at the present time is under Section 171-36, Hawaii Revised Statutes, which permits the Board to modify any of the restrictions in a lease in order to qualify the lease for mortgage lending or guaranty purposes with the Federal Housing Administration, Veteran's Administration, Federal Land Bank of Berkeley or any other federal mortgage lending agency qualified to do business in Hawaii. Under this section, the Board has extended the terms of leases when the federal mortgage lending agency involved required such extensions in order to qualify the lease for mortgage lending or guaranty



purposes. There are a number of requests for extensions from Waimanalo lessees presently pending. However, there is doubt that the present language of the statute permits such extensions.

Your Committees are aware that S.B. No. 1577, S.D. 1, provides for amendments to Section 171-36, Hawaii Revised Statutes, permitting agricultural lease extensions up to 65 years.

Your Committees on Agriculture and Water, Land Use, Development, and Hawaiian Homes are in accord with the intent and purpose of H.R. No. 344, and recommend its adoption.

Signed by all members of the Committees.

SCRep. 930      Water, Land Use, Development, and Hawaiian Homes on  
H.R. No. 654

The purpose of this resolution is to direct the House Committee on Health to conduct interim hearings, including a public hearing at Kalaupapa Settlement, to study the feasibility of the following alternatives to closing Kalaupapa Settlement and relocating its residents:

- 1) The transfer of the administration of Kalawao County from the Department of Health to Maui County;
- 2) The establishment of Kalaupapa as a National Historic Park;
- 3) The establishment of Kalaupapa as a Hawaii State Historic Park;
- 4) The granting of permanent residence privileges and health care to those of the present population of Kalaupapa who wish to live out their lives there.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.R. NO. 654 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 931      Water, Land Use, Development, and Hawaiian Homes and  
Agriculture on H.R. No. 685

The purpose of this Resolution is to secure the full support of the Legislature for the preservation and expansion of diversified agriculture in Waiahole-Waikane along with the long-term leasing of land to the farmers and residents of Waiahole-Waikane and to request the Departments of Land and Natural Resources, Agriculture, Planning and Economic Development and the College of Tropical Agriculture in the Waiahole-Waikane valleys.

Your Committees on Water, Land Use, Development, and Hawaiian Homes, and Agriculture recognize that maintaining areas such as Waiahole and Waikane that would permit a "rural life style" amid congested urban communities is desirable. Certainly some such areas should be preserved and maintained as a part of the State's heritage. Presently there are only limited acreages being used for diversified agriculture. The total agricultural sales from this area's 43 acres of papaya, 36 acres of bananas, and 156 acres of ornamentals, sweet potatoes, flowers, taro and cattle production are estimated at \$280,000. There are approximately 700 acres of good agricultural lands in the Waiahole-Waikane Valleys. However, the area does provide agricultural potentials for selected crop systems. The major limiting factor has been the uncertainty of land tenure which has prevented farmers from obtaining loans to develop the agricultural potential of the area. This is the primary issue that should be considered relative to the Waiahole-Waikane area.

If farming is to be successfully expanded in this area, it will be necessary to solve the land tenure problem.

Since the present land owner cannot presumably be required to give long-term leases, we believe that the remaining alternative of condemnation and purchase of the lands by the state as an agricultural park would be desirable. The state could

then lease farmers for terms compatible with good agricultural management.

Your Committees on Water, Land Use, Development, and Hawaiian Homes, and Agriculture are aware that the proposed urbanization of Waiahole-Waikane was one of the most controversial issues during the 1974 Five-Year Boundary Review. The major property owner of the two valleys had asked for an urban boundary change to permit the construction of 7,000 single and multi-family housing units to accommodate a projected population of 20,000 to 25,000 people. The petition for reclassification was eventually rejected by the Land Use Commission.

What happens to Waiahole-Waikane could affect all of Oahu. The preservation and expansion of agriculture is only one of the issues.

A second issue is the desirability of a new community of 20,000-25,000 on the Windward coast. A February, 1975 report from the Department of Planning and Economic Development estimates that the July, 1974 population of Hawaii Kai and Kalama Valley was 20,000 persons (5,829 housing units). The decision to permit such a development will have a major impact upon the direction of growth on Oahu.

A third issue is water. As reported by the developers to the Land Use Commission, the Board of Water Supply has said the present domestic system can supply only 1,000 to 1,500 units. The additional 5,500 to 6,000 units must be supplied by new sources. As most of you know, 30 million gallons of water per day are presently transported from the mountains above Waiahole-Waikane to Central Oahu for sugar irrigation. The Waiahole ditch water is doubly important because of its freshening influence when it percolates down into the basal lens which supplies the drinking water for the Pearl Harbor, Waianae and Honolulu populations. The domestic water demands generated by a major development in Waiahole-Waikane represent a potential threat to the Waiahole ditch waters. As our laws are presently written, the domestic use of water has priority over agricultural uses.

Your Committees urge the involved departments and the College of Tropical Agriculture to coordinate their efforts to achieve the objective of the Resolution.

Your Committees on Water, Land Use, Development, and Hawaiian Homes, and Agriculture are in accord with the intent and purpose of H.R. No. 685 and recommend its adoption.

Signed by all members of the Committees.

SCRep. 932      Agriculture on H.R. No. 649

The purpose of this Resolution is to request the University of Hawaii's College of Tropical Agriculture to study and make recommendations for soil treatment and above-ground treatment for the control of Coptotermes formosanus which will comply with federal rules and to implement various educational programs to provide training and support of the pest control operators in Hawaii.

Your Committee finds that, pursuant to the provisions of the Federal Insecticide, Fungicide, and Rodenticide Act, the administrator of the Environmental Protection Agency has issued a notice indicating cancellation of the use of Heptachlor and Chlordane, two pesticides which are the only remaining chemicals that are found to be effective in the control of termites in Hawaii. This notice of intent does not take into consideration the unique tropical climate and soil conditions found in Hawaii and the peculiar species of termites found in the State.

Your Committee feels that steps need to be taken to solve this problem of chemical usage and labeling. If no solution is found, the ramifications of the federal rules could result in severe consequences upon the pest control industry and seriously jeopardize the welfare of the people of the State.

Your Committee on Agriculture concurs with the intent and purpose of H.R. No. 649 and recommends that it be referred to the Committee on Higher Education.

Signed by all members of the Committee.

SCRep. 933      Agriculture and Judiciary on H.R. No. 669

The purpose of this Resolution is to request the Attorney General to conduct an

investigation pursuant to Chapter 480 H.R.S., as it relates to the egg, poultry and feed industries and to report his findings, actions and recommendations, if any, to the Legislature no later than twenty days before the convening of the 1976 Regular Session.

At the joint hearing on March 31, 1975, the principal researcher and author of the report on "Feed for Hawaii's Livestock Industry" presented an overview of the study. This report was prepared by the Legislative Reference Bureau at the request of the 1974 Legislature.

Your Committees on Agriculture and Judiciary learned that during the interviews conducted throughout the course of the study by the researcher, the names of several business entities recurred with respect to the egg and poultry industry. The information furnished centered on the allegation that several major feed firms in the State were directly involved in egg and broiler production and as such enjoyed an unfair and possibly illegal competitive advantage. The term monopoly was frequently used by the interviewees in describing the consequence of the involvement of the feed firms in the poultry industry. The interviewees offered the further opinion that while many people in the poultry and feed industry have been aware of the "problem" for a number of years, no formal complaints have been made for fear of reprisal.

The report states that the nature and recurrence of the complaints of interviewees together with the management structure of the business as disclosed by the official records suggests that there may be some basis to the complaint of possible violations with reference to Section 480-8, Interlocking Directorates, Hawaii Revised Statutes, and other provisions of Chapter 480, Hawaii Revised Statutes.

Accordingly, the Legislative Reference Bureau recommends that the Attorney General of the State of Hawaii be requested to further investigate the "complaint" at hand to determine whether the provisions of Chapter 480, Hawaii Revised Statutes, or other applicable laws have been violated. Irrespective of whether violations can in fact be established, a major purpose which will have been achieved by such an investigation will be a "clearing of the air" on this matter.

The Attorney General's office stated that it has not received any complaint on the feed industry at this time; however, if this Resolution is adopted, a thorough investigation will be conducted and a report will be presented to the Legislature as requested in the Resolution. Your Committees feel that the Attorney General's office should consult with and seek the assistance of appropriate Federal agencies, if necessary, in the pursuance of the investigations and actions.

The Hawaii Farm Bureau Federation testified that the high price of feeds in Hawaii may in part be attributed to a feed marketing system that is not as free and competitive as it should be for reasons not fully understood to the independent egg and poultry producers. The Federation feels that this matter is worthy of a thorough investigation and corrective action by the Attorney General's office.

Your Committees concur with the intent and purpose of H.R. No. 669 and recommends its adoption.

Signed by all members of the Committees.

SCRep. 934 Finance on S.B. No. 1188

The purpose of this bill is to enable two employees of the University of Hawaii to become regular civil service employees on the basis of their performance in their jobs over the past several years.

Your Committee concurs with House Standing Committee Report No. 788.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1188 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 935 Consumer Protection and Commerce on H.C.R. No. 115

The purpose of this concurrent resolution is to request the Committee on Youth

and Elderly Affairs to review the feasibility of requiring licensure of all boarding homes and rooming houses providing shelter and care to the elderly.

Elderly people living in boarding homes are in a position where they can easily be exploited for profit motives and not given the proper care and services that they should be receiving. Nonlicensed boarding homes and rooming houses receive rare and irregular visits and inspections from nutritionists, nurses, social workers, the fire marshal, and other State and county personnel. Further, these private boarding homes and rooming houses can bar the entry of State or county personnel because they are not licensed.

Your Committee on Consumer Protection and Commerce concurs with the intent and purpose of H.C.R. No. 115, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Roehrig.

SCRep. 936      Judiciary on H.C.R. No. 114

The purpose of this concurrent resolution is to request the Department of Social Services and Housing to permit public input in considering the adoption of "The Basic Rights and Privileges of the Committed Offender Under the Jurisdiction of the Corrections Division".

The resolution requests that both the community and those incarcerated be given the opportunity to present their views. Holding of both public hearings and hearings at the State's correctional facilities will ensure public and prisoners input as to inmates rights and privileges. It will help to determine not only adoption of the rules but implementation as well. It is also requested that the Department of Social Services and Housing report to the Legislature its actions and decisions on the "Basic Rights and Privileges of the Committed Offender".

Your Committee has amended the resolution to clarify the intent and purpose of the resolution and to insert the proposed list of rights being considered.

Your Committee on Judiciary concurs with the intent and purpose of H.C.R. No. 114, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 114, H.D. 1.

Signed by all members of the Committee.

SCRep. 937      Health on H.R. No. 125

The purpose of this resolution is to have the House Committee on Health review, assess, and evaluate the existing health care services and facilities of the State's correctional institutions.

Your Committee finds that improvement of the health care and health services available to inmates of the State's correctional facilities is an integral part of improving the correctional system. Furthermore, the need for adequate health care and services to inmates is vital to the establishment and subsequent maintenance of improved correctional facilities.

In order to allow sufficient time for this project, an amendment has been made which provides for the submission of a report of findings and recommendations not later than twenty days prior to the commencement of the Regular Session of 1976.

Your Committee on Health concurs with the intent and purpose of H.R. No. 125, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 125, H.D. 1.

Signed by all members of the Committee except Representative Mizuguchi.

SCRep. 938      Health on S.C.R. No. 62

The purpose of this concurrent resolution is to request the Department of Health and Department of Transportation to study the possible effects of radiation emission

from broadcast towers in this State and the advisability of their relocation or redesign and report their findings to the Governor and the President of the Senate no later than November 1, 1975.

Your Committee finds that communication towers, which are indispensable for transmission of television and radio signals, have frequently been erected within the most populous areas of our State, notably Honolulu. Specialists in the electronic and broadcast field have indicated that these towers may be emitting harmful radiation and that an investigation is necessary with respect to possible harmful effects of this radiation emission.

The Department of Health has been in contact with the San Francisco Regional Office of the Bureau of Radiological Health, Food and Drug Administration on this matter. It is the Department's understanding that the people in the Division of Electronic Products, Food and Drug Administration, are quite concerned and are hoping to initiate studies to clarify this matter. The Department of Health will request the Food and Drug Administration to include Hawaii in its studies.

The Department of Health further testified that at this time, there is a lack of information on this subject both locally and nationally. However, they are willing to submit as full a report as possible by November 1, 1975.

The Department of Transportation testified that in 1967 and 1968, the operators of the Container Terminal at Fort Armstrong experienced harmful effects of emissions from a radio tower erected at the makai edge of the terminal. Emissions from the tower energized the container crane which resulted in burns on the hands of several workers. Sparks were also generated that could have caused disastrous explosions with the flammable cargo that passes through the terminal.

The Department of Transportation further testified that they would be willing to assist in the study by furnishing information on their experience with the radio transmission tower at Fort Armstrong.

Your Committee has amended S.C.R. No. 62, S.D. 1, to request the Department of Health to conduct the study and report its findings. The Department of Transportation is requested to assist the Department of Health with this study.

Your Committee has further amended the resolution to have the Department of Health report its findings to the Speaker of the House of Representatives.

Your Committee on Health concurs with the intent and purpose of S.C.R. No. 62, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 62, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Mizuguchi.

SCRep. 939 Higher Education on H.R. No. 91 (Majority)

The purpose of this resolution is (1) to request the University to strive for educational excellence in selected areas and (2) to request the Board of Regents to establish a policy, guided by the concept of "selective excellence," and to govern the introduction, expansion, reduction, and elimination of University programs.

Your Committee has held a public hearing on this resolution, received testimony from the Dean of the Graduate Division who is also the Director of Organized Research, and finds as follows:

- (1) Selective excellence is the concept of concentrated use of limited resources in selected educational areas, for optimal benefit to the people of the State. For the University, selective excellence is defined in terms of areas most needed to nourish the State economy, areas natural or "indigenous" to Hawaii, and areas most desired by State residents for fulfillment of their aspirations. Accordingly, the University of Hawaii has designated Marine Programs, Astronomy, Asian and Pacific Studies and Oriental Languages, East-West Center and Travel Industry Management as educational areas of selective excellence.

A brief background of the development of the concept of selective excellence at the University of Hawaii is as follows:

By the end of the sixties the University's expansion efforts were beginning to mature: the East-West Center was established at the University of Hawaii at Manoa, a comprehensive community colleges system was created, and a four-year college at Hilo was established.

In January 1970 President Cleveland proposed a comprehensive "sense of direction" statement entitled Prospectus for the Seventies, which defined University purposes and proposed enrollment targets as a basis for next steps in academic, facilities and financial planning for 1970-76. In the same year, the Board of Regents approved two policies which set enrollment ceilings, placed percentage quotas on out-of-state residents on each campus, and defined the goals of the still-developing community colleges.

In 1972 the University of Hawaii developed a six-year plan and program budget for 1973-79, which was built around two concepts: Equal Educational Opportunity and Selective Excellence. Selective excellence was rooted in the State's commitment to achieving educational excellence and increasing evidence of the paucity of funds for new programs. The adoption of this policy signalled an end to an era of seemingly unlimited expansion and set the tone for concentrated efforts on educational areas of special concern to Hawaii.

- (2) By Board of Regents mandate, 15 programs at the Manoa campus were reviewed by the University in 1973-74, and 32 programs are currently under review. Also, the Dean of the Graduate Division has completed an assessment of on-going programs, and accreditation teams have recently reviewed programs in Architecture, Agriculture, Nursing, Public Health, Library Studies, and Business Administration. Because each of these reviews addresses both program functions and educational concepts, the results should provide firm indications of program effectiveness in fulfilling specific objectives and program posture in the overall educational scheme of the University.

Therefore, your Committee believes that the University of Hawaii, through the Board of Regents, should further its commitment to selective excellence by establishing a policy embodying the concept of selective excellence to govern program changes at the University of Hawaii. Your Committee believes further that the pervasive review of University programs should serve as the substantive base by which the policy can be developed and then implemented. Also, your Committee wishes to scrutinize the results of the program reviews and thus requests the University to submit review findings to the Legislature as soon as they are available.

Your Committee on Higher Education concurs with the intent and purpose of H.R. No. 91 and recommends its adoption.

Signed by all members of the Committee.

Representative Abercrombie did not concur.

SCRep. 940 Higher Education on H.R. No. 396

The purpose of this resolution, as amended, is to request the Board of Regents of the University of Hawaii and the Associated Students of the University of Hawaii to apply proceeds from the Stadium sale to a program of student financial aids. The Board of Regents is to report the University's progress to the legislature 20 days prior to the opening of the next legislative session.

Recently, the rise in cost of living, tuition increases, and a scarcity of jobs have increased both the number of students deserving aid and the amount of aid needed by these students. Through its budget recommendations, your Committee has supported its commitment to increased financial aid to students. Due to fiscal limitations, however, the increased appropriation reflects an amount the Committee deems necessary, not an amount the Committee deems fully desirable. In accordance with its goal of providing financial assistance to all needy students, your Committee believes that applying a portion of the University's proceeds derived from the Stadium sale to

a program of student financial aid would be timely and appropriate.

Some historical background on the University's acquisition of stadium stock and its relation to student financial aid will help to clarify your Committee's position.

#### Background

The Honolulu Stadium, Limited, was incorporated on September 9, 1926, to serve as a sports and entertainment center for Honolulu. From the outset, Dr. David L. Crawford, President of the University of Hawaii, played a leading role in the enterprise, embarking upon a campaign to induce private shareholders to donate their stock to the University for a Scholarship Loan Fund.

In 1936, the Board of Regents adopted a resolution to accept all shares of capital stock offered, and to approve a form for the acceptance of such stock. In 1938, the Board of Regents authorized the President to purchase such blocks of stock in Honolulu Stadium, Limited, as were available at reasonable prices.

The principal motivation for the stock acquisition and resultant control of the Stadium was the expectation that this would mean increased scholarship funds for the University.

From 1936 to 1939, the University received 3,290 shares of stock in various size blocks from 34 individuals and firms. The University also acquired 4,513 shares through purchase from special funds, such as auxiliary enterprises income. Income from these shares has been used for the University General Scholarship program. In 1944, the University received 1,325 shares as stock dividend, of which 656 shares were credited to the trust shares and 669 to purchased shares. Ultimately, the University of Hawaii became the owner of 9,128 shares; 3,946 as trustees and 5,182 as outright owner:

<u>Category</u>	<u>No. of Shares</u>	<u>Per Cent</u>
Trust	3,946	43.2
Purchased	<u>5,182</u>	<u>56.8</u>
TOTAL	9,128	100.0

The dividends received by the University from shares impressed with trust are used for athletic scholarships (3,946 shares). The dividends derived from purchased shares (5,182) are used for University General Scholarship program.

The Associated Students of the University of Hawaii (ASUH) has 1,481 shares. These shares were acquired as follows: Purchased (1,089), Gifts (260), Stock Dividends (132). The dividends received by ASUH are used for general ASUH operational purposes.

In January 1975, the Honolulu Stadium was sold to the State of Hawaii for a sum in excess of \$8,000,000. The University's share of the proceeds amounted to \$5,200,000; the ASUH's share of the proceeds amounted to \$840,000.

The University of Hawaii has testified before your Committee that the Board of Regents is of the opinion that it has the legal and fiduciary obligation to use the income and the proceeds derived from the sale of Honolulu Stadium as it deems appropriate, consistent with its fiduciary obligations.

Your Committee believes that because the intent behind the University's acquisition of the stadium stock was to provide funds for student financial aid and because more funds for financial aid are needed now, it is necessary and appropriate that a reasonable portion of the University's moneys derived from the sale of the stadium be used for the benefit of students with financial needs.

Your Committee has amended the resolution by adding a clause to request the Board of Regents to report the University's efforts in applying the proceeds of the sale to a program of student financial aid to the Legislature before the opening of the next session.

Your Committee on Higher Education concurs with the intent and purpose of H.R.

No. 396, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 396, H.D. 1.

Signed by all members of the Committee.

SCRep. 941 Consumer Protection and Commerce on H.R. No. 238

The purpose of this resolution is to request the Committee on Youth and Elderly Affairs to review the feasibility of requiring licensure of all boarding homes and rooming houses providing shelter and care to the elderly.

Elderly people living in boarding homes are in a position where they can easily be exploited for profit motives and not given the proper care and services that they should be receiving. Nonlicensed boarding homes and rooming houses receive rare and irregular visits and inspections from nutritionists, nurses, social workers, the fire marshal, and other State and county personnel. Further, these private boarding homes and rooming houses can bar the entry of State or county personnel because they are not licensed.

Your Committee on Consumer Protection and Commerce concurs with the intent and purpose of H.R. No. 238, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Cayetano, Kondo, Stanley and Carroll.

SCRep. 942 Judiciary on H.R. No. 599

The purpose of this resolution is to request the Department of Social Services and Housing to permit public input in considering the adoption of "The Basic Rights and Privileges of the Committed Offender Under the Jurisdiction of the Corrections Division".

The resolution requests that both the community and those incarcerated be given the opportunity to present their views. Holding of both public hearings and hearings at the State's correctional facilities will ensure public and prisoners input as to inmates rights and privileges. It will help to determine not only adoption of the rules but implementation as well. It is also requested that the Department of Social Services and Housing report to the Legislature its actions and decisions on the "Basic Rights and Privileges of the Committed Offender".

Your Committee has amended the resolution to clarify the intent and purpose of the resolution and to insert the proposed list of rights being considered.

Your Committee on Judiciary concurs with the intent and purpose of H.R. No. 599, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 599, H.D. 1.

Signed by all members of the Committee.

SCRep. 943 Finance on H.R. No. 640

The purpose of this resolution is to request that sufficient funds for the Department of Social Services and Housing to pay Hawaii's professional health providers their customary fees to the extent that federal rules permit be included in the budget.

Currently, the Department pays Hawaii's professional health providers 75% of their customary fees up to 75% of the maximum permitted by federal rules. Federal rules permit payment of customary fees up to the seventy-fifth percentile. Your Committee believes that the long term effect of inadequate medical assistance payments will be to discourage Hawaii's professional health providers from accepting patients who rely upon public assistance. Your Committee feels that citizens of Hawaii who rely upon public assistance have the right to receive the same quality of health care and receive treatment from the same physicians and dentists as other citizens.

Your Committee has amended the title and conformed the wording of the resolution.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 640, H.D. 1, as amended herein, and recommends its adoption as H.R. No. 640, H.D. 2.



Signed by all members of the Committee.

SCRep. 944      Water, Land Use, Development, and Hawaiian Homes on  
H.R. No. 280

The purpose of this resolution is to establish district offices on the neighbor islands.

Your Committee feels that district offices on the outer islands would serve those areas of the state where the purpose for the existence of the Department of Land and Natural Resources is needed most.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of H.R. No. 280 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 945      Health on S.C.R. No. 8

The purpose of this resolution is to request the United States Immigration and Naturalization Service to provide measures to prevent the entry of aliens suffering from communicable diseases into Hawaii.

Your Committee finds the number of foreign immigrants to Hawaii has increased substantially since the enactment of liberalized immigration laws by the United States Congress during the 1960's.

Studies which have been done show that a higher incidence of certain communicable diseases, notably tuberculosis and leprosy were among immigrants and that the rate of incidence of such diseases appears to be consistently related to the influx of immigrants to the State.

Your Committee also acknowledges that the present Immigration Act (Public Law 89-236, Stat. 911) passed in 1965, was designed to make immigration requirements more equitable by abolishing the discriminatory aspects of the previous law. Under it, persons from outside of North and South America are allocated a total of 170,000 visas with a limitation of 20,000 from individual countries. With the abolishment of discriminatory provisions against persons from the Asia-Pacific triangle, it was natural from the ethnic makeup of our island state that a marked increase in immigration to Hawaii would and did occur.

Since the countries of the Asia-Pacific triangle have a tuberculosis problem far greater than that in Hawaii it was natural, too, that the influx brought with it an increase in tuberculosis cases coming into the State.

As a result, it is essential that communicable diseases among immigrants be detected at an early state in order to prevent its spreading among the resident population.

Your Committee on Health concurs with the intent and purpose of S.C.R. NO. 8, S.D. 1, and recommends its adoptions.

Signed by all members of the Committee.

SCRep. 946      Health on H.R. No. 432

The purpose of this resolution is to have the Committee on Health investigate the problems encountered by the handicapped in gaining access to buildings and to report its findings and recommendations which would alleviate these problems.

Your Committee finds that due to architectural barriers such as curbs, narrow doors, steps, and inaccessible restroom facilities, access to buildings by people who are handicapped are limited. Like any other citizen in the State, handicapped individuals, who have ambitions and aspirations for achievement, are an inseparable part of our society. Thus, their ability to be mobile is essential as an incentive to achievement by the handicapped. Unfortunately, their drive and determination are frustrated when buildings and structures are made inaccessible through architectural barriers.

As a result, your Committee feels that it is to the best interest of the State that its citizens who are less fortunate physically be given access to buildings and through investigating the existing problem, improvements could be made to adequately accommodate the physically handicapped.

Your Committee has amended the Resolution calling for a report by your Committee prior to the commencement of the Regular Session of 1976.

Your Committee on Health to which was referred H.R. No. 432, is in accord with the intent and purpose of H.R. No. 432, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 432, H.D. 1.

Signed by all members of the Committee.

SCRep. 947      Water, Land Use, Development, and Hawaiian Homes and Housing  
(H.R. No. 111)

Your Committee on Water, Land Use, Development, and Hawaiian Homes and your Committee on Housing which have conducted a review of the housing programs of the Department of Hawaiian Home Lands as directed by H.R. No. 111 adopted by the Regular Session of 1975 begs leave to report as follows:

There are presently 1,984 homes under the Department of Hawaiian Home Lands housing program, yet the number of applicants on the waiting list totals 4,095. Currently, the Department has determined that there is a total of 860 homes which can be built immediately and which will require some \$21,500,000 to finance home loans at \$25,000 per home. Available funds, including monies from the Department's funds, Farmers Home loans, and C.I.P. requests total \$19,250,000. Therefore, a balance of \$2,250,000 is still needed. However, this \$21,500,000 will only accommodate 348 new awards out of the 4,095 on the waiting list.

Your Committees have been informed that as part of the Department's overall land development program, housing is intended to be the primary purpose for which such land development will be pursued. The Department's program calls for the adoption of a general plan for Hawaiian Home lands and the subsequent identification of immediately developable lands including leased lands, with an assessment of the developable potentials of the leased lands. Subsequent to this, a master plan will be developed for each major homestead area. This master plan is to include specific site development, contracting on bid procedures for the construction of homes, and site development, and occupancy projections through project funded positions.

The Department is also planning to undertake as a priority task, a register of the part-Hawaiian population in Hawaii, and a determination in this population of the degree of interest in homestead residential lots. This would allow the Department to determine, for the first time, the present and future market needs for Hawaiian Home lands and its uses. Once this determination is made, the Department will be able to forecast land needs for housing, and will then be able to identify those lands which can be utilized for other revenue producing activities.

The Department proposes to approach its housing program in the spirit of a land developer. Housing developments will be planned and implemented in a manner comparable to private subdivision development procedures, with emphasis on aesthetic compatibility within the total homestead area.

Your Committees recommend that the Department of Hawaiian Home Lands submit a progress report on its housing programs to the Legislature at the 1976 Regular Session.

Signed by all members of the Committees except Representative Roehrig.

SCRep. 948      Water, Land Use, Development, and Hawaiian Homes  
(H.R. No. 109)

Your Committee on Water, Land Use, Development, and Hawaiian Homes which has conducted a review of the land use studies done in recent years relating to the Hawaiian Homes Commission as directed by H.R. No. 109 adopted by the Regular Session of 1975, begs leave to report as follows:

Four studies relating to Hawaiian Home Land uses have been made. These include:

a study by the Legislative Reference Bureau (1964); a Study and Evaluation of Hawaiian Home Lands Programs (Clegg-1971); the Akinaka-Land Inventory and Land Use Study (1972); and the Spencer, Koebig and Koebig General Plan for Department of Hawaiian Home Lands (1975).

In 1964, the Legislative Reference Bureau issued a study on the "Land Aspects of the Hawaiian Homes Program". In 1969, the Fifth State Legislature, through Act 275, mandated a study on the Department of Hawaiian Home Lands. The original outline submitted to the Department proposed a comprehensive and complete study effort. However, appropriations were made to fund only the Phase I portion of the study (Clegg-1971) which was never officially released.

One of the major objectives of the Department of Hawaiian Home Lands is to develop lands suitable for residential, ranching or farming use. In view of this purpose, the Akinaka-Land Inventory and Land Use Study was completed in 1972 to give the Department a definitive status of the lands under its authorization. This inventory was submitted to the Department of Accounting and General Services in February, 1975, for purposes of public verification of the lands listed therein.

A preliminary draft of the Spencer, Koebig and Koebig General Plan has recently been published and made available to the public. Its purpose, as stated in the report, is "to establish land management policies and provide guidelines for the Department of Hawaiian Home Lands..."

It is the Department's feeling that both the adoption of a general plan and the inventory of Hawaiian Home lands are necessary to the implementation of the Department's land development program and its objective of providing more residential lots. Public hearings have been scheduled in the coming months for the adoption of the Hawaiian Home lands general plan as developed by Koebig and Koebig in order that the plan may be used as the basis for departmental program action, with any further studies to be conducted only for the purpose of outlining specific development plans.

The Department is planning to carry out the various concomittant activities which will flow from the adoption of the general plan and the land inventory, including an assessment of all Hawaiian Home lands to arrive at a proper dollar value to Hawaiian Home holdings. No such appraisal has ever been made.

Plans also call for consultant and Department staff planning efforts to identify all immediately developable lands and lease lands and to provide an assessment of the developable potentials of Hawaiian Home lands and the establishment of use priorities. The Department's land program also calls for the development of a master plan for each major homestead area, including specific site development, construction and bid procedures and occupancy projections through project funded positions.

The various studies on land use in Hawaii, and Hawaiian Home lands specifically, have provided the necessary groundwork and background information for the Department to proceed at the present time with plans for maximum utilization of Hawaiian Home lands.

Your Committee recommends that the Department of Hawaiian Home Lands submit a progress report on its programs and plans relating to land use to the Legislature at the 1976 Regular Session.

Signed by all members of the Committee except Representative Roehrig.

SCRep. 949      Water, Land Use, Development, and Hawaiian Homes on S.C.R.  
No. 20

The purpose of this resolution is to request the President of the Senate and the Speaker of the House of Representatives to appoint an Economic Advisory Committee to the Hawaii State Legislature.

Your Committee believes that legislators, as policy makers for this State, can better ensure the good health of Hawaii's economy by having sound economic advice made available to them through an Economic Advisory Committee. Such a Committee would be responsible for additionally preparing an annual review of world-wide economic developments of significance to Hawaii, proposing actions on the part of the Legislature, analyzing Hawaii's economy during the previous year, and reporting on the economic prospects for Hawaii during the next twelve months. Your Committee strongly feels

that such information and advice can only benefit our State, especially in these times of economic uncertainty.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of Senate Concurrent Resolution No. 20 and recommends its adoption.

Signed by all members of the Committee except Representatives Inaba, Kihano, Lunasco, Morioka, Clarke, Fong and Larsen.

SCRep. 950      Water, Land Use, Development, and Hawaiian Homes on  
S.C.R. No. 92

The purpose of this resolution is to request the Department of Land and Natural Resources to identify all public lands lacking public access and to submit an inventory of such lands, along with recommendations for access routes.

The open spaces of the mountains and lands and beaches and sea are the essence of the quality of life enjoyed by generations of Island people.

Your Committee feels there is an obligation of the State and County governments not only to protect those public rights-of-way which already exist but also to provide access to areas presently denied to the public. Activities such as swimming, surfing, fishing, scuba-skin diving, hiking, hunting, picnicking, and camping have been limited due to the lack of access.

Your Committee on Water, Land Use, Development, and Hawaiian Homes concurs with the intent and purpose of S.C.R. No. 92 and recommends its adoption.

Signed by all members of the Committee except Representatives Inaba, Kihano, Lunasco, Morioka, Clarke, Fong and Larsen.

SCRep. 951      Higher Education on S.C.R. No. 148

The purpose of this Act is to request a complete review of labor and labor-related programs at the University of Hawaii, a review of labor-related University programs across the nation, and an inventory of labor education materials and activities at the University of Hawaii and the community.

Your Committee has held a public hearing regarding the contents of this resolution, received testimony from the Center for Labor-Management Education at the University of Hawaii, the Carpenters' Union Local 745, AFL-CIO, the Hawaii State Federation of Labor, AFL-CIO, the ILWU Local 142, and students, and finds as follows:

(1) Since the early 1900's, organized labor has played a pivotal role in the growth of Hawaii. The story of labor in Hawaii is rich with lessons in patterns of economic and political development, interactions between differing cultures and classes, and, especially, responses to human conditions. Presently, labor organizations are exerting increasing influence on life in Hawaii. With the maturing of public collective bargaining and the development of increasingly complex economic and legal relationships, understanding the functions and future directions of organized labor in Hawaii is essential.

(2) The University of Hawaii needs to more fully apply its resources to teaching and research in the field of labor studies. Two aspects of this are aptly expressed in testimony by the ILWU Local 142:

(a) with regard to the University providing impetus towards understanding patterns and trends in Hawaii's history:

"...the University has shown little interest in researching, recording, or understanding the social, ethnic, and labor history of our people. One result is that irretrievable information has been lost as older generations have died off without being given a chance to pass on their knowledge of past events which shaped our society."

(b) with regard to the University providing skill training for personal and community decision-making:

"The University can also improve the quality of community decision-making. . . Unions are an increasing part of the intra-structure of democracy and thousands of union leaders--officers, stewards, and committeemen and women--are responsible for daily decisions and recommendations of the widest variety--ranging all the way from contract and grievance settlements or counseling a worker on a family problem or his best retirement option, to deciding a union's policy on matters affecting the State's economy, environment or educational system. What improves the quality of such decisions benefits everyone who lives here."

Given the historical, existing and future impact of labor on life in Hawaii, your Committee believes that the people of Hawaii could benefit substantially from a comprehensive program of labor studies at the University of Hawaii. Therefore, as a basic step towards establishing a solid, economically feasible program of labor studies that serves the University of Hawaii and the community at large, your Committee believes it essential that the Center for Labor-Management Education conduct a thorough review of all labor-related programs in the State and provide certain services related to labor education.

In addition, your Committee deems it imperative that a Labor Advisory Council be established within the Center for Labor-Management Education whose purpose shall be to insure coordination and consultation between organized labor and the center in the furtherance of the review. The council shall consist of official designees of those unions desiring to participate in the review.

Your Committee on Higher Education concurs with the intent and purpose of S.C.R. No. 148 and recommends that it be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee except Representatives Takamura, Yuen and Ikeda.

SCRep. 952 Higher Education on S.C.R. No. 129

The purpose of this Concurrent Resolution is to request the University of Hawaii Board of Regents to honor the late Senator Larry N. Kuriyama by naming an appropriate building in his memory.

The late Senator Larry N. Kuriyama was deeply interested in the University of Hawaii. He served as Chairman of the House Committee on Higher Education while he was a member of the State House of Representatives and Chairman of the Senate Committee on Higher Education while he was a member of the State Senate. His resolve and determination in dealing with the problems of the University of Hawaii made him one of the most knowledgeable legislators of the State in the affairs of the University. The furtherance of the system of community colleges in Hawaii was due in large part to his insight into the needs of the people of the State for higher education.

Your Committee on Higher Education feels that it would be fitting and proper for the University of Hawaii to name one of its buildings in honor of the late Senator Larry N. Kuriyama.

Your Committee on Higher Education concurs with the intent and purpose of S.C.R. No. 129 and recommends its adoption.

Signed by all members of the Committee.