

CONFERENCE COMMITTEE REPORTS**Conf. Com. Rep. 1 on H.B. No. 1453**

The purpose of this bill is to appropriate funds to the Department of Business, Economic Development, and Tourism for emergency tourism promotions.

Your Committee finds that recent events have shown the vulnerability of the Hawaii economy to visitor slowdowns caused by external, uncontrollable factors.

Your Committee further finds that the latest information from the Hawaii Visitors Bureau shows signs of recovery in the visitor industry, but the speed and extent of the recovery still remains uncertain. The economy will still show a net loss for the 2nd and 3rd quarters and the recovery will still not make up for the losses in the early part of the year.

Furthermore, your Committee finds that reporting on use of the appropriation and the effectiveness of the campaign allows careful assessment of the results of the promotion, enabling the department to better handle future campaigns, should another economic emergency occur.

Your Committee amended the bill by:

- (1) Removing the reference to the counties in the first paragraph of the purpose section; and
- (2) Requiring the department to report to the Legislature;

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1453, HD 2, SD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1453, HD 2, SD 2, CD 1.

Representatives Cachola, Souki, Kanohe, Lee, Say and Marumoto,
Managers on the part of the House.

Senators Yamasaki, Nakasato, Solomon and George,
Managers on the part of the Senate.

Conf. Com. Rep. 2 on S.B. No. 1766

The purpose of this bill is to require the use of solar energy for heating water in residential housing constructed on State lands, constructed with State funds, or subsidized by the State.

Your Committee finds that there is a need to promote the use of solar energy for water heating to reduce the State's reliance on imported fuels, and that solar water heating is particularly suitable for the climate conditions that exist in Hawaii.

Your Committee also finds that non-profit corporations should be encouraged to use solar energy in all projects where solar energy water heating would be effective and practical.

Your Committee has amended the bill by deleting the proviso giving the Housing Development and Finance Corporation the authority to require alternative devices in multi-unit buildings or where solar water heating equipment is not practical or efficient.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1766, SD 1, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1766, SD 1, HD 2, CD 1.

Representatives Hiraki, Say, Hagino, Kawakami, Morihara and Thielen,
Managers on the part of the House.

Senators Crozier, Aki and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 3 on S.B. No. 1250

The purpose of this bill is to clarify that the Housing Finance and Development Corporation is not liable or responsible for the condition or quality of land which it condemns for the purpose of lease to fee simple conversion under Chapter 516, Hawaii Revised Statutes.

Your Committee has amended this bill by correcting a drafting error.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1250, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1250, HD 1, CD 1.

Representatives Isbell, Metcalf, Amaral, Bainum, Kawakami, Morihara and Tatibouet,
Managers on the part of the House.

Senators Crozier, Aki and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 4 on S.B. No. 1567

The purpose of this bill is to prohibit the sale of cigarettes from vending machines except in a bar, cabaret, or any establishment for which the minimum age for admission is eighteen.

Your Committee finds that although current law prohibits a minor from purchasing tobacco products, many minors illegally purchase cigarettes from vending machines, most of which are left unattended and unsupervised. This measure proposes to regulate the dispensing of tobacco products and make cigarette vending machines less accessible to minors by allowing them only in establishments that do not admit minors.

Your Committee has amended this bill by clarifying that violations are subject to a fine of up to \$1,000 per day for each violation.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1567, SD 1, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1567, SD 1, HD 1, CD 1.

Representatives Shon, Metcalf, Amaral, Arakaki, Bainum, Hagino and Tatibouet,
Managers on the part of the House.

Senators McMurdo, Levin and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 5 on H.B. No. 1952

The purpose of this bill is to make it easier for farmers and ranchers to locate bona fide accessory agricultural services and uses on agricultural lands even when the agricultural activities (such as cultivation of crops or pasturing of livestock) to which the services and uses are accessory are not conducted on the same premise (tax map key parcel). This bill would also:

- (1) Add farm buildings and vehicle and equipment storage areas to the list of permitted accessory agricultural uses;
- (2) Narrow the type of dwellings permitted on agricultural land to farm dwellings and employee housing;
- (3) Permit clustering of farm dwellings within agricultural parks developed by the State; and
- (4) Permit, but not mandate, the counties to further define accessory agricultural services and uses.

To reconcile the differences between the respective Houses, your Committee on Conference has amended this measure to require that to be accessory to the permitted agricultural activities, a service or use must support the agricultural activities of the fee or leasehold owners.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1952, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1952, HD 1, SD 1, CD 1.

Representatives Honda, Cachola, Chang, Tajiri and Marumoto,
Managers on the part of the House.

Senators Holt, Chang and George,
Managers on the part of the Senate.

Conf. Com. Rep. 6 on H.B. No. 1998

The purpose of this bill is to protect information, given to insurance examiners during the course of an examination of an insurance company, that may not be appropriate for public disclosure for as long as the Insurance Commissioner deems prudent.

The insurance examiners' working papers currently are not protected from disclosure, and are open to public inspection. Normally, certain papers presented to the examiners would be confidential under Chapter 92F, Hawaii Revised Statutes (HRS), the Uniform Information Act (Modified), but for the fact that the Insurance Code deems all records of the Insurance Division to be public records. This bill amends the Insurance Code to protect the confidentiality of certain records.

Your Committee approves of the intent of the bill, but finds that the language used in subsection (f)(4) regarding records normally protected under Chapter 92F, HRS, is unclear because it appears to give the Commissioner discretion to disclose protected information. Your Committee therefore amends the bill by deleting lines 15-16, and inserting a new subsection (g) clarifying that the Commissioner has no discretion to disclose any information that is otherwise exempt from disclosure.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1998, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1998, HD 1, SD 1, CD 1.

Representatives Hirono, Metcalf, Amaral, Morihara, Takamine and Thielen,
Managers on the part of the House.

Senators Ikeda, Iwase and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 7 on H.B. No. 411

The purpose of this bill, as received, is to authorize the respective county liquor commissions to deny or restrict the issuance of new liquor licenses for the on-site sale and consumption by the drink, to any applicant whose establishment would be located within six-hundred feet of an existing school, church, hospital, or playground. In addition, this measure clarifies that a public or private beach is not to be construed as a playground.

Your Committee notes that while it is concerned about the establishment of new liquor licensees near places frequented by minors, it is also concerned about an over-broad delegation of authority to the county liquor commissions to carry out State policy.

After extensive discussion, your Committee has amended this bill by:

- (1) Clarifying that the term "liquor commission" refers to the commission or agency of each county;
- (2) Expanding the description of "school" to include public and private elementary, intermediate, and high schools;
- (3) Allowing the liquor commission or agency to prohibit or restrict the issuance of liquor licenses to applicants whose establishments are located near public playgrounds utilized extensively by minors, as determined by the respective county liquor agencies;
- (4) Excluding public and private day care centers located in or adjacent to commercial areas, public and private beaches, and resort areas and hotel liquor license applicants from the provisions of this bill; and
- (5) Clarifying the distance between the boundary of a school or public playground and the boundary of the license applicant's establishment and fixing the distance to five-hundred feet.

In addition, your Committee has reinserted the provisions of the House draft of this bill requiring trade organizations to apply to the respective county liquor regulatory agency for permits to display and/or sample alcohol at trade shows and other exhibitions.

Technical, nonsubstantive revisions were also made for the purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 411, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 411, SD 1, CD 1.

Representatives Hirono, Metcalf, Amaral, Bainum, Morihara and Ward,
Managers on the part of the House.

Senators Fernandes Salling, Aki and George,
Managers on the part of the Senate.

Conf. Com. Rep. 8 on H.B. No. 409

The purpose of this bill is to allow hotels currently holding dispenser's licenses to switch to hotel licenses without subjecting those license holders to the requirements of Sections 281-52, 281-54, and 281-57 through 281-59, Hawaii Revised Statutes, if they apply for the change of classification prior to July 30, 1992.

The original bill dealt with amendments to sections regarding entertainment on the premises of certain classes of liquor licensees. This issue is addressed in a Senate concurrent resolution requesting all the counties to consider this matter cooperatively during the interim and propose legislation for the 1992 session. Your Committee on Conference agrees that the various liquor commissions should discuss issues of mutual concern and propose legislation upon which consensus has been attained.

After further consideration, your Committee has amended this measure by substituting "may" for "shall" on page 1, line 15, thereby making it permissive rather than mandatory for hotels to change their dispenser licenses to hotel licenses.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 409, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 409, HD 1, SD 1, CD 1.

Representatives Hirono, Metcalf, Amaral, Cachola, Morihara and Ward,
Managers on the part of the House.

Senators Fernandes Salling, Nakasato and George,
Managers on the part of the Senate.

Conf. Com. Rep. 9 on H.B. No. 27

The purpose of this bill is to authorize the Director of Transportation to adopt rules relating to the licensing and regulation of commercial activities on airport premises. This bill also includes criminal penalty provisions for violations.

Your Committee finds that prior to its amendment in 1980, Section 261-21, Hawaii Revised Statutes, covered penalties for violations of all administrative rules of the Department of Transportation Airports Division. When the law was amended in 1986, the penalties for violation of rules relating to the licensing and regulation of persons engaged in commercial activities in or about the airport premises were inadvertently omitted.

Your Committee further finds that it is inappropriate for a State agency to promulgate rules involving criminal penalty provisions.

Your Committee has amended this bill by amending Section 261-21, Hawaii Revised Statutes, such that any person violating Chapter 261, Hawaii Revised Statutes, shall be guilty of a misdemeanor, while persons violating rules promulgated by the Department of Transportation shall be punishable with a fine not more than \$2,000.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 27, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 27, HD 1, SD 1, CD 1.

Representatives Oshiro, Metcalf, Baker, Hashimoto, Takamine and Thielen,
Managers on the part of the House.

Senators Fernandes Salling, Cobb and George,
Managers on the part of the Senate.

Conf. Com. Rep. 10 on H.B. No. 387

The purpose of this bill is to provide statutory guidelines for the issuance of driver's licenses to persons with epilepsy. This bill also modifies the membership of the Medical Advisory Board.

Your Committee finds that the State of Hawaii presently does not have statutory guidelines for the issuance of driver's licenses to persons with epilepsy. Your Committee further finds that the Medical Advisory Board, which is charged with the responsibility of developing a system for the medical evaluation of persons whom an examiner of drivers has reason to believe has a mental or physical condition which may impair their driving ability, currently uses guidelines published by the Department of Transportation, National Highway Traffic Safety Administration. These guidelines recommend a one-year, seizure-free period prior to the issuance of a driver's license.

Your Committee also finds that research is available which may support the establishment of a seizure-free period prior to the issuance of a driver's license which is less than that suggested by the National Highway Traffic Safety Administration.

Your Committee has amended this bill by deleting statutory guidelines for the issuance of driver's licenses to persons with epilepsy. It is the intent of the Committee to allow the Medical Advisory Board the opportunity to evaluate the feasibility of modifying the duration of the seizure-free period prior to the issuance of a driver's license.

Your Committee has also made technical, non-substantive amendments for the purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 387, HD 2, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 387, HD 2, SD 1, CD 1.

Representatives Oshiro, Shon, Metcalf, Duldulao, Hagino, Hashimoto and Ward,
Managers on the part of the House.

Senators Fernandes Salling, Cobb and George,
Managers on the part of the Senate.

Conf. Com. Rep. 11 on H.B. No. 826

The purpose of this bill is to strengthen and clarify the regulation of real estate licenses by requiring:

- (1) A real estate broker's place of business to display associated real estate salespersons' licenses, as well as by mandating branch offices to be licensed, and site offices to be registered with the Real Estate Commission; and
- (2) A condominium hotel operator to be either a sole proprietor, partnership, or corporation.

This bill also provides an additional prerequisite of financial integrity for licensing, and allows the suspension or revocation of a broker's or salesperson's license for failure to maintain a reputation of honesty, truthfulness, financial integrity, and fair dealing.

Your Committee has amended this measure by:

- (1) Restoring the provisions of a previous draft, which, in addition to the aforementioned stipulations, require salespersons or brokers to file an application disclosing prescribed information for any change in licensing status;
- (2) Clarifying the first paragraph of Section 467-11 in Section 2 of the bill by specifying that all fees shall be deposited to the general fund and allocated to the Real Estate Education Fund as provided in rules adopted by the Director of Commerce and Consumer Affairs pursuant to Chapter 91, Hawaii Revised Statutes; and
- (3) Making technical, nonsubstantive revisions for the purposes of clarity and style.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 826, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 826, HD 1, SD 1, CD 1.

Representatives Hirono, Morihara, Oshiro, Yoshimura and Thielen,
Managers on the part of the House.

Senators Ikeda, Crozier, Iwase and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 12 on H.B. No. 936

The purpose of this bill is to require State and County agencies receiving grants or loans from the State Water Pollution Revolving Fund to mandate the installation of approved low flow water fixtures in all new residential and public buildings beginning July 1, 1993.

Your Committee has amended this bill by changing the date to require installation of low flow water fixtures from July 1, 1993 to December 31, 1992. Your Committee believes this amendment would allow sufficient time for all parties to prepare for this requirement but not delay, more than necessary, the conservation of our fresh water resources.

Your Committee is deeply concerned with the precarious position of the State in regard to sufficient and readily available water supplies.

Your Committee recognizes that plans are being implemented for hundreds of new housing units and would like to request that the planning and building departments of each county urge developers and individual homebuilders to utilize low flow plumbing fixtures and devices before granting building permits.

Your Committee also amended this bill by deleting Section 2 in its entirety. Other technical, nonsubstantive amendments were made for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 936, HD 2, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 936, HD 2, SD 1, CD 1.

Representatives Hiraki, Metcalf, Amaral, Morihara, Santiago and Thielen,
Managers on the part of the House.

Senators Chang, Levin and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 13 on H.B. No. 925

The purpose of this bill is to amend Chapter 342N, Hawaii Revised Statutes (HRS), by adding and clarifying provisions to ensure the proper management and disposal of used oil.

Your Committee has made the following amendments to this bill:

- (1) Section 1 was amended by amending Section 342N-8(b), HRS, to clarify that the fines imposed are civil penalties and by deleting language imposing sentence terms and inserting language to reflect that a person would be guilty of a petty misdemeanor for the first conviction and guilty of a misdemeanor for subsequent convictions; and
- (2) Section 2 was amended by reinserting some of the language contained in Section 2 of HD 2 of this bill. The following language was not reinserted:
 - (A) Language which would have made exemptions from the prohibition applicable only to discharges onto the ground. Your Committee feels that the exemptions should be applicable to all water paths mentioned in Section 342N-30, HRS;
 - (B) Language indicating that the exemption from prohibition would apply only if the vehicle or equipment was properly functioning. Your Committee feels that it may be difficult to determine whether a vehicle or piece of equipment is properly functioning; and
 - (C) Language which would have exempted releases subject to the reporting requirements under Chapter 128D, HRS. Your Committee feels that only because the release is subject to 128D it should not be exempted under Chapter 342N, HRS.

- (3) Section 7 was amended by inserting a proviso that amendments made to Section 342N-30(c), HRS, by this bill would be repealed once rules are effective for field screening tests and its reporting requirements; and
- (4) Other amendments for purposes of style and clarity were made.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 925, HD 2, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 925, HD 2, SD 1, CD 1.

Representatives Hiraki, Shon, Metcalf, Amaral, Bainum, Morihara, Santiago and Thielen,
Managers on the part of the House.

Senators Chang, Ikeda and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 14 on H.B. No. 928

The purpose of this bill is to amend Chapter 342I, Hawaii Revised Statutes, to prevent the improper disposal of lead acid battery electrolyte fluid and to ensure the proper management and disposal of used lead acid batteries.

Your Committee has amended this bill to clarify that the recordkeeping requirements do not apply when facilities accept fewer than five batteries from an individual per day. Your Committee recognizes that this exemption is for individuals who replace their own batteries, and the clarification was made so that the exemption would not be subject to abuse.

Your Committee has also amended this bill by amending the penalty provision as follows:

- (1) Language was added to clarify that the penalties in subsection (a) are civil and the penalties in subsection (b) are criminal; and
- (2) The fine for violating Chapter 342I, Hawaii Revised Statutes, was changed from "not more than \$10,000 per day for each day of each separate offense" to "not more than \$10,000 for each separate offense."

Other amendments for purposes of style and clarity were made.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 928, HD 2, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 928, HD 2, SD 1, CD 1.

Representatives Hiraki, Metcalf, Say, Chang, Morihara and Thielen,
Managers on the part of the House.

Senators Chang, Solomon and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 15 on H.B. No. 760

The purpose of this bill is to extend Act 214, Session Laws of Hawaii, 1990, by extending the Act's repeal date of June 30, 1991 to June 30, 1993. The bill further amends the Act by:

- (1) Prohibiting activity desks from using activity brochures that do not clearly display the name and telephone number of the activity provider;
- (2) Barring the withdrawal of funds from a client trust account, other than a fifteen percent sales commission, or a refund to a consumer, until the activity provider has been paid; and
- (3) Authorizing activity associations to file suit for injunctive and declaratory relief and receive attorney fees, though not damages.

Your Committee finds that there is a need for regulations regarding activity providers and activity desks and that the extension of this chapter will allow for an assessment of these provisions and an adequate time to monitor the impact of the law.

Your Committee has amended the bill as follows:

- (1) Clarified the section of the bill regarding prohibited acts so that activity desks must only display the name and phone numbers of activity providers who are providing an activity in the State of Hawaii. Therefore, this restriction does not apply to brochures that advertise activities located outside of Hawaii;
- (2) Amended the definition of "activity provider" to specifically exempt sellers of airline tickets or coupons, such as those used for Aloha Airlines or Hawaiian Airlines;
- (3) Required activity desks to maintain client trust accounts and set forth provisions regarding maintenance of and withdrawal from such accounts;
- (4) Set a maximum liability of \$10,000 for first time violators; and

- (5) Corrected Ramseyer errors to this bill for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 760, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 760, HD 1, SD 1, CD 1.

Representatives Hirono, Cachola, Hiraki, Morihara and Ward,
Managers on the part of the House.

Senators Ikeda, Cobb, Iwase, McCartney and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 16 on H.B. No. 664

The purposes of this bill are to:

- (1) Amend Part IV of Chapter 514-A, Hawaii Revised Statutes, by establishing a chronological system as the method for reserving owner-occupied units;
- (2) Limit the use of a power of attorney for reserving condominium units;
- (3) Extend the period of time for publication by a developer of the notice of intention to sell a project;
- (4) Require that the developer file a copy of the announcement with the Real Estate Commission at least thirty days prior to its publication;
- (5) Give first opportunity to persons seeking a "principal place of residence"; and
- (6) Provide self-enforcement mechanisms which will aid in reducing violations.

Your Committee has amended the bill by providing that the developer of condominium units has the choice of a chronological or a public lottery system for developing the final reservation list for owner-occupied units and by reinstating the requirement that a person's intent to be an owner-occupant be reaffirmed by affidavit at the time of closing. Additionally, your Committee has made non-substantive changes for the purposes of clarity and style.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 664, HD 2, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 664, HD 2, SD 1, CD 1.

Representatives Isbell, Hirono, Arakaki, Bainum, Chun, Shon and Thielen,
Managers on the part of the House.

Senators Crozier, Aki and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 17 on H.B. No. 922

The purpose of this bill is to clarify that violations of environmental laws that extend over multiple days will be penalized as separate offenses for each day the violation remains unabated and that there are no caps on the penalties paid by polluters for a violation or multiple violations on any one day. The bill also requires that moneys collected as fines and penalties for violations of environmental laws be deposited into the environmental response revolving fund, provided that any amount in excess of \$3,000,000 be transferred to the general fund.

Your Committee has amended this bill by including the contents of Section 2 of S.B. No. 771, SD 1, HD 1, into this bill, and by including a definition for "littering" in Chapter 339, Hawaii Revised Statutes.

Your Committee has also amended this bill making technical, nonsubstantive changes for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 922, HD 1, SD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 922, HD 1, SD 2, CD 1.

Representatives Hiraki, Metcalf, Hirono, Morihara, Santiago, Takamine and Thielen,
Managers on the part of the House.

Senators Yamasaki, Chang, Levin and George,
Managers on the part of the Senate.

Conf. Com. Rep. 18 on H.B. No. 544

The purpose of this bill is to authorize the continuance of the "Operation Nightingale" program for four more years to enable a greater number of nursing school graduates to pass the written nursing licensing examinations. The bill also includes a blank appropriation for the implementation of the program.

Your Committee has amended this measure by:

- (1) Deleting Sections 3-4, page 8, lines 15-21. These Sections provide appropriations for the program.
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and style.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 544, HD 2, SD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 544, HD 2, SD 2, CD 1.

Representatives Shon, Say, Arakaki, Duldulao, Kanoho, Kawakami and Marumoto,
Managers on the part of the House.

Senators Yamasaki, Levin, McMurdo and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 19 on H.B. No. 824

The purpose of this bill is to allow candidates for the nursing license examination, who provide proof that they have completed the educational curriculum required to take the examination for a nursing license, to obtain temporary non-renewable nursing permits. This will enable candidates who have met all the educational requirements to be eligible for a temporary permit even though all of the documentation required (i.e. transcript, diploma) is not available at the time of application for a temporary permit. Further, we have students enrolled in a four-year nursing program who after two years could qualify to sit for the licensing examination because they have satisfied the educational curriculum for a license. This will enable these qualified groups of students to sit for the examination.

Your Committee has amended the bill by:

- (1) Requiring the applicant to complete the entire educational curriculum required for graduation for a nursing license; and
- (2) Correcting a drafting error in Section 1, Page 1, Line 18 of the Senate Draft.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 824, HD 2, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 824, HD 2, SD 1, CD 1.

Representatives Shon, Hirono, Amaral, Cachola, Duldulao and Tatibouet,
Managers on the part of the House.

Senators Ikeda, Cobb, Iwase, Tungpalan and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 20 on H.B. No. 937

The purpose of this bill is to authorize the Department of Health (Department) to establish charges and collect fees for any of its services, and to prohibit the Department from refusing to provide services to any person due to the person's inability to pay the fee for the service.

Your Committee finds that this bill will clarify the authority of the Department of Health to establish these charges and collect these fees.

The bill has been amended by making technical, nonsubstantive changes for purposes of style and consistency.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 937, HD 1, SD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 937, HD 1, SD 2, CD 1.

Representatives Shon, Say, Amaral, Bainum, Duldulao and Tatibouet,
Managers on the part of the House.

Senators Yamasaki, Levin, McMurdo and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 21 on H.B. No. 1685

The purpose of this bill is to authorize the issuance of special purpose revenue bonds to assist not-for-profit corporations that provide health care facilities to the general public.

Specifically, this bill authorizes the issuance of special purpose revenue bonds in the sum of:

- (1) \$39,000,000 to the Queen's Health Systems and its not-for-profit subsidiary for a skilled nursing facility, a Halawa laundry and storage facility, and other long-term care facilities;
- (2) \$20,000,000 to the G.N. Wilcox Memorial Hospital or G.N. Wilcox Health Center Properties to finance the purchase of the Kauai Medical Group building, refinance short-term bond equipment purchases, construct a

parking facility and expand ancillary and support space, renovate an emergency room, and purchase imaging and diagnostic equipment; and

- (3) \$135,000,000 to assist the Episcopal Homes of Hawaii, Inc., to plan, design, and construct a senior citizens lifecare retirement community.

After serious consideration, your Committee has amended the bill by:

- (1) Reducing the bonds issued in Section 3 to \$9,500,000 by removing the issuance of \$10,500,000 to G.N. Wilcox Memorial Hospital for financing the purchase of the Kauai Medical Group Building. It was brought to the attention of the Committee that this purchase may conflict with the not-for-profit status of Wilcox;
- (2) Adding the requirements for all three not-for-profit organizations to obtain a certificate of need approval from the State Health Planning and Development Agency; and
- (3) Making other technical, nonsubstantive amendments for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1685, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1685, HD 1, SD 1, CD 1.

Representatives Shon, Souki, Chun, Duldulao, Kanohe and Tatibouet,
Managers on the part of the House.

Senators Yamasaki, A. Kobayashi, Levin, McMurdo and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 22 on H.B. No. 964

The purpose of this bill is to amend provisions of the Uniformed Control Substances Act.

Among other things, this bill will:

- (1) Require out-patient medical facilities that stock drugs used by several physicians to register as a clinic and follow regulations regarding the centralized ordering, storing, record-keeping, and dispensing of controlled substances;
- (2) Expand and clarify the definitions of "administer," "dispense," and "practitioner";
- (3) Add the opiate, "glutethimide," to the list of Schedule II controlled substances;
- (4) Repeal the current definitional provisions pertaining to anabolic steroids and add anabolic steroids to the list of Schedule III controlled substances;
- (5) Provide that an individual practitioner may not prescribe or dispense certain controlled substances for one's own use except in a medical emergency;
- (6) Require accurate recordkeeping of Schedule II, III, IV, and V controlled substances administered, prescribed, and dispensed for two years; and
- (7) Require registration of methadone treatment programs.

Upon reconsideration, your Committee has amended this bill as follows:

- (1) Deleted the supervisory requirements related to a licensed or registered health care professional who administers a controlled substance at the direction of a practitioner;
- (2) Clarified that a person who violates the provisions of Section 329-42, Hawaii Revised Statutes (HRS), is guilty of a class C felony;
- (3) Made "doctor-shopping" a prohibited act by providing that it is a crime when a person visits more than one practitioner for the purpose of obtaining one or more controlled substance prescriptions for quantities that:
 - (A) Exceed what any single practitioner would have prescribed or dispensed for the time period and legitimate medical purpose represented; and
 - (B) Would constitute an offense pursuant to part IV of Chapter 712, HRS;
- (4) Provided that any person who is in violation of "doctor-shopping," as provided in item (3) above, is guilty of a crime of the grade and class identical to that imposed under part IV of chapter 712, HRS, for the same type and equivalent quantity of controlled substance; and
- (5) Made technical, nonsubstantive amendments for the purposes of clarity and style.

With regard to the "doctor-shopping" provisions of this bill, it is the intent of your Committee that part IV of chapter 712, HRS, be used as a guide in determining the applicable grade and class of crime. For example, if a person in

violation of doctor-shopping under this bill obtained more than twenty-five capsules of a schedule III substance, in determining the applicable grade and class of crime, Section 712-1246, relating to promoting a harmful drug in the third degree, would apply since that section applies to quantities of twenty-five or more capsules containing one or more of the harmful drugs, i.e., schedule III or IV substances.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 964, HD 2, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 964, HD 2, SD 1, CD 1.

Representatives Shon, Metcalf, Amaral, Arakaki, Bainum, Hagino and Ward,
Managers on the part of the House.

Senators Blair, McMurdo and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 23 on H.B. No. 666

The purpose of this bill is to improve the financial solvency and planning of apartment owners' associations by requiring these entities to prepare budgets and establish reserves for future expenses.

Your Committee finds that the failure to establish adequate reserves can impose considerable hardship on the unit owners in the form of large and unexpected special assessments. In many instances there is no accumulation of reserves for a number of years, then units are sold leaving the successors with an obligation to pay for the lack of reserves.

In addition to the need for budgets and adequate reserves, your Committee finds that the lack of provisions to prohibit associations of apartment owners from unnecessarily exceeding the annual operating budget significantly limits the effectiveness of this measure. Your Committee further finds that the term "deferred maintenance", as utilized throughout this measure, may be misinterpreted by apartment owners to mean maintenance costs that are waived or postponed.

Accordingly, after discussion and careful deliberation, your Committee has amended this bill by:

- (1) Prohibiting an apartment association from exceeding its adopted budget by twenty percent in a fiscal year, except in emergency situations;
- (2) Defining the term "emergency situation" to include extraordinary expenses incurred for court costs, costs attributed to ensure the safety of apartment dwellers, and unforeseen repair and maintenance costs;
- (3) Replacing references to the term "deferred maintenance" with the term "major maintenance" and defining the term; and
- (4) Including the "association", among those to be insulated from liability for a good faith effort to calculate the estimated cash reserves;
- (5) Substituting the term "substantially" for the term "totally" in page 2, line 16 of SD 1; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and style.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 666, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 666, HD 1, SD 1, CD 1.

Representatives Hirono, Bainum, Morihara, Peters and Thielen,
Managers on the part of the House.

Senators Crozier, Aki and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 24 on H.B. No. 1989

The purpose of this bill is to provide condominium owners a clear, simple and inexpensive procedure for handling disputes over fee assessments claimed by the association. It is not the intent of this bill to enlarge the authority of associations to impose or collect assessments. This bill also makes a condominium owner liable for reasonable attorney's fees and costs if the owner files a suit without first making a good faith effort to resolve assessment disputes through mediation or arbitration and if the owner's claims are not substantiated in the court action.

Your Committee amended the bill by using the House version of Section 514A-94(b)(2) and clarifying that an owner is not liable for the above-referenced fees and costs if the owner has first submitted the claim in good faith to mediation or arbitration, or if the case was filed in small claims court.

In addition, your Committee amended Section 1 of the bill, to allow apartment owners to file in small claims court or mediate the dispute. Either party may submit to arbitration, in the event that mediation does not succeed. This diversity of choices, small claims court, mediation or arbitration provides the parties with more alternatives.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1989, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1989, HD 1, SD 1, CD 1.

Representatives Hirono, Amaral, Arakaki, Morihara and Thielen,
Managers on the part of the House.

Senators Crozier, Aki and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 25 on H.B. No. 1985

The purpose of this bill is to amend the laws relating to residential lease disclosure requirements.

The House and Senate versions of the bill varied greatly. In brief, the House bill amended Chapters 516 and 516D, Hawaii Revised Statutes, to include a civil penalty for failure to comply with simplified leasehold disclosure requirements and to provide for certain exceptions to the leasehold disclosure requirements, while the Senate draft incorporated S.B. 1469, SD 1, which required the use of a statutorily-worded standard disclosure document as part of the sales contract on leasehold property.

Your Committee combined certain features of the House and Senate positions and amended the bill as follows:

- (1) Provided for the use of an optional standardized disclosure form similar to that set forth in the SD 1;
- (2) Included civil penalties for failure to comply with disclosure requirements;
- (3) Deleted the requirement that receipt of lease information becomes a part of the DROA (deposit, receipt, offer, and acceptance);
- (4) Eliminated the requirement that buyers sign two copies of the receipt for lease information;
- (5) Increased throughout the bill the amount of time, from five days to ten, that buyers have to review documents;
- (6) Noted that sales, for the purposes of leasehold disclosure, do not include transfers to a co-owner, spouse, parent, or child of the seller, or transfer ordered by the court;
- (7) Allowed buyers other than natural persons, such as corporations, to waive the disclosure requirements; and
- (8) Made other minor, non-substantive amendments to the present statute to correct grammatical errors.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1985, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1985, HD 1, SD 1, CD 1.

Representatives Hirono, Bainum, Metcalf, Morihara and Thielen,
Managers on the part of the House.

Senators Ikeda, Crozier and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 26 on H.B. No. 114

The purpose of this bill is to require that amendments to condominium declarations be approved by, but no more than, seventy-five percent of the owners; except in the following situations:

- (1) Declarations for projects having five or fewer apartments may provide for approval by more than seventy-five percent of the owners; and
- (2) Declarations of mixed use projects containing residential and commercial use may provide that the consent of the owner of the commercial use portion be required in order to amend the declaration.

Your Committee recognizes that this latter exception was intended to prevent oppression of owners of commercial apartments in a mixed use building. Your Committee amended the bill to delete this exception because changes to shared interests are presently addressed in the Hawaii Revised Statutes (HRS).

The definition of "limited common elements" in Section 514A-3, HRS, ensures that all parties affected by any change must consent to such change. "Common interests" may not be altered without the consent of all affected parties, pursuant to Section 514A-13, HRS. Although Section 514A-14(d)(1), HRS, appears to allow change of use of the common elements by only seventy-five percent of the owners, the 1989 case Penney v. Assn. of Apt. Owners of Hale Kaanapali holds that any change of use of a common element which diminishes the common interest appurtenant to each apartment requires the consent of all apartment owners. In so doing, the case closes the loophole that the Senate contemplated in this bill.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 114, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 114, HD 1, SD 1, CD 1.

Representatives Hirono, Bainum, Hagino, Morihara and Ward,
Managers on the part of the House.

Senators Crozier, Aki and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 27 on H.B. No. 949

The purpose of this bill is to broaden the State's authority to enforce Hawaii's fishing laws by authorizing any enforcement officer of the Department of Land and Natural Resources or other enforcement officer of the State to examine and search:

- (1) The contents of any bag or container used to carry aquatic life; or
- (2) Any vehicle or conveyance used to transport aquatic life.

Your Committee has made a technical amendment on line 14 of this bill by re-phrasing the term "a violation of Hawaii's fishing laws" to "a violation of the fishing laws of the State". Your Committee has further amended this bill to correct technical drafting errors.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 949, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 949, HD 1, SD 1, CD 1.

Representatives Stegmaier, Ihara, Metcalf, Apo, Bunda, Hashimoto, Yoshimura and Thielen,
Managers on the part of the House.

Senators Chang, Hagino and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 28 on H.B. No. 505

The purpose of this bill is to amend Chapter 205A, Hawaii Revised Statutes, relating to Coastal Zone Management by increasing the cost threshold which distinguishes developments requiring "special management area minor permits" from developments requiring "special management area use permits", by increasing the threshold cost of a development from \$65,000 to \$125,000.

The valuation of the special management area minor permit has not changed since 1982. At that time, the threshold was increased from \$25,000 to the current \$65,000. Since then, development and construction costs have increased substantially. Projects which used to be valued under \$65,000 and produced no substantial adverse effects were processed as minor permits. However, due to the increased construction costs, these same projects are now required to apply for special management area use permits (also known as major permits) even when adverse effects are minimal. The process for obtaining a major permit is lengthy and involves an environmental assessment, a public hearing, and an elaborate public decision-making process.

Upon further consideration, your Committee has made a technical amendment on page 4, line 14 of this bill by transferring the phrase "provided that" to line 15 between the phrase "[(C) Whenever]" and "whenever". The intent of this amendment is to clarify that the provision language on page 4, lines 15 to 21 of this bill is not limited to item (15).

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 505, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 505, HD 1, SD 1, CD 1.

Representatives Stegmaier, Apo, Morihara, Santiago, Yoshimura and Thielen,
Managers on the part of the House.

Senators Holt, Iwase and George,
Managers on the part of the Senate.

Conf. Com. Rep. 29 on H.B. No. 972

The purpose of this bill is to prohibit longline fishing within the boundaries of the State's territorial sea, the State's marine waters, or within the prohibited area which may be established by the federal government, whichever is greater.

Your Committee's deliberations were based, in part, on the following considerations:

- (1) A recognition that the regulation of longline fishing may be subject to change as new information is obtained with regard to the issues of gear conflict as well as sustainable yield;
- (2) A determination to reduce confrontations between longline fishermen and troller boat fishermen by physically assigning them to different fishing areas; and
- (3) A desire to reduce confusion by developing regulations that are consistent with federal rules.

Based on these considerations, your Committee has amended this bill as follows:

- (1) Replaced the phrase, "consisting of two mainlines, each over fifteen miles in length", in subsection (a) of the new section, with the phrase, "consisting of at least one mainline over one nautical mile in length". This amendment broadens the definition of longline fishing.
- (2) Rephrased the provisions in subsection (b) of the new section by deleting references to the State's marine waters and to the federal prohibited area. With this amendment, longline fishing would only be prohibited within the boundaries of the State's territorial sea.
- (3) Inserted a new subsection (c) into the new section in which the State adopts by reference the rules adopted by the Western Pacific Regional Fishery Management Council (WPRFMC) for the management and regulation of longline fishing activities. In addition, this new subsection also makes it unlawful for any person to possess, land, sell, or offer for sale any marine life taken by longline fishing gear which is prohibited by rules adopted by WPRFMC. Finally, this subsection provides that any person or vessel fishing within the prohibited areas shall be in violation of the law.
- (4) Inserted a new subsection (d) into the new section which authorizes the State to enforce the provisions of this bill within the State's marine waters and those areas under WPRFMC's jurisdiction where WPRFMC has entered into a mutual working agreement with the State to carry out these rules, including the joint deputizing of law enforcement officials.
- (5) Made technical, non-substantive amendments to the bill for the purposes of style and clarity.

Finally, your Committee strongly urges both houses to consider the establishment of an interim legislative group to review existing information on the fishery resources found in the waters of the state. In this regard, your Committee recommends that the interim legislative group:

- (1) Focus on the major factors that appear to contribute to the depletion of the fishery resource, especially the impact of longline fishing activities; and
- (2) Evaluate the effectiveness of any new rules adopted by the Western Pacific Regional Fishery Management Council to regulate longline fishing activities in sustaining the fishery resource and resolving other problems associated with this issue.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 972, HD 2, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 972, HD 2, SD 1, CD 1.

Representatives Stegmaier, Metcalf, Amaral, Apo, Bunda, Santiago, Young and O'Kieffe,
Managers on the part of the House.

Senators Chang, Levin and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 30 on H.B. No. 1304

The purpose of this bill is to prohibit loitering in a public place for the purpose of engaging in or advancing prostitution.

Your Committee on Conference finds that loitering statutes are constitutionally suspect and difficult to sustain in the courts. The more severe penalties for loitering tend to have a higher probability of being unconstitutional. Therefore, your Committee on Conference reluctantly decreased the penalties in order to have a measure that effectively discourages loitering for prostitution and would still pass constitutional scrutiny. The repeal date of this Act was also deleted to allow this Act to remain in effect.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1304, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1304, HD 1, SD 1, CD 1.

Representatives Metcalf, Amaral, Bainum, Hirono and Thielen,
Managers on the part of the House.

Senators Blair, Holt and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 31 on H.B. No. 1016

The purpose of this bill is to make technical and substantive changes to Part XIV, Chapter 286, Hawaii Revised Statutes, to facilitate the implementation of the administrative revocation program as established in 1990.

Your Committee on Conference has amended this bill as follows:

- (1) By inserting the words "review or" on line 18, page 3, to disallow any criminal prosecution where no administrative revocation is ordered at the administrative review level;
- (2) By amending Sections 9, 10, and 12 to allow the director to consider the refusal to submit to a chemical test as a factor in determining the period of revocation under Section 286-261;

- (3) By amending Section 10(k) to allow the director discretion in granting an extension of the temporary permit;
- (4) By amending Section 11 to require the arrestee to file a petition for judicial review within thirty days after the administrative hearing decision is mailed;
- (5) By deleting from Section 11 the requirement that the prosecution be present at the hearing in order to preserve the right to request judicial review;
- (6) By inserting into Section 11 a qualification on judicial review that no decision shall be reversed unless the court is of the opinion that the error at the hearing level has injuriously affected the substantial rights of the appellant;
- (7) By deleting Section 13 and by renumbering subsequent sections as appropriate; and
- (8) By making technical changes on line 4 of page 8, line 23 of page 10, lines 14 and 15 of page 12, lines 5 and 6 of page 13, line 1 of page 16, line 1 of page 18, and line 16 of page 25.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1016, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1016, HD 1, SD 1, CD 1.

Representatives Metcalf, Amaral, Bainum, Oshiro and Thielen,
Managers on the part of the House.

Senators Fernandes Salling, Blair and George,
Managers on the part of the Senate.

Conf. Com. Rep. 32 on H.B. No. 515

The purpose of this bill is to expand the Medical Treatment Decision Law to give adults greater control over decisions affecting their own medical care by:

- (1) Permitting a person to draft a living will that sets forth whether food and water should be continued, withheld or withdrawn;
- (2) Permitting a living will to take effect not only when a person is terminally ill, but also in situations where a person has permanently lost the ability to communicate these desires;
- (3) Deleting the notary requirement for execution of a valid living will;
- (4) Suggesting a sample declaration form that contains a checklist to document whether or not the person wishes to be sustained by feeding tubes;
- (5) Allowing a patient to revoke a living will by (a) a clear oral statement to the attending physician or (b) a clear oral statement to two adult witnesses who then communicate the statement to the doctor; and
- (6) Providing that if a declaration fails to state that food and fluids should be withheld, there is a rebuttable presumption that the declarant wishes to receive them.

Your Committee on Conference has carefully weighed the merits of a simple and informal living will procedure against those of a more formalistic one and finds in favor of a more structured process. These amendments, therefore, retain the statute's original requirements of two witnesses and notarization of all signatures at the same time. Your Committee finds that the execution of a living will is a serious matter. Any possible inconvenience in obtaining a notary is outweighed by the satisfaction of knowing that the decision was thoroughly thought through.

To further reflect the seriousness of the process, the Committee has added the requirement that in order to be enforceable, all living wills executed after July 1, 1992 must minimally include the checklist set forth in the Declaration sample form in Section 327D-4.

The decision to add this requirement is designed to reinforce the principle that a person has the right to choose whether to have food and water provided, withheld or withdrawn. Nevertheless, your Committee recognizes that a certain number living wills will inevitably be executed without the required checklist. Although not enforceable, these documents are credible evidence of the declarant's intent.

To further reflect the seriousness of the entire process of executing a living will, your Committee has amended the revocation process to parallel current probate code provisions.

Further, your Committee fully intends that these amendments remain neutral and free of any attempt to sway a person to decide what whether life sustaining food and fluids should be provided or withheld. Consequently, the bill as amended deletes subsection 327D-23(b). This subsection would have established a rebuttable presumption that a person wished to receive food and water unless that person specified otherwise.

Finally, these amendments provide certain definitional and technical changes.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 515, HD 1, SD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 515, HD 1, SD 2, CD 1.

Representatives Metcalf, Shon, Amaral, Arakaki, Bainum, Hiraki, Isbell and Thielen,
Managers on the part of the House.

Senators Blair, Levin, McMurdo and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 33 on H.B. No. 816

The purpose of this bill is to allow the State Comptroller to deposit moneys received from the settlement of claims or losses of the State into the State Risk Management Revolving Fund.

Currently, moneys received from the settlement of claims or for losses of the State reverts to the General Fund. The deposit of these moneys in the State Risk Management Revolving Fund will enable the State to ensure a timely restoration of public services and repair or replacement of State property.

Your Committee has amended this bill by making technical, nonsubstantive revisions for the purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 816, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 816, HD 1, SD 1, CD 1.

Representatives Metcalf, Souki, Hiraki, Hirono, M. Ige, Takamine and Thielen,
Managers on the part of the House.

Senators Yamasaki, Iwase, Mizuguchi and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 34 on H.B. No. 934

The purpose of this bill is to amend the procedures for changing, registering, and reporting names at the time of a marriage, divorce, or birth of a child by:

- (1) Authorizing couples, upon marriage, to declare their middle and last names they will use;
- (2) Clarifying that the registered name of a child born in wedlock may be chosen by one parent, or by a court, if the parents are unable to agree;
- (3) Authorizing a person, in a divorce proceeding, to request resumption of the middle and last name used prior to marriage or from a previous marriage; and
- (4) Repealing a redundant law pertaining to the reporting of names of newborn children.

This bill, as originally introduced, contained language to limit the choice of middle names which may be selected by individuals upon marriage. This language was subsequently deleted in order to allow complete discretion in choosing a middle name, in particular, to allow a person to choose the spouse's last name as a middle name.

However, your Committee finds that the deletion of this language is not consistent with the original purpose of this measure, which, in essence, sought to streamline the name change procedures by allowing individuals to change their middle and last names upon marriage using their current legal names or the name or names listed on their birth certificates without the necessity of applying for an official name change order issued by the Lieutenant Governor.

Your Committee, therefore, has amended this bill by providing that upon marriage, a person may choose a middle name that is the person's last name or the last name of the person's spouse, or the middle name or names given on the person's birth certificate, or a combination of the middle name or names on the person's birth certificate and the person's last name.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 934, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 934, HD 1, SD 1, CD 1.

Representatives Metcalf, Amaral, Hiraki, Morihara and Thielen,
Managers on the part of the House.

Senators Blair, Holt and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 35 on H.B. No. 1012

The purposes of this bill are:

- (1) To clarify who may serve investigative subpoenas;

- (2) To require that the issuer of the subpoena reimburse a financial institution for costs incurred in complying with the subpoena; and
- (3) To provide immunity from civil liability for releasing information in compliance with investigative subpoenas.

This bill was amended by deleting the requirement that the issuer of the subpoena reimburse a financial institution for costs incurred in complying with the subpoena. Technical amendments have also been made for the purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1012, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1012, SD 1, CD 1.

Representatives Metcalf, Amaral, Hirono, Takamine and Thielen,
Managers on the part of the House.

Senators Yamasaki, Blair, Hagino and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 36 on H.B. No. 1918

The purpose of this bill is to replace the term "larceny" with the term "theft" in the definition of "racketeering activity".

Your Committee finds that because our penal code uses the term "theft" rather than the common law term, "larceny", your Committee believes that this housekeeping measure is necessary to conform this section with the rest of the code.

This measure was amended by replacing the term "arson" with the term "criminal property damage" in the definition of "racketeering activity" since "arson" is not defined in the Hawaii Revised Statutes.

Your Committee also made a technical, nonsubstantive change for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1918, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1918, SD 1, CD 1.

Representatives Metcalf, Amaral, Morihara, Oshiro and Thielen,
Managers on the part of the House.

Senators Blair, Matsuura and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 37 on H.B. No. 1891

The purpose of this bill is to amend Section 584-6 of Hawaii's Uniform Parentage Act pertaining to procedures for commencing paternity actions, to clarify who may file and time limits within which to file paternity actions. More specifically, the bill:

- (1) Clarifies that a child's guardian ad litem and not the child's personal representative may file an action for paternity;
- (2) Clarifies that the child's natural mother, whether married or unmarried at the time the child was conceived may bring a paternity action;
- (3) Provides that, if the natural father is deceased, the father's parent or the personal representative of the father's estate may file a paternity action. This is in conformance with the provision pertaining to cases in which the mother is deceased;
- (4) Provides that a presumed father or his personal representative or parent may file a paternity action;
- (5) Deletes the requirement limiting the Child Support Enforcement Agency's authority to file paternity actions only in public assistance cases, because this is inconsistent with the Agency's actual authority;
- (6) Amends references to the time limitations for paternity actions in cases where the child is subject to adoption proceedings to conform to the language in Section 584-7, Hawaii Revised Statutes, pertaining to time limitations in paternity actions in general;
- (7) Incorporates Section 584-7, Hawaii Revised Statutes, pertaining to the time within which paternity actions must be filed, into Section 584-6 with conforming amendments;
- (8) Repeals Section 584-7; and
- (9) Includes a provision authorizing the court to waive notice to the husband, in a paternity action, upon a showing by affidavit from the wife stating that she has not had sexual contact or resided in the same house with the husband for at least 300 days prior to her child's birth and that, after due diligence, she is still unable to

locate her husband. The affidavit must provide clear and convincing evidence to rebut the presumption that her husband is the father of her child.

For the purposes of consistency, your Committee has added the words "if the presumed father has died" to the language that allows the presumed father's parent to file a paternity action.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1891, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1891, HD 1, SD 1, CD 1.

Representatives Metcalf, Amaral, Arakaki, Hirono and Thielen,
Managers on the part of the House.

Senators Blair, Crozier and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 38 on H.B. No. 22

The purpose of this bill is to amend Section 350-2, Hawaii Revised Statutes, to require the Department of Human Services (Department) to:

- (1) Promptly expunge records of child abuse or neglect cases where the reports are frivolous and unsubstantiated;
- (2) Maintain a record of the names of all persons making frivolous or unsubstantiated reports; and
- (3) Adopt rules as may be necessary in carrying out the section.

Upon reconsideration, your Committee has amended this bill by adopting the House version of the bill with the following amendments:

- (1) Clarified that a report is unsubstantiated for departmental purposes only when the Department has found the allegations contained therein to be frivolous or to have been made in bad faith; and
- (2) Clarified that the Department may retain records and information of the alleged child abuse and neglect with respect to the child that is the subject of the abuse.

Your Committee recognizes that protection must be provided for persons accused of child abuse wrongfully, frivolously or in bad faith, especially in light of the stigma that attaches to these persons because of the child abuse accusation.

Accordingly, your Committee finds that allegations of child abuse should not remain on the Department's records after having been found to be unsubstantiated, i.e., frivolous or made in bad faith, or after having been dismissed by the family court after an adjudicatory hearing on the merits.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 22, HD 2, SD 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 22, HD 2, SD 1, CD 1.

Representatives Tom, Metcalf, Amaral, Chun, Duldulao, Kawakami, Takamine and Tatibouet,
Managers on the part of the House.

Senators McMurdo, B. Kobayashi and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 39 on H.B. No. 621

The purposes of this bill are to:

- (1) Provide that the establishment of guidelines or any substantial modification may constitute a change in circumstances sufficient to permit the family court and agency of the Department of the Attorney General to revise a child support order; and
- (2) Require that current guidelines be used to calculate the amount of the child support obligations.

This bill was amended by providing that the adoption of any substantive modifications to the child support guidelines may constitute a change in circumstances sufficient to permit a review of the child support order. This amendment was made since the term "substantial" was not defined in the Hawaii Revised Statutes which makes it vague as to the quantity. Also, the guidelines used to calculate the amount of the child support was amended by requiring that the most current guidelines be used.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 621, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 621, HD 1, SD 1, CD 1.

Representatives Metcalf, Amaral, Bainum, Morihara and Thielen,
Managers on the part of the House.

Senators Blair, Cobb, McMurdo and Koki,

Managers on the part of the Senate.

Conf. Com. Rep. 40 on H.B. No. 363

The purpose of this bill is to:

- (1) Extend the 12 hour cooling off period during which the police can order a domestic abuser off the premises to 24 hours and if the order occurs after Friday 4:30 p.m. or on the weekend or holiday, the 24 hours will commence at 8:00 a.m. on the first day following the weekend or holiday; and
- (2) Provides that a person subject to a cooling off period is allowed to enter the premises with a police escort to collect any necessary personal effects.

Your Committee has amended this bill by mandating that if the order is violated before the expiration of a "cooling off period", the violator will be arrested. An earlier draft of this bill required an expiration of a "twenty-four hour" period. Your Committee has replaced "twenty-four hour" with "cooling off", to reflect that if the order occurs on a weekend or holiday, the time that the abusive spouse must comply with the order will be longer than 24 hours.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 363, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 363, HD 1, SD 1, CD 1.

Representatives Metcalf, Amaral, Arakaki, Hagino and Thielen,
Managers on the part of the House.

Senators Blair, Tungpalan and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 41 on H.B. No. 1019

The purpose of this bill is to:

- (1) Provide an extension of filing deadlines for all State and county government agencies required to complete the public records report as mandated by Section 92F-18, Hawaii Revised Statutes (HRS) and Act 192, Session Laws of Hawaii 1989;
- (2) Clarify what constitutes a "formal charge" against an agency employee under the Uniform Information Practices Act (Modified), when such charges should be disclosed, and what information should be disclosed to the public; and
- (3) Substitute the word "person" for the word "individual" currently set forth in Section 92F-12(b)(2), HRS, to enable agencies to disclose any accessible government records to any person pursuant to a State or federal law.

Your Committee finds that issues related to "formal charges" or the scope and effect of written complaints alleging employment related misconduct by an agency employee are currently in litigation pending disposition by the courts. As a consequence, your Committee believes that attempts to clarify the scope and effect of a "formal charge" is premature at the present time.

Therefore, this bill has been amended by:

- (1) Deleting all proposed amendments related to the delineation of a "formal charge" against an agency employee, when such charges should be disclosed, and what information should be disclosed to the public; and
- (2) Making technical, nonsubstantive revisions for the purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1019, SD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1019, SD 2, CD 1.

Representatives Metcalf, Amaral, Bainum, Oshiro and Thielen,
Managers on the part of the House.

Senators Blair, Mizuguchi and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 42 on H.B. No. 1017

The purpose of this bill is to:

- (1) Add "money laundering" to the list of offenses that are subject to asset forfeiture;
- (2) Clarify the manner of giving notice in administrative or judicial proceedings under Chapter 712A (Chapter), Hawaii Revised Statutes;

- (3) Clarify the procedures for processing administrative forfeitures, including procedures for mitigation or remission;
- (4) Establish a rebuttable presumption that any property is subject to forfeiture if the State establishes a certain standard of proof;
- (5) Indicate that an acquittal or dismissal in a criminal proceeding shall not preclude civil proceedings under this Chapter;
- (6) Permit the court to stay civil forfeiture proceedings where there is an ongoing criminal proceeding arising from the same action under this Chapter; and
- (7) Include a provision authorizing the forfeiture of weapons in accordance with the provisions of this Chapter and the Hawaii Penal Code.

Your Committee has amended this bill by:

- (1) Requiring that any petition for remission or mitigation of the forfeiture must include a reasonably complete description of the property; and
- (2) Making technical, nonsubstantive revisions for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1017, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1017, HD 1, SD 1, CD 1.

Representatives Metcalf, Amaral, Bainum, Cachola and Thielen,
Managers on the part of the House.

Senators Blair, Holt and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 43 on H.B. No. 201

The purpose of this bill is to require the Governor to fill vacancies for unexpired terms in the State Senate and House of Representatives within sixty days of when the vacancy occurs. The measure further requires the appointee to be of the same political party or nonpartisanship as the person the appointee will replace.

Your Committee agrees that residents deserve to have legislative representation at all times, especially, should the vacancy occur during the legislative session.

Your Committee on Conference amended this measure to require that each appointee be of the same political party or nonpartisanship as the predecessor, at the time of vacancy. This would prevent someone from switching parties just to be eligible to fill the vacancy.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 201, HD 1, SD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 201, HD 1, SD 2, CD 1.

Representatives Metcalf, Arakaki, Hagino, Hirono and Thielen,
Managers on the part of the House.

Senators Blair, Hagino and George,
Managers on the part of the Senate.

Conf. Com. Rep. 44 on H.B. No. 73

The purpose of this bill is to amend the definitions of sexual assault in the fourth degree and indecent exposure.

Your Committee on Conference amended this measure by adding a requirement that a person knowingly trespass on property for the purpose of surreptitious surveillance as one of the elements of sexual assault in the fourth degree, to avoid prosecuting innocent passersby and to distinguish this offense from simple trespass.

The definition of indecent exposure was amended to exclude exposing oneself to a spouse, in order to address the situation where estranged spouses who cohabit, still engage in behavior similar to that engaged in before being estranged. This would prevent spouses from bringing false charges as a means of settling domestic disputes.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 73, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 73, HD 1, SD 1, CD 1.

Representatives Metcalf, Amaral, Bainum, Morihara and Thielen,
Managers on the part of the House.

Senators Blair, Tungpalan and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 45 on H.B. No. 359

The purpose of this bill, as received, is to require the Family Court to assess all divorce cases prior to mediation for, among other things, past and present abuse, and to screen out those cases that would not benefit from mediation.

Your Committee has amended this bill by restoring the original amendments to the statutory chapter cited, as introduced, which exempted battered spouses from mediation in divorce proceedings. However, battered spouses seeking this exemption will only have to present allegations of spousal abuse and not actual evidence as initially required. Your Committee believes that to require the Family Court to make a finding that evidence of spousal abuse is present may later have legal ramifications that are detrimental to related court proceedings.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 359, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 359, SD 1, CD 1.

Representatives Metcalf, Amaral, Arakaki, Hirono and Thielen,
Managers on the part of the House.

Senators Blair, Tungpalan and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 46 on H.B. No. 1317

The purposes of this bill are:

- (1) To repeal Chapter 95 of the Hawaii Revised Statutes;
- (2) To create a new section in the penal code to address the destruction or defacing of official notices; and
- (3) To require that the official notices include a statement warning the public of the penalty for destroying the notices.

Your Committee finds that a protected notice should contain a statement that the destruction, removal, or defacement of the official notice is prohibited by law, in order to make it clear to the public the importance of the document and the consequences thereof.

This bill was amended by adding a new section 2 to increase the penalty for obstructing government operations from a petty misdemeanor to a misdemeanor in order to discourage that type of behavior. Accordingly, the remaining sections were renumbered.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1317, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1317, HD 1, SD 1, CD 1.

Representatives Metcalf, Amaral, Hagino, Morihara and Thielen,
Managers on the part of the House.

Senators Blair, Holt and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 47 on H.B. No. 1090

The purpose of this bill is to encourage the family court to investigate and, if appropriate, order counseling or community service for minors who violate Hawaii's curfew laws and their parents or guardians.

The Senate earlier amended this bill by deleting references to fines and by adding new subsections to the respective curfew statutes for minors and adults. These new subsections would allow the family court to impose an additional penalty on violators who need to be reminded of the seriousness of the violation or to provide additional services to those who may need them.

After further consideration your Committee has reinserted the House language which creates a new section titled "Sentencing for the violation of curfew" under Chapter 577, which pertains to children. However, the Senate's amendment to delete references to fines was retained.

Your Committee has also given the family court authority to order family counseling in imposing sentences for curfew violations. Your Committee finds that family counseling may be appropriate where the center of the minor's difficulties may be enmeshed within the family. References to parents or guardians who violate the curfew laws were also deleted.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1090, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1090, HD 1, SD 1, CD 1.

Representatives Metcalf, Amaral, Bainum, Morihara and Thielen,
Managers on the part of the House.

Senators Blair, Crozier and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 48 on H.B. No. 1230

The purpose of this bill is to strengthen the ability of the Hawaiian Homes Commission to provide water on Hawaiian home lands by establishing affirmative duties on three state agencies with responsibility for water resources in the State:

- 1) The Department of Hawaiian Home Lands (DHHL) when it allows the use of trust lands for water development projects, under Section 220, HHCA;
- 2) The Department of Land and Natural Resources (DLNR), when it issues leases of water from public lands, under HRS Section 171-58 or when it undertakes water projects under HRS Chapter 174;
- 3) The Commission on Water Resources Management in its planning, management, regulation, and conservation of water resources under HRS Chapter 174C.

In addition each county must incorporate the needs of the DHHL into each county's water use and development plan. Each of the above agencies must act, consistent with their other legal duties, to reserve adequate water resources for the current and future homestead uses by native Hawaiian homesteaders under the Hawaiian Homes Commission Act (HHCA).

Your Committee reviewed testimony regarding the problems of homesteaders on Hawaiian homelands in obtaining irrigation water for farm and pastoral lot development in areas such as Waimea and Hoolehua. To avoid this kind of problem in Waimea, Hoolehua, and elsewhere, the State hereby establishes a statutory priority reserving water to support homestead development. This bill requires the DLNR and the Water Commission to reserve water for Hawaiian homestead development when their actions could affect the future ability of homesteaders to obtain water under Section 221 of the HHCA. This bill reduces the difficult problem of withdrawing water at a future date for homestead development by requiring that agencies act to reserve water in advance.

In carrying out this duty to reserve water for the DHHL as provided for under Section 221 of the HHCA, the Commission on Water Resources Management in particular must act in a manner consistent with its other legal obligations and its own authority. At the same time that the needs of Hawaiian home lands must be honored, constitutionally protected private interests must also be respected.

Your Committee amended this bill by deleting any reference to the Winters Doctrine or to water law as it has evolved on the continental United States, which has a different history and a different set of water doctrines. This bill expressly creates as a matter of State law Hawaii's own form of water reservation for Hawaiian home lands.

Second, the bill was amended to make clear that the duty imposed on the Hawaiian Homes Commission (HHC) to reserve adequate water applies to projects it undertakes pursuant to Section 220 of the HHCA.

Third, language requiring the Board of Land and Natural Resources to obtain the HHC's prior approval was deleted, since this would invade the proper authority of the BLNR. The BLNR is obligated to notify, consult with, and jointly develop a reservation of water rights for current and future homestead needs before issuing water leases under HRS Section 171-58. Each water lease will remain subject to the rights of the HHC under Section 221 of the HHCA.

Fourth, a new subsection (n) was added to HRS Section 174C-31 requiring both the counties and the State to incorporate the needs of the DHHL into the State and County water use plans.

Fifth, language was revised to make clear that permits issued by the Water Commission will be subject to the rights of the DHHL as set forth in Section 221 of the HHCA.

Sixth, the addition to HRS subsection 174C-101(a) was modified to include planning, as well as the condition that the Water Commission decisions "incorporate and protect" adequate reserves of water for DHHL to the extent "applicable", not to the extent "practical", and in a manner "consistent with other legal requirements and authority." This addition recognizes that water on private lands may have legal protections that also must be respected and that the Water Commission itself may be restricted in its own authority to act in some situations.

Your Committee believes these changes will strengthen in very specific ways the ability of the Hawaiian Homes Commission to provide water on homestead land while at the same time respecting the proper role of other public agencies and the private uses of water.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1230, HD 2, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1230, HD 2, SD 1, CD 1.

Representatives Hagino, Metcalf, Arakaki, D. Ige, Morihara, Santiago, Young and O'Kieffe,
Managers on the part of the House.

Senators Crozier, Holt and George,
Managers on the part of the Senate.

Conf. Com. Rep. 49 on H.B. No. 513

The purpose of this bill is to amend the provisions pertaining to the Reproductive Rights Committee (Committee) by:

- (1) Placing the Committee within the Department of Health, State Planning Council on Developmental Disabilities, for administrative purposes;
- (2) Changing the requirements as well as the composition of membership to the Committee;
- (3) Providing for staggered terms of Committee appointments;
- (4) Clarifying that, although they serve without pay, the members are to be reimbursed for expenses incurred during the course of Committee business; and
- (5) Authorizing the Committee to hire staff.

When the Committee was created by Act 81, Session Laws of Hawaii 1986, Act 81 did not designate the Committee's placement within the State system nor address the need for staff.

Your Committee on Conference has amended this bill by:

- (1) Renaming the Committee to the Reproductive Rights Protection Committee; and
- (2) Deleting the provision that repeals the amendments proposed by this measure on July 1, 1993 and reenacts Section 560:5-610, Hawaii Revised Statutes.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 513, HD 2, SD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 513, HD 2, SD 2, CD 1.

Representatives Metcalf, Shon, Say, Amaral, Arakaki, Chun, Duldulao and Anderson,
Managers on the part of the House.

Senators Yamasaki, Blair, Hagino and George,
Managers on the part of the Senate.

Conf. Com. Rep. 50 on H.B. No. 923

The purpose of this bill is to establish the statutory authority to implement an integrated State asbestos program.

Your Committee on Conference amended this bill by inserting the first House draft of this bill with technical amendments. Also, the Director of Health (Director) was given the additional duty to establish indoor asbestos emission exposure standards to allow the Director to have additional discretionary authority.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 923, HD 1, SD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 923, HD 1, SD 2, CD 1.

Representatives Metcalf, Shon, Amaral, Bainum, Oshiro and Thielen,
Managers on the part of the House.

Senators Yamasaki, Chang, Levin and George,
Managers on the part of the Senate.

Conf. Com. Rep. 51 on H.B. No. 2034

The purpose of this bill is to raise the minimum wage in the State of Hawaii from \$3.85 per hour to \$4.75 per hour on January 1, 1992, \$5.00 per hour on January 1, 1993, and \$5.25 per hour on January 1, 1994.

Your Committee finds that increases in the minimum hourly wage and the guaranteed monthly salary are long overdue. An increase of the minimum wage law is needed to restore the purchasing power of poor families and low-wage earners, and to ensure that Hawaii's minimum wage is adequate in relation to the federal minimum wage and national averages.

Upon further consideration, your Committee has amended this measure by:

- (1) Increasing the guaranteed monthly salary that exempts an employee from coverage under Hawaii's Wage and Hour Law from \$1,000 to \$1,250;
- (2) Increasing the State minimum wage to \$4.75 per hour beginning April 1, 1992 and \$5.25 per hour beginning January 1, 1993;
- (3) Amending the effective date to July 1, 1991; and
- (4) Making technical, nonsubstantive amendments for the purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 2034, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2034, HD 1, SD 1, CD 1.

Representatives Takamine, Souki, Kawakami, Taniguchi, Yonamine and Anderson,
Managers on the part of the House.

Senators Mizuguchi, Yamasaki and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 52 on H.B. No. 1124

The purpose of this bill is to:

- (1) Require the Director of Personnel Services to notify the Legislature in writing not less than fourteen days before the filling of four types of exempt positions;
- (2) Require various types of information to be included in the notification; and
- (3) Exempt from statutory civil service requirements the following positions in the County Prosecuting Attorney's Offices: (1) Private Secretary to the Prosecuting Attorney; (2) Secretary to the First Deputy Prosecuting Attorney; and (3) Administrative or Executive Assistants to the Prosecuting Attorney.

Your Committee has amended this bill to increase the notification period from not less than fourteen days before filling the positions or awarding a contract to within thirty days following the filling of various positions or award of a contract.

Your Committee has also made technical, nonsubstantive amendments to the bill for the purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1124, HD 1, SD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1124, HD 1, SD 2, CD 1.

Representatives Takamine, Ihara, Say, Hashimoto, M. Ige, Metcalf, Yonamine and Ward,
Managers on the part of the House.

Senators Yamasaki, Iwase, A. Kobayashi, Mizuguchi and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 53 on H.B. No. 917

The purpose of this bill is to establish the Department of Land and Natural Resources (DLNR) as the agency responsible for overseeing and administering the boating and coastal areas programs. Specifically, this measure would:

- (1) Provide for the orderly transfer of the jurisdiction, functions, powers, and duties of the boating and coastal areas programs, from the Department of Transportation (DOT) to the DLNR including the transfer of personnel, records, equipment, appropriations, and other property; and
- (2) Provide that a management team be selected by the Director of Transportation and the Chairperson of the Board of Land and Natural Resources to develop appropriate transitional plans, re-work position descriptions, review personnel classifications, develop an organizational structure, and attend to other administrative details to ensure a smooth transition.

Ocean-based recreation and coastal activities in Hawaii are now controlled in part by two different agencies: the DOT and the DLNR. Your Committee finds that the regulation and development of ocean-based recreation and coastal area use would better be accomplished through a single entity. Moreover, it is felt that the DLNR would be better able to address the impact an activity may have on the marine environment when it regulates small boat harbors, boating, and ocean-based recreation activities.

Your Committee finds that under existing statutes, DLNR and DOT enforcement personnel are authorized to enforce the other department's rules and regulations. This concurrent jurisdiction should not be altered by the transfer of DOT enforcement personnel to the Department of Public Safety (PSD) and the transfer of the boating and ocean recreation programs to DLNR. However, this measure, as received by your Committee, does not specify who will be enforcing boating, ocean recreational, and coastal area programs. It is the intent of your Committee that the marine patrol, which is currently under the DOT but will be transferred to the PSD pursuant to Act 211, Session Laws of Hawaii 1989 on July 1, 1991, will be the lead for enforcement of the sections, particularly Chapters 266 and 267, Hawaii Revised Statutes (HRS), which are transferred to DLNR by this measure. Further, to serve the interests of the public, the PSD and the DLNR must cooperate with each other and share enforcement responsibilities in land and water matters.

Upon further consideration, your Committee has amended this measure by:

- (1) Clarifying that the PSD will be the agency primarily responsible for enforcing boating, ocean recreational, and coastal area programs;
- (2) Amending Section 199-3, (HRS), to provide that conservation and resources enforcement officers would be responsible for enforcing rules relative to the control and management of boating facilities owned or controlled by the State, ocean waters and navigable streams, and beaches encumbered with easements in favor of the public;

- (3) Requiring the PSD to report to the Legislature on how the marine patrol transferred from the DOT is being assimilated into the PSD, how the marine patrol is being utilized, and how the marine patrol is functioning and an assessment of those functions under the PSD;
- (4) Requiring the Legislative Auditor to prepare a report for the Legislature on the effectiveness of the transfer of the marine patrol from the DOT to the PSD and the potential transfer and merger of the Division of Conservation and Resource Enforcement with the marine patrol in the PSD for the effective coordination of resource management, conservation, education, enforcement, and control;
- (5) Amending the effective date of Section 171-3, HRS, to July 1, 1992;
- (6) Designating the DOT as the expending entity for the appropriation section; and
- (7) Making technical, nonsubstantive amendments for the purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 917, HD 2, SD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 917, HD 2, SD 2, CD 1.

Representatives Stegmaier, Baker, Metcalf, Tajiri, Apo, Bunda, Yoshimura and O'Kieffe,
Managers on the part of the House.

Senators Yamasaki, Nakasato, Solomon and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 54 on H.B. No. 515

The purpose of this bill is to expand the Medical Treatment Decision Law to give adults greater control over decisions affecting their own medical care by:

- (1) Permitting a person to draft a living will that sets forth whether food and water should be continued, withheld or withdrawn;
- (2) Permitting a living will to take effect not only when a person is terminally ill, but also in situations where a person has permanently lost the ability to communicate these desires;
- (3) Requiring the execution of a living will to be notarized in front of two witnesses;
- (4) Suggesting a sample declaration form that contains a checklist to document whether or not the person wishes to be sustained by feeding tubes;
- (5) Allowing a patient to revoke a living will by (a) a clear oral statement to the attending physician; or (b) a clear oral statement to two adult witnesses who then communicate the statement to the doctor; and
- (6) Requiring any living will executed after July 1, 1992 to include the checklist contained in the sample declaration.

Your Committee finds that the right to specify whether or not to withhold or withdraw hydration or nutrition in a living will is a significant change from preexisting law. The inclusion of a checklist is intended to ensure that a person executing a living will realizes the change in the law and that the option to withhold or withdraw hydration and nutrition can now be determined by the person.

The right to choose whether to have food and water provided, withheld, or withdrawn derives from a person's liberty interest but, the importance of the right requires a person to clearly understand the implications and consequences of the choice before executing a living will. To signify the importance of the choice, this bill imposes a requirement that in order to be enforceable, all living wills executed after the passage of this Act must minimally include the checklist set forth in the Declaration sample form in Section 327D-4. To clarify that this Act will substantially affect only living wills executed after July 1, 1991, your Committee has made the following amendments:

1. Changed the date from "July 1, 1992" to "July 1, 1991" for which a living will executed subsequent to this date must comply with this Act;
2. Changed the effective date of this Act from "upon its approval" to "on July 1, 1991"; and
3. Changed "shall be given effect" to "shall be effective under this chapter" on page 1, lines 5 and 6, to define living wills that are valid under this Act.
4. Changed "patient" to "person," on page 1, line 5, for the purposes of clarity.

Your Committee recognizes that some living wills may inevitably be executed without the required checklist. Although not enforceable, these documents are credible evidence of the declarant's intent.

Further, your Committee fully intends that these amendments remain neutral and free of any attempt to sway a person's decision whether life sustaining food and fluids should be provided or withheld.

Finally, these amendments provide certain definitional and technical changes.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 515, HD 1, SD 2, CD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 515, HD 1, SD 2, CD 2.

Representatives Metcalf, Shon, Amaral, Arakaki, Bainum, Hiraki, Isbell and Thielen,
Managers on the part of the House.

Senators Blair, Levin, McMurdo and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 55 on H.B. No. 375

The purpose of this bill is to amend the statutory provisions relating to the Hawaii State Coordinating Council on Deafness by:

- (1) Providing for seven council members who are representatives of State or county agencies;
- (2) Replacing all references to hearing impaired individuals with "deaf, hard-of-hearing, or deaf-blind persons";
- (3) Allowing for two of the seven council members from the public to be certified or locally screened interpreters;
- (4) Prohibiting the hiring of interpreters who serve as voting council members from interpreting at council meetings; and
- (5) Providing for the council's payment of interpreter services for deaf, hard-of-hearing, or deaf-blind persons participating in programs and activities of tax-exempt organizations qualified under Section 501(c)(3) of the Internal Revenue Code of 1986.

Upon further consideration, your Committee has amended the bill by amending Section 347D-3, Hawaii Revised Statutes, to replace the reference to "hearing impaired" with "deaf, hard-of-hearing, or deaf-blind" persons. Other technical, nonsubstantive amendments have been made for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 375, HD 1, SD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 375, HD 1, SD 2, CD 1.

Representatives Souki, Shon, Duldulao, Kawakami, Say and Marumoto,
Managers on the part of the House.

Senators Yamasaki, Levin, McMurdo and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 56 on H.B. No. 734

The purpose of this bill is to make the medical services excise tax credit permanent.

The Legislature, by Act 321, Session Laws of Hawaii 1989, established a refundable medical services excise tax credit. This credit returns to the resident taxpayers the general excise tax of four percent paid on qualified medical expenses. This tax credit is currently scheduled to "sunset" on December 31, 1991.

Your Committee agrees that the medical services excise tax credit provides relief to individuals with continuing and mounting medical expenses. However, your Committee believes that more study is needed before making this tax credit a permanent part of our tax laws and concurs that an extension of the tax credit will provide an opportunity for the Department of Taxation and the Legislature to evaluate the effects of this tax credit.

Accordingly, this bill has been amended to extend the medical services excise tax credit to December 31, 1996.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 734, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 734, HD 1, SD 1, CD 1.

Representatives Souki, Baker, Kanoho, Say and Marumoto,
Managers on the part of the House.

Senators Yamasaki, Levin, McMurdo and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 57 on H.B. No. 851

The purpose of this bill is to provide for the continued operation of the State Capitol tour service while the State Capitol is being renovated.

The bill provides for the temporary transfer of the Capitol tour service function to the Office of Information in the Office of the Governor during the renovation period and requires the Office of Information to formulate a plan for the

implementation of a permanent Capitol District tour and information program. The bill also appropriates funds for the operations of the program.

Your Committee has amended this bill by deleting all references to the renovation of the Mabel Smyth Building, and purchase and installation of communications equipment.

Your Committee also made technical, nonsubstantive changes for the purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 851, HD 2, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 851, HD 2, SD 1, CD 1.

Representatives Fukunaga, Say, Apo, Arakaki, Duldulao and O'Kieffe,
Managers on the part of the House.

Senators Yamasaki, Hagino, Mizuguchi and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 58 on H.B. No. 1697

The purpose of this bill is to:

- (1) Establish the Natural Area Partnership Grant program to provide State funds on a two-for-one basis with private landowners for the management of private lands that are dedicated to conservation;
- (2) Transfer the administration of the Natural Area Reserves System from the Department of Land and Natural Resources to the Board of Land and Natural Resources;
- (3) Require the Board of Land and Natural Resources to conduct public hearings before having the Governor revoke or modify an executive order that sets aside lands for the reserves system, or prior to the designation of specific types of lands into the same;
- (4) Require any balance remaining in the Natural Area Reserve Fund at the end of any fiscal year to be carried forward in the fund for the next fiscal year;
- (5) Require the Board of Land and Natural Resources to annually submit a report to the Governor and the Legislature setting forth the management objectives that have been completed, an analysis of the problems and issues encountered, the financial condition of the natural area reserve fund, and the management objectives for the next year;
- (6) Provide a tax credit for landowners participating in the Natural Area Partnership Grant program; and
- (7) Appropriate the sum of \$250,000 for fiscal year 1991-1992, and the same sum for fiscal year 1992-1993, to the Natural Area Reserve Fund for the Department of Land and Natural Resources to provide grants under the Natural Area Partnership Grant program.

Your Committee has amended this bill by:

- (1) Adding a new section to Chapter 195, Hawaii Revised Statutes, which would require the Department to provide an annual comprehensive status report on the Natural Area Reserves system and the Natural Area Partnership Program. This amendment was made by your Committee to expand the existing reporting requirements;
- (2) Deleting Section 1 of this bill and inserting Section 1 of HD 2 but without the Chapter 42, Hawaii Revised Statutes, exemption. This amended section also provides additional standards and qualifications to clearly define the requirements of the Natural Partnership Program;
- (3) Amending references to grants since the expenditures may be used for purchases of services;
- (4) Clarifying the responsibility and authority between the Board of Land and Natural Resources and the Department of Land and Natural Resources;
- (5) Amending Section 195-9, Hawaii Revised Statutes, by repealing subsection (c), which contained reporting requirements;
- (6) Deleting Sections 3, 5, 6, 8, and 9 because your Committee feels that no changes were required in the original text;
- (7) Deleting Section 10, which would have provided a tax credit;
- (8) Adding a new section to provide a waiver from the requirements of Chapter 42, Hawaii Revised Statutes, for fiscal year 1991-1992;
- (9) Adding a severability clause to this bill; and
- (10) Other amendments were made for purposes of style and clarity.

Your Committee finds that this bill was submitted by the Executive Branch with specific expenditures standards not in accordance with Chapter 42, Hawaii Revised Statutes (hereinafter "Chapter 42"), but which the Attorney General has advised the Legislature meets the requirements of Article VII, section 4, of the State Constitution. While your Committee agrees that the grants contained in this bill must be awarded pursuant to standards provided by law, your Committee finds that the Attorney General's position, whether or not correct, is contrary to the public policy established by the Legislature in enacting Chapter 42. It is clear that Chapter 42 is the law with which grants of public money must comply, and that this law satisfies the spirit and letter of the Constitution. The chapter was intended to apply to all grants of public money in an even-handed and uniform manner. To make an exception in this bill, therefore would be contrary to established policy, and your Committee finds no need or compelling reason to alter that policy at this time. The bill has been amended to require that program grants meet the requirements of Chapter 42.

Your Committee has provided a legal exception in the bill to the review and other requirements of Sections 42-4 to 42-6(a), Hawaii Revised Statutes (hereinafter "Sections 42-4 to 42-6(a)"), which on its face would seem to violate the policy set forth in the preceding paragraph. Your Committee notes, however, that Sections 42-4 to 42-6(a) among other things require review of grant moneys and certain findings by the appropriate agency of the executive branch prior to appropriation by the Legislature. Your Committee notes that the exception in the bill is more legal than contrary to the policy articulated in this Committee Report, in that the bill as submitted by the Executive Branch contained an appropriation which was reduced by the Legislature. The submission of the bill with an appropriation to the Legislature by the Executive Branch, on its face, indicates that the appropriated moneys in fact already have received the review and meet the other requirements of Sections 42-4 to 42-6(a). The temporary waiver of the requirements of Sections 42-4 to 42-6(a) in this bill is merely a formality which your Committee finds does not violate the intent or letter of Article VII, Section 4, of the State Constitution, the policy set forth in this Committee Report, nor does it set a precedent for future Legislatures to waive a valid requirement.

It is the intent of your Committee that all provisions of Chapter 42 will apply to the expenditure of funds appropriated for the purposes of this bill for the 1992-1993 fiscal year.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1697, HD 2, SD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1697, HD 2, SD 2, CD 1.

Representatives Hiraki, Hagino, Souki, Baker, Morihara and O'Kieffe,
Managers on the part of the House.

Senators Yamasaki, Holt, Solomon and George,
Managers on the part of the Senate.

Conf. Com. Rep. 59 on H.B. No. 1699

The purpose of this bill is to establish a forest stewardship program under the Board of Land and Natural Resources (Board) to assist private landowners in the management, protection, and restoration of important watershed areas, timber resources, fish and wildlife habitats, areas supporting isolated populations of rare and endangered species, and other lands that are not recognized as potential natural area reserves. This bill encourages private landowners to participate in the forest stewardship program by authorizing the Board to issue grants to assist in the management of the land and by authorizing participating landowners to claim a tax credit on some of the real property taxes paid on the property.

Your Committee has amended this bill by:

- (1) Amending Section 2 of this bill by:
 - (A) Inserting part of Section 2 of HD 2, more specifically, § -6(c) and (d). This amended section provides additional standards and qualifications to clearly define the requirements of the forest stewardship program;
 - (B) Inserting language to encourage restoration of formerly forested lands;
 - (C) Adding a definition of "native vegetation" and inserting this term throughout the bill;
 - (D) Adding the definition of "department";
 - (E) Amending references to grants since the appropriations may be used for purchases of services;
 - (F) Defining the forest stewardship fund as a special fund;
 - (G) Inserting language to prevent landowners from clearing native vegetation in order to qualify for this program;
 - (H) Deleting § -8, which would have made Chapter 42, Hawaii Revised Statutes, apply to all grants; and
 - (I) Requiring the department to adopt rules to carry out the purposes of this bill;
- (2) Deleting Section 3, which would have provided a tax credit;
- (3) Adding a new section to the bill which allows expenditures for fiscal year 1991-1992 to be exempted from Sections 42-4 to 42-6(a), Hawaii Revised Statutes;

- (4) Amending the effective date from July 1, 1919 to July 1, 1991; and
- (5) Making amendments for purposes of style and clarity.

Your Committee finds that this bill was submitted by the executive branch with specific expenditures standards not in accordance with Chapter 42, Hawaii Revised Statutes (hereinafter "Chapter 42"), but which the Attorney General has advised the Legislature meets the requirements of Article VII, Section 4, of the State Constitution. While your Committee agrees that the grants contained in this bill must be awarded pursuant to standards provided by law, your Committee finds that the Attorney General's position, whether or not correct, is contrary to the public policy established by the Legislature in enacting Chapter 42. It is clear that Chapter 42 is the law with which grants of public money must comply, and that this law satisfies the spirit and letter of the Constitution. The Chapter was intended to apply to all grants of public money in an even-handed and uniform manner. To make an exception in this bill, therefore would be contrary to established policy, and your Committee finds no need or compelling reason to alter that policy at this time. The bill has been amended to require that program grants meet the requirements of Chapter 42.

Your Committee has provided a legal exception in the bill to the review and other requirements of Sections 42-4 to 42-6(a), Hawaii Revised Statutes (hereinafter "Sections 42-4 to 42-6(a)"), which on its face would seem to violate the policy set forth in the preceding paragraph. Your Committee notes, however, that Sections 42-4 to 42-6(a) among other things require review of grant moneys and certain findings by the appropriate agency of the executive branch prior to appropriation by the Legislature. Your Committee notes that the exception in the bill is more legal than contrary to the policy articulated in this Committee Report, in that the bill as submitted by the executive branch contained an appropriation which was reduced by the Legislature. The submission of the bill with an appropriation to the Legislature by the executive branch, on its face, indicates that the appropriated moneys in fact already have received the review and meet the other requirements of Sections 42-4 to 42-6(a). The temporary waiver of the requirements of Sections 42-4 to 42-6(a) in this bill is merely a formality which your Committee finds does not violate the intent or letter of Article VII, Section 4, of the State Constitution, the policy set forth in this Committee Report, nor does it set a precedent for future legislatures to waive a valid requirement.

It is the intent of your Committee that all provisions of Chapter 42 will apply to the expenditure of funds appropriated for the purposes of this bill for the 1992-1993 fiscal year.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1699, HD 2, SD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1699, HD 2, SD 2, CD 1.

Representatives Hiraki, Souki, Baker, Chang, Morihara, Young and O'Kieffe,
Managers on the part of the House.

Senators Yamasaki, Holt, Solomon and George,
Managers on the part of the Senate.

Conf. Com. Rep. 60 on H.B. No. 1748

The purpose of this bill is to establish a task force to promote public debate on the governance of public education in Hawaii and to make recommendations to alter the current system of governance. The bill appropriates \$75,000 for this purpose.

Your Committee wrestled with two critical elements in this bill: the twin purposes of the task force, and the provision of a balanced representation of the community on the task force.

The task force has two goals: the creation of a product, and the implementation of a process. The product is a set of recommendations for revision of the governance structure of public education in Hawaii, derived through public input and analysis. The process is the creation of an ongoing network of parents statewide, imbued with the spirit of active concern and responsibility for the state of education in Hawaii, who will participate from the individual school level up to lobbying at the Legislature to shape the nature of public education.

In seeking a balance of the many interests who are currently involved in the governance of public education, your Committee attempted to weight the task force on the side of the least represented groups, the parents and the community, while recognizing that these groups do not speak with one voice.

Your Committee has amended this bill by:

- (1) Inserting the purpose clause from the HD 2 version of the bill which spells out more clearly the twin purposes of the task force;
 - (A) Through promoting public debate on this issue to create an ongoing network of parents throughout the State to play a significant role in the treatment of public education from this point on; and
 - (B) To solicit input from the public and provide recommendations on revising the governance structure of public education;
- (2) Providing that the task force shall be composed of fifteen members, to be appointed in three groups of five by the Legislature, the Governor, and the Board of Education respectively;
- (3) Providing that all appointments to the task force must be made by July 15, 1991 to expedite the work of the task force;

- (4) Increasing the appropriation to \$100,000; and
- (5) Making technical, nonsubstantive amendments for purposes of clarity and style.

It is your Committee's intent that the task force should begin its work by developing networks in the communities around the State to debate the issues surrounding governance. Then when the task force begins its series of public forums to solicit input from the communities, the input will reflect thoughtful consideration of the issues. Your Committee recommends that, to forestall possible criticism of the task force for failing to communicate with any specific group in the State, that the task force develop a guideline for communication with the community to be published and made widely available so that procedures for communication shall be clear and the initiative for participation will ultimately lie with each group.

Also, it is your Committee's intent that the twin goals of the task force -- the process of creating ongoing networks in the communities, and the production of recommendations for change in the structure of governance -- should be regarded as equal in importance.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1748, HD 2, SD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1748, HD 2, SD 2, CD 1.

Representatives D. Ige, Tam, Say, Bunda, Honda, Ihara, Kawakami, Lee, O'Kieffe and Tatibouet,
Managers on the part of the House.

Senators Yamasaki, B. Kobayashi, McCartney and George,
Managers on the part of the Senate.

Conf. Com. Rep. 61 on H.B. No. 955

The purpose of this bill is to:

- (1) Allow the Director of Health to make grants or loans, or both, to any State or county agency for the construction of wastewater treatment works, provided the grants or loans, or both, are allocated to projects on the basis of existing and future growth patterns;
- (2) Require an applicant for a grant or loan, or both, to provide reasonable assurances that an impact fee structure will be instituted to insure that new developments pay their appropriate share of the costs of the treatment works;
- (3) Require the State or county agency receiving State funds to require the installation of low flow water fixtures and devices in all new construction projects, and to require these fixtures and devices to be approved by the International Association of Plumbing and Mechanical Officials and to comply with applicable American National Standards Institute standards and such other standards as may be required by the respective counties;
- (4) Require applicants to pay sixty percent of the nonfederal share of the estimated reasonable cost of the approved treatment works if federal grant funds are available, and to authorize the Director of Health to make grants or loans, or both, up to one hundred percent of the estimated cost of the project if federal grant funds are not available;
- (5) Limit the financial assistance that may be provided to governmental agencies from federal funds, rather than state and federal funds, in the water pollution control revolving fund to loans, loan guarantees, and bond guarantees, and to require federal funds to be kept in a separate account or series of accounts from the account or accounts for State funds in the revolving fund;
- (6) Require the revolving fund to be established, maintained, and credited with investment income, in addition to loan repayments;
- (7) Require the Director of Health to submit an annual report to the Legislature on all grants made from the revolving fund;
- (8) Authorize the Department of Budget and Finance, with the approval of the Governor, to issue revenue bonds at such times and in such amount or amounts, not to exceed \$250,000,000 in aggregate principal, to authorize all or part of the proceeds of the bonds to be deposited in the revolving fund and to be held and invested in a separate account or accounts, and to authorize the Director of Health to pledge funds deposited or to be deposited in the revolving fund to the payment or security of the bonds or the loans; and
- (9) Authorize the State to provide assistance to any department or to any county or board, agency, or instrumentality thereof, in addition to members of the general public, by buying, refinancing, or guaranteeing loans made to or other obligations incurred by the latter, in addition to making loans or causing loans to be made available to the same.

Your Committee has amended this bill by changing the date to require installation of low flow water fixtures from July 1, 1993 to December 31, 1992. Your Committee feels this amendment would allow sufficient time for all parties to prepare for this requirement but not delay, more than necessary, the conservation of our fresh water resources.

Your Committee is deeply concerned with the precarious position of the State in regard to sufficient and readily available water supplies.

Your Committee recognizes that plans are being implemented for hundreds of new housing units and would like to request that the planning and building departments of each county urge developers and individual homebuilders to utilize low flow plumbing fixtures and devices before granting building permits.

Your Committee has also made technical, nonsubstantive amendments for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 955, HD 2, SD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 955, HD 2, SD 2, CD 1.

Representatives Hiraki, Shon, Hagino, Souki, Santiago and O'Kieffe,
Managers on the part of the House.

Senators Yamasaki, Chang, A. Kobayashi, Levin and George,
Managers on the part of the Senate.

Conf. Com. Rep. 62 on H.B. No. 954

This bill creates a new chapter to be added to the Hawaii Revised Statutes regarding integrated solid waste management. The purposes of the bill are to:

- (1) Establish comprehensive integrated solid waste management plans to be developed by the counties and the State; and
- (2) Appropriate funds to conduct a statewide household hazardous waste collection project.

Your Committee has amended this bill by amending § -2 in Section 2 of the bill by placing landfilling and incineration on the same priority level. Your Committee has made this amendment to emphasize that the counties should strongly consider source reduction and recycling and bioconversion before considering landfilling or incineration.

Your Committee has further amended this bill by changing the appropriation amount from \$375,000 to \$175,000.

Your Committee has also made technical, nonsubstantive amendments for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 954, HD 2, SD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 954, HD 2, SD 2, CD 1.

Representatives Hiraki, Ihara, Shon, Souki, Morihara, Santiago, Say and O'Kieffe,
Managers on the part of the House.

Senators Yamasaki, Chang, A. Kobayashi, Levin and George,
Managers on the part of the Senate.

Conf. Com. Rep. 63 on H.B. No. 1955

The purpose of this bill, as received by your Committee, is to appropriate funds for an analysis of the existing water resources monitoring network to adequately implement the State Water Code. Your Committee finds that this analysis is badly needed and therefore supports the full funding of \$100,000 for this bill.

Your Committee amended this bill by restoring the appropriated amount as contained in the original House Bill No. 1955.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1955, SD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1955, SD 2, CD 1.

Representatives Hagino, Say, Morihara, Santiago, Yonamine, Young and Thielen,
Managers on the part of the House.

Senators Yamasaki, Holt, Solomon and George,
Managers on the part of the Senate.

Conf. Com. Rep. 64 on H.B. No. 895

The purpose of this bill is to grant individuals affected by the Hawaiian Home Lands Trust, and the Native Hawaiian Public Trust, the right to settle their individually affected controversies (as opposed to controversies that affect the beneficiaries as a whole) by suing directly in Circuit Court. These suits must involve claims and controversies that arose during the period between August 21, 1959 and June 30, 1988, and may be consolidated or maintained as class actions, pursuant to court rules.

In 1988, after much debate, the Legislature enacted Act 395 establishing a Native Hawaiian Trusts Judicial Relief Act which granted the right to sue for breaches of trust occurring after July 1, 1988. Recognizing the existence of past

controversies, Act 395 required the Governor to present a proposal to the Legislature in 1991 to resolve controversies relating to the Hawaiian Home Lands Trust which occurred between statehood and 1988.

Resolving individual claims is one of a number of actions proposed in the Governor's Action Plan to Address Controversies Under the Hawaiian Home Lands Trust and the Public Land Trust. All other recommendations in the action plan address trust controversies.

Your Committee has amended the bill by replacing its entire contents with a process under which individual beneficiaries under the Hawaiian Home Lands Trust may resolve claims for actual damages rising out of or resulting from a breach of trust, which occurred between August 21, 1959 and June 30, 1988, and was caused by an act or omission of an employee of the State in the management and disposition of trust resources. This process has the following steps:

- (1) First, the establishment of a Hawaiian Home Lands Trust Individual Claims Review Panel (Panel) to receive, review, and evaluate the merits of an individual beneficiary's claim, and to submit a summary of the findings and an advisory opinion regarding the merits of each claim filed with the Panel, including an estimate of the probable award of actual damages or recommended corrective action to the 1993 and 1994 Legislatures.

In order to enable the Panel to reach an advisory opinion regarding the merits of each claim filed with the Panel, hearings officers may be authorized to undertake a rendering of the findings on which the advisory opinions will be based. The potential volume of claims may require the use of this procedure to ensure that all claims are considered within the time allowed.

- (2) Second, legislative consideration of the reports submitted by the Panel;
- (3) Third, disbursement by the Panel of any compensation awarded or implementation or corrective action provided by law; or
- (4) Fourth, if an action taken by the 1993 or 1994 Legislature is not accepted by an individual beneficiary claimant, then the claimant shall have the right to bring an action to recover actual damages for a breach of trust in the circuit courts of the State of Hawaii.

In order to bring action in the circuit courts of the State for recovery of actual damages, the individual claimant must file a written notice with the Panel that the claimant does not accept the action taken by the 1993 or 1994 Legislatures in regular session upon the claim. The notice must be filed by October 1, 1994.

In order to make this process possible, the State waives its immunity from liability for actual damages suffered by an individual beneficiary arising out of or resulting from a breach of trust or fiduciary duty, which occurred between August 21, 1959 and June 30, 1988, and was caused by an act or omission of an employee of the State in the management and disposition of trust resources.

Your Committee on Conference believes that this legislation will provide a fair means of addressing claims of individual beneficiaries of the Hawaiian Home Lands Trust.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 895, HD 2, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 895, HD 2, SD 1, CD 1.

Representatives Hagino, Say, D. Ige, Kanoho, Santiago, Young and Anderson,
Managers on the part of the House.

Senators Yamasaki, Blair, Crozier, A. Kobayashi, Solomon and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 65 on H.B. No. 889

The purpose of this bill is to provide permanent funding for the development of family literacy programs statewide by establishing the Public-Private Partners for Literacy Trust Fund.

Your Committee has amended this bill by:

- (1) Replacing the blank appropriation with an appropriation amount of \$400,000;
- (2) Completing the description of the instrument of gift referenced in the bill by designating that it is the instrument of gift dated May 2, 1991; and
- (3) Deleting language pertaining to state matching funds not exceeding \$1,000,000.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 889, HD 1, SD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 889, HD 1, SD 2, CD 1.

Representatives Tom, Souki, Arakaki, Baker, Chun, Duldulao, Kawakami and Tatibouet,
Managers on the part of the House.

Senators Yamasaki, A. Kobayashi, McMurdo and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 66 on H.B. No. 1038

The purpose of this bill is to provide fund authorizations and appropriations for Collective Bargaining Unit 3 cost items negotiated between the State and the exclusive bargaining unit representative for fiscal biennium 1991-1993.

Your Committee has amended this bill by:

- (1) Inserting in Sections 1 and 3, the actual amounts to be appropriated or authorized to fund the cost items and salary adjustments for Unit 3; and
- (2) Making technical, nonsubstantive amendments for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1038, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1038, HD 1, SD 1, CD 1.

Representatives Souki, Takamine, Alcon, Baker, Chang, Duldulao, M. Ige, Kanoho, Kawakami, Say, Tajiri, Yonamine, Anderson and Marumoto,
Managers on the part of the House.

Senators Yamasaki, Iwase, Mizuguchi and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 67 on H.B. No. 1039

The purpose of this bill is to provide fund authorizations and appropriations for Collective Bargaining Unit 4 cost items negotiated between the State and the exclusive bargaining unit representative for fiscal biennium 1991-1993.

Your Committee has amended this bill by:

- (1) Inserting in Sections 1 and 3, the actual amounts to be appropriated or authorized to fund the cost items and salary adjustments for Unit 4; and
- (2) Making technical, nonsubstantive amendments for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1039, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1039, HD 1, SD 1, CD 1.

Representatives Souki, Takamine, Alcon, Baker, Chang, Duldulao, M. Ige, Kanoho, Kawakami, Say, Tajiri, Yonamine, Anderson and Marumoto,
Managers on the part of the House.

Senators Yamasaki, Iwase, Mizuguchi and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 68 on H.B. No. 1040

The purpose of this bill is to provide wage and other adjustments for fiscal biennium 1991-1993 for officers and employees excluded from collective bargaining.

Your Committee has amended this bill by:

- (1) Inserting in Sections 1, 3, and 5, the actual amounts to be appropriated or authorized to fund the cost items and salary adjustments for excluded officers and employees;
- (2) Adding a new Part IV, authorizing the administrator of the Office of Hawaiian Affairs (OHA) to make the salary and cost adjustments for excluded officers and employees of OHA, and appropriating and authorizing the actual amounts to fund the cost items and salary adjustments; and
- (3) Making technical, nonsubstantive amendments for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1040, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1040, HD 1, SD 1, CD 1.

Representatives Souki, Takamine, Alcon, Baker, Chang, Duldulao, M. Ige, Kanoho, Kawakami, Say, Tajiri, Yonamine, Anderson and Marumoto,
Managers on the part of the House.

Senators Yamasaki, Iwase, Mizuguchi and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 69 on H.B. No. 362

The purpose of this bill is to repeal Hawaii's interspousal tort immunity law.

Your Committee finds that although a majority of the states have abolished interspousal tort immunity, the evolving nature of equal rights and the dynamics of the man and woman relationship requires further investigation of the need to abolish interspousal tort immunity. The removal of the interspousal tort immunity rule may have unintended adverse consequences in matters such as insurance collusion, estate and trust, interspousal evidentiary privileges, and negligence actions.

To effectively determine the full effects of abolishing interspousal tort immunity, your Committee has made the following amendments:

- (1) Deleted the abolishment of the interspousal tort immunity; and
- (2) Inserted an appropriation in the sum of \$50,000 for a study on the effects of repealing the interspousal tort immunity law in Hawaii.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 362, HD 2, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 362, HD 2, SD 1, CD 1.

Representatives Metcalf, Say, Amaral, Arakaki, Bainum, M. Ige and Thielen,
Managers on the part of the House.

Senators Yamasaki, Blair, Hagino and George,
Managers on the part of the Senate.

Conf. Com. Rep. 70 on H.B. No. 1177 (Majority)

The purpose of this bill is to:

- (1) Appropriate funds to the Office of the Lieutenant Governor for the replacement of the current voting system with a new, totally electronic voting system; and
- (2) Authorize the Temporary Advisory Committee on Electronic Voting Systems to negotiate a contract with an election system vendor and to terminate negotiations at any time when it is in the best interests of the State.

Your Committee has amended this bill by:

- (1) Appropriating \$10,000,000 for fiscal year 1991-1992, for the costs related to the acquisition of a totally electronic voting system, including the hiring of staff; and
- (2) Making technical, nonsubstantive revisions for the purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1177, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1177, HD 1, SD 1, CD 1.

Representatives Metcalf, Souki, Amaral, Bainum, Hirono, Kanoho, Say and Thielen,
Managers on the part of the House.
(Representative Thielen did not concur.)

Senators Yamasaki, Blair, Hagino and George,
Managers on the part of the Senate.

Conf. Com. Rep. 71 on H.B. No. 608

Your Committee on Conference has amended this bill by inserting the amounts of \$1,308,464 for the fiscal year 1991-1992 and \$1,111,588 for the fiscal year 1992-1993.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 608, HD 2, SD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 608, HD 2, SD 2, CD 1.

Representatives Metcalf, Souki, Amaral, Duldulao, Hagino, Oshiro, Say and Anderson,
Managers on the part of the House.

Senators Yamasaki, Blair, Fernandes Salling and George,
Managers on the part of the Senate.

Conf. Com. Rep. 72 on H.B. No. 844

The purpose of this bill is to appropriate moneys to initiate a program to improve the statewide rainfall and flood information system.

This measure will complement existing National Weather Service capabilities and facilitate appropriate responses to emergency weather conditions throughout the State.

More specifically, this measure will:

- (1) Provide high priority rainfall information to each county's emergency operations center; and
- (2) Establish the initial program access to telemetered rainfall information in one or two flood prone valleys in each county.

Your Committee has amended this bill by appropriating \$100,000 for the initiation of the program.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 844, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 844, HD 1, SD 1, CD 1.

Representatives Metcalf, Souki, Amaral, Cachola, Hagino, Yonamine and Thielen,
Managers on the part of the House.

Senators Yamasaki, Iwase, Mizuguchi and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 73 on H.B. No. 865

The purpose of this bill is to appropriate funds to provide low-interest land, home construction, and mortgage loans of up to \$35,000 to residents who have been dispossessed of their homes as a result of volcanic eruptions which began on January 3, 1983 on the island of Hawaii.

The areas inundated by the Kilauea lava flow are covered under existing gubernatorial and presidential disaster declarations. Establishment of a disaster loan program, such as the one proposed in this bill, may jeopardize the state's ability to secure a presidential disaster declaration and the ability to receive federal disaster assistance. Therefore, your Committee on Conference amended the purpose section of this measure to make it clear that assistance will be limited to those residents who have been displaced or dispossessed by lava flow and to change the scope of the loan program to a one-time public relief program of a last resort.

Your Committee has further amended this bill by providing for an appropriation in the sum of \$1,750,000 for the purposes of this bill.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 865, HD 2, SD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 865, HD 2, SD 2, CD 1.

Representatives Metcalf, Souki, Amaral, Bainum, Kanoho, Say, Takamine and Thielen,
Managers on the part of the House.

Senators Yamasaki, Crozier, B. Kobayashi and George,
Managers on the part of the Senate.

Conf. Com. Rep. 74 on H.B. No. 24

The purpose of this bill is to:

- (1) Increase the percentage of indirect overhead research funds received by the University of Hawaii (UH) which are retained by UH; and
- (2) Provide the Board of Regents authority to transfer funds to provide funding for the intellectual property and technology licensing program of the Office of Technology Transfer and Economic Development (OTTED) and for a new faculty housing assistance loan program.

Your Committee has amended this bill by:

- (1) Clarifying that fifty percent of the indirect overhead research funds received by UH shall be deposited in the Research and Training Revolving Fund;
- (2) Specifying that an additional four percent of the indirect overhead research funds generated by the University shall be deposited to the Discoveries and Inventions Revolving Fund of OTTED;
- (3) Creating a housing assistance revolving fund into which an additional twelve percent of the indirect overhead research funds generated by the University shall be deposited; and
- (4) Providing that these deposits of funds to the Discoveries and Inventions Revolving Fund and the housing assistance revolving fund shall terminate at the end of the 1995-1996 fiscal year.

The total amount of the indirect overhead research funds generated by UH and retained by the University will increase from the current level of fifty percent to sixty-six percent, apportioned in the following manner:

- (1) Fifty percent shall be deposited in the Research and Training Revolving Fund;

- (2) Twelve percent shall be deposited in the Housing Assistance Revolving Fund; and
- (3) Four percent shall be deposited in the Discoveries and Inventions Revolving Fund.

Your Committee has further amended this measure by restoring the provisions of H.B. No. 24, HD 1, enabling qualified members of the Hawaii National Guard and other military reserves stationed in Hawaii to receive a waiver of tuition fees for graduate studies pursued at the campuses of the University of Hawaii system. Technical, nonsubstantive amendments have also been made to conform to statutory drafting requirements.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 24, HD 1, SD 1, as amended herein, and recommend that it pass Final Reading in the form attached hereto as H.B. No. 24, HD 1, SD 1, CD 1.

Representatives D. Ige, Metcalf, Souki, Fukunaga, M. Ige, Ihara, Okamura and O'Kieffe,
Managers on the part of the House.

Senators Yamasaki, B. Kobayashi, McCartney and George,
Managers on the part of the Senate.

Conf. Com. Rep. 75 on H.B. No. 139

The purpose of this bill is to provide the necessary appropriations and authorizations for the operations and capital improvements of the Executive branch during the fiscal biennium 1991-1993.

FINANCIAL AND BUDGETARY OVERVIEW

Fiscal deliberations began in the midst of a national recession and growing tension in the Persian Gulf. Economic uncertainties prompted the Council on Revenues to reduce its previous revenue projection based on the impact of the recession. This reduction resulted in \$150 million less in previously projected revenues for the biennium.

In deliberations on the budget, your Committee focused on meeting the most urgent needs of our State and maintaining funding for economic and social safeguards. Every attempt has been made to thoroughly review each funding request and to incorporate the recommendations of the House of Representatives and the Senate.

As the policy-making body of our State, the Legislature is responsible for ensuring that public moneys are expended in accord and with legislative intent. It is also the Legislature's duty to require fiscal accountability and thorough budgetary planning. While some flexibility in executing legislative directives have been granted, your Committee cautions that these discretionary powers should be used judiciously and with restraint.

In addition, your Committee has tied reporting requirements to many of the Administration's discretionary powers in an effort to monitor the Administration's use of funds and the resulting impact on the execution of the state budget.

Your Committee has developed a budget that provides a comprehensive and responsible allocation of valuable State resources. Highlighted below are some of the major program and budgetary appropriations contained in this bill.

ECONOMIC DEVELOPMENT

Your Committee continues to support efforts to develop a strong and balanced economy. To reduce the State's reliance on traditional industries, your Committee has provided support for various economic development programs to diversify and expand Hawaii's economic base.

High Technology. The promotion of economic diversification through the development of high technology has been supported through funding to continue the Hawaii Small Business Innovation and Research Grant Program. Funding will allow the Program to continue awarding state grants to eligible companies (including neighbor island firms) for research and prototype development projects.

Space Industry. In honor of the late Senator Spark Matsunaga, who was the force behind designating 1992 as International Space Year, your Committee has provided funds to promote and highlight International Space Year 1992 activities. The activities planned underscore Hawaii's strong support and unique role in the area of space, while encouraging public participation and awareness about the history and future of space. Additionally, funding is being provided for Future Flight Hawaii, a pilot space camp on the Big Island for elementary and secondary school students. The camp will emphasize the importance of space education and cover disciplines relating to space exploration, math, and engineering.

Plant Pest and Disease Control. The introduction of certain insects and plant diseases from the mainland United States or foreign countries could cripple our vital agricultural industries. To safeguard this industry, your Committee has provided funding to strengthen the Plant Pest and Disease Control Program by augmenting the inspection staff at the Honolulu International Airport.

Commodities Promotion. Continued support has been provided for Hawaii's agricultural products through the funding of marketing-related activities for various agricultural products including pineapple, coffee, papaya, and locally produced milk.

EMPLOYMENT

Aware of the repercussions of a labor shortage and its adverse impact on the economy, your Committee has emphasized the need for work force expansion by increasing the "employability" of nontraditional and marginally employable sources of labor. Strengthening the labor exchange process will assist job seekers in obtaining valuable skills and provide the business community with additional employees to meet current labor needs.

Placement Services. Your Committee has appropriated funds to improve and expand employment services relating to job placement, employability development, and employer relations. Through the \$1.5 million expansion of the Job Help Store Program, immigrant and potential job seekers will be provided with comprehensive employment and training services.

Office of Community Services. To ensure equitable employment opportunities for all residents of the State, your Committee has provided funding for the continuation of the Office of Community Services. This funding will provide necessary training and various support services to assist immigrants and the economically disadvantaged gain employment.

Wage Standards & Fair Employment Practices. Recognizing the importance and need to assure workers of their lawful rights and benefits related to their wages and to safeguard against unlawful employment practices, your Committee has provided funds and enforcement staff for the Wage Standards and Fair Employment Practices Program.

TRANSPORTATION

The rapid economic growth Hawaii has experienced over the past several years has affected the State's transportation systems. Our airports are experiencing difficulty in accommodating travelers in a timely manner. Our harbors must meet ever increasing volumes of cargo, and our highways are burdened with worsening traffic congestion.

Airports. Your Committee has provided funds for various airport improvements, including funds for continued renovations, increased emergency services, and additional security coverage. In addition, funds have been provided for repair, maintenance, and improvements for terminals at various airports throughout the State.

Harbors. Increasing cargo volume has placed a high demand on the State's harbors. To meet this demand, your Committee has provided additional personnel and capital improvement funds for container yard improvements for those harbors that have been most severely affected by workload increases.

Highways. Traffic congestion continues to be a statewide concern. Your Committee recognizes the financial burden of maintaining the highways of the State. To ease this burden, Airport Duty Free funds have been authorized for use by the highway program for construction of state highways within ten miles of state airports.

ENVIRONMENTAL PROTECTION

Our environment is a very delicate and important part of our lives. To ensure a safe and clean environment, your Committee has provided funds for the monitoring of and compliance with the Federal Clean Air and Clean Water Acts.

Solid Waste Management. Your Committee has provided funds for increased inspections and monitoring of landfills to meet new federal guidelines. The Solid Waste Management Program will also initiate and coordinate waste minimization programs within the counties. Funds are also provided for planning, implementation, and public awareness of recycling and waste reduction programs.

Wastewater Systems. Your Committee has appropriated funds for the implementation of the wastewater systems administration rules. Statewide inspections of private systems will be increased to ensure that disposal of wastewater does not contaminate our water resources.

Demonstration Desalting Plant. Your Committee is providing funds to operate a five-year demonstration desalting plant. Data collected from this project will help determine the most feasible method of converting brackish water into drinking water as the State continues to investigate alternative methods for producing fresh water.

Hunter Education Program. Recognizing the importance of the Hunter Education Program, your Committee is providing additional positions and funds to expand this program. This will give other resident groups the opportunity to experience the program's exceptional quality of instruction in conservation and outdoor safety education.

Natural Area Reserve System. The State's efforts to continue protecting and managing our threatened and endangered plant and animal species is being supported by your Committee. Positions and funding over the biennium will allow the Natural Area Reserve System Program to establish a working crew for each island. Response from the public in volunteering for reserve management activities has also been great, indicating strong support for this program. With over 75 percent of all native plants located on these reserves, we can continue to be assured that these areas will be protected for future generations to experience and enjoy.

HEALTH

Your Committee realizes the significance health care plays in the lives of the people of Hawaii. To this end, your Committee has devoted considerable resources for the betterment of statewide health services and facilities. Extra

emphasis has been placed on such critical areas as the community hospital system, the mental health system, family health services, emergency medical services, and health services for native Hawaiians.

Community Hospitals. Your Committee recognizes the special circumstances that characterize the hospital industry: a nationwide nursing shortage; an annual inflation rate approximately twice as high as the Standard Consumer Inflation Index; and the widening gap between hospital operating expenses and reimbursements received. Your Committee has addressed these concerns by significantly revamping the community hospital system. Increased special funds appropriation ceilings, rate increases, and additional positions have been provided to allow the community hospitals greater flexibility and autonomy in their day-to-day operations. This will enable the community hospitals to better manage their current fiscal positions without disregarding legislatively appropriated special fund expenditure ceilings that have contributed, in part, to the past and present trend of deficit spending. Through improved billing procedures and collections of delinquent accounts, your Committee is hopeful that the community hospitals will be able to operate at a nearly self-sufficient basis in the near future.

Behavioral Health Services. Your Committee is dedicated to the improvement of the State Mental Health System. The new facility at Hawaii State Hospital is scheduled to open this summer. Funds and position counts have been provided to reorganize Hawaii State Hospital and to address seriously deficient current conditions by strengthening clinical, psychosocial, and quality assurance services. Additional funding has been provided to enhance: adult services at the community mental health centers; child and adolescent mental health services; and education, prevention, and rehabilitation services for substance abusers.

Family Health Services. The provision of adequate prevention and early intervention services regarding reproductive and perinatal health care continues to be an important priority for your Committee. Funds have been provided to enhance the statewide availability of quality family health services and to support the continuance of successful projects such as BabySAFE and Healthy Start.

Emergency Medical Services. Your Committee realizes the importance of immediate access to medical services during an emergency. Funding has been provided to upgrade and improve the Emergency Medical Services Management Information System. Additional funds have been provided to ensure improved ambulance service on Oahu, Maui, and Hawaii. The State's participation in the National Major Trauma Outcome Study will provide valuable information to the Hawaii Trauma System and eventually improve the emergency medical services currently being provided.

Hawaiian Health Services. Your Committee has provided the means for a reallocation of resources to institute a centralized system of health services dedicated to serving the Hawaiian community. The Office of Hawaiian Health will administratively control these resources and provide effective leadership in addressing Hawaiian health needs and concerns.

HUMAN SERVICES

In the past, your Committee has supported a person's right to live with human dignity. That commitment continues today. Programs to ensure basic financial, medical, housing, social, and rehabilitative needs have been funded. In addition, your Committee has supported programs that encourage self-sufficiency through training, counseling, and assistance programs.

Early Childhood Care. Hawaii has one of the highest percentages of families with two working parents in the nation. In addition, child care in Hawaii is costly. These factors present barriers to child care for children of families with limited incomes. To this end, your Committee has funded the expansion of the Open Doors Project which makes affordable childhood education and child care available.

Assistance for the Homeless. Homelessness is a problem that must be addressed. In response, your Committee has provided assistance by funding a homeless shelter stipend program, homeless emergency assistance program, and outreach services for homeless families not living in shelters.

Job Opportunities and Basic Skills (JOBS). As part of the federal Family Support Act of 1988, the JOBS program is a mandatory work program for certain applicants and recipients of Aid to Families with Dependent Children (AFDC). The program is designed to encourage and assist AFDC recipients to become financially self-sufficient and thus independent of the welfare system.

Elder Care. By the year 2005, individuals sixty years of age and older will comprise nearly eighteen percent of the State's total population. Accordingly, your Committee has provided funding for a multilingual access program, replenishment of the long-term care service development fund, funds to develop and implement a long-term care financing strategy, and a case management model demonstration project.

Hawaiian Home Lands. Your Committee continues to support the Hawaiian Home Lands Program in its efforts to provide native Hawaiians with land for residential or agricultural purposes. There is great concern, however, that much of the available lands remain unused for lack of necessary infrastructural improvements. To this end, your Committee has funded projects to continue and accelerate the development of Hawaiian Home lands.

LOWER EDUCATION

Our young people today must be prepared to meet the great challenges of tomorrow. Much of that preparation will take place in our public schools. To this end, your Committee has focused on programs that will enhance the quality of education for our students.

Vocational Education. The utilization of modern technology is a key factor in keeping up with the many advances, discoveries, and changing times. Funds have been provided for agriculture and electronics classes to update and enrich current programs. These programs will provide in-service training, additional curriculum materials, and modern equipment with hands-on industry standard classroom experiences for students to explore opportunities in these fields.

School/Community Based Management. The 1989 Legislature made a commitment toward a decentralized school management system by supporting School/Community Based Management (SCBM). Your Committee continues this commitment by providing funds for the implementation of this program for those schools that have completed the proposal formulation process.

In conjunction with the initial funding needed for a new SCBM school, your Committee recognizes the need for resources to execute the ideas and proposals developed to promote flexibility and accountability at the school level and has provided funds for incentive grants. Incentive grants will be a vehicle for new, innovative programs by providing each school with the supplement needed for research, development, and implementation of innovative approaches to teaching.

Vice Principals and Registrars. In an ongoing effort to improve administrative responsiveness to students, your Committee has provided six vice principal positions and twenty half-time registrar positions to elementary and intermediate schools with large student enrollments.

School clerical staffing was also a high priority during this legislative session. Many schools that operate with only one school administrative services assistant will benefit from additional clerical staff. Thirty positions and funds are provided over the upcoming biennium to address the needs stressed in the 1990 school and district office clerical staffing study.

School Counselors. Recognizing the importance of providing support through counseling services, your Committee has provided twelve counselors for elementary schools with large student enrollments. These positions will add counseling support in the areas of personal, social, academic, and career development.

Teacher Training, Certification, and Recruitment. Your Committee has added positions and funds to continue activities addressing current teacher shortages. These resources will allow for the continuation of on-the-job training for regular teachers interested in Special Education, the certification of teacher candidates, and the out-of-state recruitment of teachers in shortage categories with an emphasis on retaining teachers in Hawaii.

Repair and Maintenance. Concerns regarding the physical condition of the public schools continue to be addressed. Most cyclical repair goals have been met; however, additional funds are still required. Your Committee has continued its support for school maintenance by providing an additional \$1 million, particularly to address deficiencies at those schools that did not pass the statewide School Inspection Program, including Farrington High School, Baldwin High School, and Kihei Elementary School.

A new and innovative idea to help reduce the response time for general repairs is being implemented as a super-handyperson pilot program. Two temporary positions and funds have been provided to address the needs of Baldwin High School, Kihei Elementary School, and the Farrington High School complex.

Public School Funding. Your Committee is concerned that while a significant portion of the State's resources and increasingly larger amounts are appropriated each year to fund public schools, there are still claims and criticisms that not enough funds have been provided to the Department of Education. Your Committee is also concerned that while education budgets have increased, there remains uncertainties as to how much of the funds are in direct support of individual schools and whether the current funding system is appropriate in view of such developments as SCBM. Therefore, the Legislative Reference Bureau has been requested to address these issues in a study of the public school system.

Hawaiian Language Immersion Program. Given the high degree of success of the existing program, your Committee has provided resources for an additional grade level in each of the five immersion schools plus an additional school site. Successful candidates in this program have developed a high level of proficiency in understanding, speaking, and writing in the Hawaiian language; a positive self-concept; and appropriate cultural attitude. In addition, they have gained skills and knowledge in the content areas of the curriculum that meet Department of Education objectives.

Health Career Academy. Since 1988, Farrington High School has conducted a successful program called project Healthstart. In accord with this project and the science and technology learning center theme at Farrington, your Committee has provided funds of approximately \$364,000 over the biennium for a Health Career Academy. Students participating in this program will be exposed to the many opportunities available in the health care profession.

Educational Facilities. Proper classroom facilities are essential in creating an environment conducive to learning. Your Committee has authorized the use of \$180 million through the Educational Facilities Special Fund to meet the growing needs of our schools.

HIGHER EDUCATION

Your Committee has reaffirmed its commitment to providing quality post-secondary educational programs through the University and Community College systems.

Academic Advising. To improve the overall quality of higher education, your Committee has provided funding to expand student advising and counseling services at the Manoa campus, the Hilo campus, and the Community Colleges of the University of Hawaii.

Strengthen Affirmative Action. To ensure equitable treatment of women, minorities, handicapped students, faculty, and staff, your Committee has provided funds for the development and implementation of policies and procedures on affirmative action and sexual harassment.

Support. Your Committee has continued to provide needed infrastructure support, including maintenance of classrooms and labs, provision of utilities, and modernization and expansion of administrative computer applications. In addition, administrative support and maintenance positions have been established. Included in this area is the separation of Hawaii Community College from the University of Hawaii at Hilo.

Address Critical State Needs. Your Committee has provided funds to assist in resolving issues with significant State impact. Among them are the expansion of teacher education, child care training, and nursing programs to meet shortages in these professions.

Strengthen Basic Curricula. To assure that basic instructional programs are responsive to current and future requirements, your Committee has provided funds for accreditation needs in engineering and for undergraduate curriculum planning.

Research and Training. To enhance research capabilities for new basic knowledge and improve the quality of faculty and instructional programs, your Committee has provided funds for the expansion of the Pacific Biomedical Research Center, the Institute for Astronomy, the Cancer Center of Hawaii, and the School of Ocean and Earth Sciences and Technology.

Infrastructure. In the area of special repairs and maintenance your Committee has provided approximately \$13 million in each fiscal year of the biennium for nonrecurring repair and maintenance projects.

Your Committee has also provided for capital improvement projects including the completion and renovation of teaching and research facilities at UH-Manoa, the design for Hamilton Library Phase III, campus lighting improvements, infrastructure for the University Park, and the completion of student housing Phase I at UH-Hilo, the continued development of Kapiolani Community College, and funds for infrastructure, renovation, and development of facilities at Windward and Maui Community Colleges.

CULTURE AND RECREATION

Your Committee continues to support efforts to provide the general public with accessibility to the arts and opportunities for varied recreational activities through the Culture and Recreation Program. Furthermore, your Committee is committed to ensuring the preservation of our historic sites and communities.

In providing cultural accessibility, your Committee has allocated funds to numerous performing and visual arts agencies. In addition, your Committee has provided funds to support the Hawaii Public Broadcasting Authority. As a result, programs including Hawaii's Interactive Television System and Saturday A.M. for children will continue.

In the area of recreation, your Committee has appropriated funds to continue the Hawaii Statewide Trail and Access System through the Na Ala Hele Program, as mandated during the last fiscal year. By providing a working crew for each island, ground work implementation and demonstration trails can be established for the recreational enjoyment of Hawaii's visitors and residents alike.

Your Committee supports the revitalization of Hawaii's local communities and has appropriated positions and funds to administer the Main Street Hawaii Program. This will establish a cohesive policy approach in preserving our historic towns. Your Committee also continues to support the State's comprehensive Historic Preservation Program to honor our native Hawaiian past and culture. To this end, funds have been provided for osteological analysis and reinterment work, allowing previously excavated remains to be reburied at appropriate burial sites.

In support of our state parks, funds will be utilized to upgrade facilities for the safety of park-goers. Your Committee has also provided funds for the improvement and expansion of recreational mooring and launching facilities.

PUBLIC SAFETY

Recruitment and Retention. It is your Committee's understanding that the correctional system's recruitment and retention problems stem, in part, from the temporary status of numerous positions. Therefore, your Committee has enabled the Department to convert these temporary positions to permanent status. As a result, the personnel turnover and its accompanying excessive cost of overtime payments should be reduced.

Additional Adult Correctional Officers Positions. Your Committee has provided funds for new positions to ensure proper security coverage and to provide basic supervision at the correctional facilities. Additionally, funds have been provided for comprehensive training of correctional and enforcement personnel to ensure preparedness and to improve technical skills to meet the day-to-day challenges inherent in the program.

Repair and Maintenance. Your Committee has provided funds for repair and maintenance projects for all correctional facilities and centers to alleviate costly CIP needs in the future.

Inmate Education Programs. One of the primary goals of the correctional facilities is to provide inmates with educational and vocational training. These programs are established to help prepare inmates for their reentry into the community.

Sex Offender Program. Your Committee has provided funds for the Sex Offender Assessment and Treatment Program. Funds provided will be used to assess, track and treat sex offenders throughout their period of incarceration.

Substance Abuse Program. Your Committee has provided funds for the administration and staffing of the Substance Abuse Program. By developing a core administrative structure, the program will effectively implement and evaluate psycho-educational and therapeutic programs to treat substance abusers within the correctional facilities.

Medical Personnel. Funds for new positions and the conversion of temporary medical personnel has been provided to ensure that minimum health care needs are met. These positions will also alleviate expenses incurred from the use of other medical agencies.

INDIVIDUAL RIGHTS

Pesticide Analysis Program. Your Committee recognizes the importance of pesticide analysis and regulation work and has therefore provided positions and funds to establish a Pesticide Analysis Program within the Department of Agriculture. This on-site program will allow the Department to screen and analyze a larger number of pesticides and commodity feed, and to respond to problems in a timely manner.

GOVERNMENT WIDE SUPPORT

State Information Services Offices. The Satellite State Information Office Pilot Project began with the opening of the Kaneohe Satellite Office. Funds for the establishment of a Leeward Oahu office and three neighbor island offices have been provided to offer accessibility to State government services.

Office of International Relations. Your Committee recognizes the State's opportunity to benefit economically, socially, and academically by enhancing its position in the international arena.

Research on Agricultural Commodities. Protecting our agricultural commodities from numerous pests and diseases is vital to the economic prosperity of the State. Funding is being provided by your Committee for research and management activities for over 25 different commodities through the Governor's Agriculture Coordinating Committee.

Building Maintenance and Repair. Your Committee recognizes the deteriorating condition of many State facilities and supports the continuance of a systematic maintenance and repair program.

Youth Gang, Drug, and Domestic Violence Programs. Prompt and aggressive prosecution is needed to curtail the rising number of cases associated with youth gang, drug, and domestic violence. Funds have been provided for additional personnel in the county prosecutors' offices to handle the growing number of cases related to domestic violence and to implement programs aimed at diminishing youth gang and drug activities.

SUMMARY AND RECOMMENDATIONS

In summary, your Committee has thoroughly reviewed the numerous and varied funding requests and concerns of the Administration, the House of Representatives, the Senate and the people of this State. Your Committee believes it has developed a budget that meets the needs of the State and addresses the aforementioned concerns.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 139, HD 1, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 139, HD 1, SD 1, CD 1.

Representatives Souki, Alcon, Baker, Chang, Duldulao, M. Ige, Kanoho, Kawakami, Say, Tajiri, Yonamine, Anderson and Marumoto,
Managers on the part of the House.

Senators Yamasaki, Aki, Hagino, Iwase, A. Kobayashi, B. Kobayashi, Levin, Solomon and George,
Managers on the part of the Senate.

Conf. Com. Rep. 76 on H.B. No. 598

The purpose of this bill is to appropriate funds for the Judiciary of the State of Hawaii for the 1991-93 fiscal biennium.

In developing this biennium budget, your Committee has focused on meeting today's needs while being receptive to new programs.

Cognizant that well-trained and informed judges are crucial to ensure the fair, prompt, and efficient administration of justice in the State, your Committee has provided funding for the establishment of a Judicial Education Office. The Judicial Education Office will institute a comprehensive and structured program for judicial orientation, continuing education, and training in the State court system.

Your Committee has also provided funding, in the sum of \$75,000 in each fiscal year of the biennium, for an automated remittance processing service for the Traffic Violations Bureau to increase the efficient processing of mail-in motor vehicle tickets and fines.

As recommended by the Legislative Auditor's Report No. 89-5, Management and Financial Audit of the Judiciary of the State of Hawaii, your Committee has provided additional positions and funds to strengthen the reorganized Telecommunications and Information Services Division.

Your Committee has provided funding for the new Hilo Judiciary Complex. Discussions have taken place regarding the location of the proposed courthouse. Given the concerns raised by local residents, your Committee directs the Judiciary to continue open dialogue with the community.

In summary, your Committee has thoroughly reviewed the numerous and varied biennium funding requests and concerns of the Judiciary, the House of Representatives, the Senate and the citizens of the State, and believes that it has molded a biennium budget which is fiscally responsible, but also meets the needs of the State.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 598, HD 2, SD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 598, HD 2, SD 1, CD 1.

Representatives Metcalf, Souki, Alcon, Baker, Chang, Duldulao, M. Ige, Kanoho, Kawakami, Say, Tajiri, Yonamine, Anderson and Marumoto,
Managers on the part of the House.

Senators Yamasaki, Aki, Hagino, Iwase, A. Kobayashi, B. Kobayashi, Levin and George,
Managers on the part of the Senate.

Conf. Com. Rep. 77 on H.B. No. 701

The purpose of this bill is to appropriate funds for the 1991-93 biennium budget of the Office of Hawaiian Affairs (OHA).

Your Committee began deliberations on the OHA budget in an atmosphere of economic uncertainty. The January 10, 1991, forecast by the Council on Revenues projected a decrease in state revenues, primarily as a result of the recession on the mainland and its dampening effects on tourism.

In its review, your Committee remained cognizant of the directive of the 1990 Legislature to eliminate duplication of services between other agencies. Your Committee, therefore, has provided funds to allow OHA to work in conjunction with other organizations to efficiently and effectively provide services.

The health and social conditions of Hawaiians is of the utmost importance to your Committee. As a result, funds have been provided for OHA to work with other agencies to collect and print data on Hawaiian health and implement a strategy on the dissemination of this information.

As the indigenous people of an island state, Hawaiians have been addressing the issue of sovereignty for a long time. Recognizing the importance of Hawaiians to be afforded opportunities to enhance their well-being, your Committee has provided funds for the development of several sovereignty models and for implementation of a marketing plan for these models on a national and international level.

Your Committee has provided funding in the area of economic development to provide for a wide variety of assistance and support to an emerging group of community-based economic development organizations across the State. Funding has also been provided for a management and technical assistance program to provide, through a contract with Alu Like, business counseling to individual Hawaiian entrepreneurs.

In the area of education, your Committee has provided funding for twenty-five annual scholarships, for each fiscal year, for college students, undergraduate and graduate, new and continuing. Funding has also been provided for a Hawaiian recruitment program to assist, promote, and develop a leadership training program for Hawaiian youth at the high school level.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 701, HD 2, SD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 701, HD 2, SD 2, CD 1.

Representatives Hagino, Souki, Alcon, Baker, Chang, Duldulao, M. Ige, Kanoho, Kawakami, Say, Tajiri, Yonamine, Anderson and Marumoto,
Managers on the part of the House.

Senators Yamasaki, Aki, Hagino, Iwase, A. Kobayashi, B. Kobayashi, Levin, Solomon and George,
Managers on the part of the Senate.

Conf. Com. Rep. 78 on H.B. No. 1021

The purpose of this bill is to increase revenues for the State Highway Fund by:

- (1) Increasing the State motor fuel tax from \$.11 to \$.16 for each gallon, and the State diesel oil tax from \$.10 to \$.15 for each gallon;
- (2) Increasing the amount of the motor vehicle registration fee to \$20;
- (3) Increasing the vehicle weight tax; and

- (4) Including mopeds among vehicles subject to the motor vehicle registration fee.

Your Committee finds that the State Highway Fund provides the revenues to carry out the operations, maintenance, and capital improvement programs for our State highways. Revenues for the fund are generated through motor fuel taxes, motor vehicle registration fees, motor vehicle weight taxes, and other miscellaneous fees.

Your Committee also finds that the last time the Legislature made a comprehensive change to methods of raising revenue for our land transportation system was in 1985. At that time, the Legislature reviewed and adopted a variety of revenue generating sources to maintain a level of funding necessary for our road and highway needs for a six-year planning period. That six-year period has passed and the next six-year period must now be addressed.

Your Committee further finds that in the past few years, revenue growth has slowed, while expenditures have continued to increase. Federally mandated fuel conservation requirements have led to lighter, more fuel efficient cars. This, as well as higher fuel prices, has decreased the growth in fuel consumption, thereby reducing the growth in revenues generated by the fuel tax. At the same time, the cost of operating and maintaining our State's highway system has increased. According to the 1990 Highway Revenue Task Force, the financial integrity of the state highway fund is in jeopardy. The Department of Transportation has also warned that, absent an increase in revenues, the State Highway Fund will be placed in a deficit situation that will prevent the proper maintenance and development of the State highway system.

Your Committee also finds that the public's call for additional land transportation facilities and better maintained roadways to help alleviate traffic congestion has placed an additional financial burden on the State Highway Fund. It is clear that more funds for capital improvements and operating expenditures are needed to meet the public's demands.

Upon further consideration, this bill has been amended by:

- (1) Establishing a new chapter providing for the levy, assessment, and collection of:
 - (A) A rental motor vehicle surcharge tax of \$2 a day;
 - (B) A tour vehicle surcharge tax of \$65 a month for an eighteen or over passenger carrier vehicle used as a tour vehicle; and
 - (C) A tour vehicle surcharge tax of \$15 a month for an eight to seventeen passenger carrier vehicle used as a tour vehicle;
- (2) Deleting mopeds from the motor vehicle registration fee; and
- (3) Making technical, nonsubstantive changes for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1021, HD 2, SD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1021, HD 2, SD 2, CD 1.

Representatives Oshiro, Souki, Baker, Kanoho, Say, Yonamine and Marumoto,
Managers on the part of the House.

Senators Yamasaki, Aki, Fernandes Salling, A. Kobayashi and George,
Managers on the part of the Senate.

Conf. Com. Rep. 101 on S.B. No. 1082

The purpose of this bill is to enhance the ability of exclusive bargaining unit representatives to obtain information regarding their members from public employers.

Specifically, the bill requires public employers to provide the name, mailing address, social security number, and bargaining unit of bargaining unit members, with the exception of undercover agents, within a reasonable time after receipt of a written request, in a form conducive to electronic data processing if the employer has such electronic capability. The sender and receiver of information are subject to the same restrictions on disclosure.

Your Committee has amended this bill by deleting the new section proposed for Chapter 89, Hawaii Revised Statutes, and instead interpolating the substantive provisions into Section 89-16.6, which relates to the same subject matter.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1082, SD 1, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1082, SD 1, HD 1, CD 1.

Representatives Yonamine, Say, Alcon, Baker, Horita and Ward,
Managers on the part of the House.

Senators Mizuguchi, Blair and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 102 on S.B. No. 212

The purpose of this bill is to require the maximum towing charge allowed by law and the telephone number of the Office of Consumer Protection to be included on every posted notice that prohibits unauthorized parking of vehicles.

Your Committee finds that while many tow operators are honest and conscientious, some operators attempt to collect towing charges in excess of that allowed by law. While tourists may be the easiest victims, residents unfamiliar with the statutory limit on towing charges can also be victimized. Both tourists and residents may be unaware that the Office of Consumer Protection is the agency to which consumer complaints can be directed. This measure would ensure that both tourists and residents are made aware of this information.

Your Committee has amended this measure by clarifying that the telephone number of the Consumer Information Service of the Department of Commerce and Consumer Affairs be stated on all notices.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 212, SD 1, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 212, SD 1, HD 1, CD 1.

Representatives Baker, Morihara, Horita, Yonamine and Ward,
Managers on the part of the House.

Senators Fernandes Salling, Cobb and George,
Managers on the part of the Senate.

Conf. Com. Rep. 103 on S.B. No. 1206

The purpose of this bill is to amend Chapter 439, Hawaii Revised Statutes, to clarify administrative procedures relating to Hawaii's cosmetologists and beauticians.

Specifically, this bill:

- (1) Provides for cosmetology permits to be valid for a period of time covering the three consecutive examinations offered by the Board of Cosmetology after the permit's date of issuance;
- (2) Requires beauty shops to:
 - (A) Maintain records of appointments and services offered to clients for three years; and
 - (B) Utilize equipment and facilities as prescribed by the Board of Cosmetology; and
- (3) Requires all cosmetology or beautician apprentices to work in a licensed beauty shop under the supervision of a licensed beauty operator in order to obtain a valid apprentice permit.

Your Committee finds that this bill will alleviate confusion related to the issuance and maintenance of temporary permits, apprentice permits, and beauty shop licenses. In addition, this measure will protect the interests of consumers by providing a means for the Board of Cosmetology to monitor apprenticeship training and ensure that all beauty shops provide adequate services to the public.

Your Committee has made a technical, nonsubstantive amendment for purposes of clarity and style by moving the sentence on page 3, lines 17-18, "A temporary permit may be issued upon application for examination and payment of the required fees." to page 3, line 1.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1206, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1206, HD 1, CD 1.

Representatives Hirono, Arakaki, Morihara, Oshiro and Thielen,
Managers on the part of the House.

Senators Ikeda, Cobb, McCartney and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 104 on S.B. No. 2008

The purpose of this bill is to permit trust companies that are not affiliated with a bank or bank holding company to engage in the sale of insurance and securities through affiliated corporations.

The financial services industry has expanded tremendously over the last few years. Your Committee finds that this bill contains necessary safeguards to ensure that clients of a trust company are not adversely affected by the sale of insurance or securities through affiliates, and will allow independent trust companies to offer an expanded combination of products and services that will provide for a more diversified and stronger financial system in Hawaii.

Your Committee has amended this bill by adding a definition of "commissioner" in Section 406-1, Hawaii Revised Statutes, to mean the Commissioner of Financial Institutions. In addition, several technical, nonsubstantive amendments were made for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 2008, SD 2, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2008, SD 2, HD 1, CD 1.

Representatives Hirono, Bainum, Morihara, Oshiro and Thielen,
Managers on the part of the House.

Senators Ikeda, Iwase, McCartney and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 105 on S.B. No. 952

The purpose of this bill is to enable the State to upgrade and renovate the Women's Community Correctional Center (WCCC) and Hawaii Youth Correctional Facility (HYCF) and relocate the WCCC to the grounds presently occupied by the HYCF, and vice versa.

To accomplish this, this bill provides that the lawful use of land or buildings for correctional purposes that qualify as nonconforming uses under Section 205-8, Hawaii Revised Statutes, may continue as lawful nonconforming uses even if buildings are replaced, reconstructed, renovated, enlarged, changed, or additional nonconforming buildings are constructed, as long as the land and buildings continue to be used for correctional purposes. The Department of Public Safety and the Office of Youth Services will submit annual reports to the Legislature on the status of the projects including breakdowns of the populations at each facility, assessments of each facility's ability to accommodate serious or violent offenders and the implementation of programs providing alternatives to incarceration, and all plans and designs, except for security details, including costs and implementation.

The bill further requires the Department and the Office to ensure that correctional facilities and services meet the present and future needs of persons committed to their jurisdictions.

Your Committee finds that the State's good faith efforts to renovate the WCCC in compliance with a 1985 consent decree have been impeded by denial of a special use permit allowing rebuilding on Mt. Olomana. This bill will enable the State to carry out this necessary correctional project and improve HYCF facilities at the same time. Your Committee considers this to be a matter of compelling public interest and for the health, safety, and welfare of the general public. To delay these projects any longer would have inimical effects for years to come.

Your Committee has amended this bill by specifically exempting the Department and the Office from the necessity of obtaining state or county approvals, permits, or licenses, including planning, land use classification, and environmental approvals relating to construction, improvement, use, reconstruction, renovation, replacement, enlargement, or relocation of buildings, facilities, or land used or to be used for correctional purposes. These exemptions shall be limited to the subject properties under this bill presently owned by the State and located in Kailua and specifically set aside for correctional purposes. Your Committee has also provided that no new construction or development shall be initiated at the Kailua sites, for correctional or any other purpose, after July 1, 1994, without prior legislative approval.

Your Committee has further amended this bill by emphasizing the intent that the State work closely with the Kailua community regarding concerns relating to renovation, expansion, and new construction, and by providing that the Department and the Office shall advise their consultants and contractors that the design and construction of all lawful nonconforming uses, to the extent practicable and as long as it does not delay construction or renovation, shall blend into the pristine natural environment surrounding the facilities and be minimally intrusive to the surrounding communities.

Other nonsubstantive technical changes have been made to the language of the bill to ensure that its intent is clear and unequivocal.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 952, SD 1, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 952, SD 1, HD 1, CD 1.

Representatives Tom, Arakaki, Chun, M. Ige, Kawakami and Tatibouet,
Managers on the part of the House.

Senators Mizuguchi, Blair, A. Kobayashi and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 106 on S.B. No. 1822

The purpose of this bill is to provide insurance coverage for newborn adopted children.

Specifically, this bill:

- (1) Requires insurance coverage for a newborn child to be adopted provided that the insurer is notified in writing of the insured's intent to adopt the child:
 - (A) Prior to the child's date of birth,
 - (B) Within thirty days after the child's birth, or
 - (C) Within the time period required for enrollment of a natural born child under the insurance policy, whichever period is longer;

- (2) Requires insurance coverage for an adopted newborn to be effective from the date of written notification of the insured's ability to consent for treatment of the child. This would be in cases where the society is notified of the insured's intent to adopt the child after the specified time period for notification outlined in item (1) above, has passed;
- (3) Requires health maintenance organizations (HMOs) to provide insurance coverage effective from:
 - (A) The newborn's date of birth if the newborn is born in an HMO facility and written notice of enrollment for coverage of the newborn is provided within thirty days of the date the HMO is notified of the insured's intent to adopt the newborn;
 - (B) The first day following the HMO's receipt of written notice of the insured's ability to consent for treatment and enrollment for coverage of the newborn if the newborn is not born in an HMO facility; and
- (4) Requests the Legislative Auditor to submit a report to the Legislature prior to the convening of the 1995 session on the impact and implications of this bill; and
- (5) Provides for the repeal of this bill on June 30, 1995.

Currently, adoptive parents are at a distinct disadvantage when attempting to obtain health care for their new child because they are unable to receive such benefits until the child is legally named to their custody. Most health insurance companies require adoptive parents to produce a final adoption decree, which can take three to twelve months or more, before formally enrolling the child in the health insurance program. Under these circumstances, the adoptive family is liable for all medical expenses incurred prior to that date, which could theoretically run into the thousands of dollars, particularly if the child is ill or requires extra care.

Your Committee believes that it is appropriate for health care services that would be extended to the insured's natural children to be extended to adoptive children without difficulty or dispute.

Your Committee has amended this bill by:

- (1) Requiring the insured to reimburse the insurer or mutual benefit society for any expenses paid for the newborn if the adoption proceedings are not successful;
- (2) Requiring legal notification of the insured's ability to consent for treatment instead of written notice;
- (3) Making the health maintenance organization provisions applicable to insurance companies (under Chapter 431, HRS) also applicable to mutual benefit societies (under Chapter 432, HRS); and
- (4) Making several technical, nonsubstantive changes for purposes of style and clarity.

Regarding reimbursement for expenses if the adoption is not successful, your Committee wishes to clarify that reimbursement requirements shall not be applicable in cases where the adoption is not successful due to the death of the newborn or one or both adoptive parents.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1822, SD 1, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1822, SD 1, HD 1, CD 1.

Representatives Hirono, Arakaki, Cachola, Morihara and Ward,
Managers on the part of the House.

Senators Ikeda, Iwase and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 107 on S.B. No. 2007

The purpose of this bill is to regulate the sale, lease, distribution, and advertising of water treatment units.

Specifically, this bill prohibits the sale, lease, distribution, or installation of water treatment units unless the unit has been tested using industry or federally accepted product testing standards. The bill further requires every unit to be accompanied by written material stating manufacturer information, specifications of the unit, installation instructions, and other important consumer information. Finally, this measure requires written disclosure of the prohibitions regarding unlawful advertising and deceptive practices, including the telephone number and address of the Office of Consumer Protection, to be provided to the prospective consumer prior to execution of any contract of sale.

Your Committee has amended the bill as follows:

- (1) Deleting the provision requiring the written disclosure of prohibited practices and information about the Office of Consumer Protection;
- (2) Prohibiting door-to-door sales of water treatment units unless a copy of data, claims, and information on water quality and health effects, as used in the sales presentation, are made a part of the contract; and
- (3) Changing the effective date of the measure to December 1, 1991.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 2007, SD 1, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2007, SD 1, HD 1, CD 1.

Representatives Hirono, Metcalf, Amaral, Cachola, Morihara and Thielen,
Managers on the part of the House.

Senators Ikeda, Iwase, McCartney and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 108 on S.B. No. 1539

The purpose of this bill is to clarify and amend the procedures of the Hawaii Civil Rights Commission, particularly those related to contested case hearings and appeal procedures. More specifically, the bill:

- (1) Clarifies that the Commission has jurisdiction to process complaints filed by handicapped individuals regarding access to State and State-funded services;
- (2) Explicitly provides that depositions may be conducted as part of the investigation and hearing process and that parties may be required to attend hearings and to testify;
- (3) Authorizes the Commission to file an action in circuit court to enforce conciliation agreements and predetermination settlements and requires compliance reviews of predetermination settlements;
- (4) Provides that complainants may file complaints with the Commission's executive director without the necessity of verification;
- (5) Defines "unlawful discriminatory practice" to include like terms used in other chapters of the Hawaii Revised Statutes;
- (6) Extends the deadline by which the Commission must complete its investigation and attempt conciliation, from 60 to 180 days after the filing of the complaint, and allows the Commission to grant extensions;
- (7) Clarifies procedures for the determination of reasonable cause and the issuance of a final conciliation demand, and delegates these functions to the executive director;
- (8) Changes references from public hearings to contested case hearings, which are the method of resolving complaints under Chapter 91;
- (9) Clarifies procedures for contested cases;
- (10) Eliminates the provisions for de novo review of the Commission's decisions by the circuit court; and
- (11) Establishes a sunset provision which reinstates de novo review of the Commission's determinations on July 1, 1994.

The only item at issue involved the provisions that seek, at least temporarily, to eliminate the circuit court's de novo review of the Commission's decisions. Your Committee is concerned that it may be premature to eliminate the procedural safeguard provided by a de novo review of the Commission's decisions, which permits the courts to consider both evidence and legal conclusions without according deference to the Commission.

Your Committee finds that, the Commission is still in its infancy and has not developed a track record that justifies elimination of the de novo review standard. Therefore, your Committee made the following amendments to the bill:

- (1) Deleted Section 7, which eliminates the requirement for de novo review; and
- (2) Deleted the sunset provision in Section 10.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1539, SD 1, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1539, SD 1, HD 1, CD 1.

Representatives Metcalf, Amaral, Hirono, Takamine and Thielen,
Managers on the part of the House.

Senators Blair, Holt and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 109 on S.B. No. 1962

The purpose of this bill is to amend certain provisions of Chapter 342J, Hawaii Revised Statutes, which deal with hazardous waste requirements. This bill would make the State's hazardous waste regulatory program substantially equivalent to the federal Resource and Recovery Act (RCRA) program administered by the United States Environmental Protection Act (EPA), as part of a plan to obtain authorization from the EPA for the State to administer its hazardous waste program in lieu of the federal RCRA program.

Your Committee, upon further consideration, has made the following amendments to S.B. 1962, SD 2, HD 2:

- (1) Deleted the section pertaining to the waiver or reduction of fees charged for copying public documents if a waiver or reduction is in the public interest, since this is already provided for under Section 92F-42(13) of the Hawaii Revised Statutes;
- (2) Amended the provisions relating to citizen suits to conform to State law, and placed them in a separate section;
- (3) Added a five-year drop dead clause for the section on citizen suits. The section on citizen suits was added to insure that our laws are enforced by providing private causes of action in addition to State enforcement. However, because of concerns that the section will encourage frivolous actions, your Committee feels that a trial period would be appropriate; and
- (4) Re-ordered the definitions, which are added and amended in Section 2, into two separate sections for purposes of clarification;
- (5) Retained the language of House Draft No. 2 pertaining to intervention. The amendment to Section 342J-16, Hawaii Revised Statutes, is purely technical and non-substantive and is not intended to have any effect on the application of this section.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1962, SD 2, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1962, SD 2, HD 2, CD 1.

Representatives Hiraki, Metcalf, Amaral, Santiago, Young and Thielen,
Managers on the part of the House.

Senators Blair, Chang, Hagino, Levin and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 110 on S.B. No. 153

The purpose of this bill is to facilitate use of service and signal dogs.

Section 347-13, Hawaii Revised Statutes, specifically allows use of guide dogs by blind or visually handicapped persons when accessing public places and conveyances, and Section 515-3 makes it unlawful to discriminate in a real estate transaction against blind or deaf persons who use certified guide or signal dogs.

This bill adds service and signal dogs to Section 347-13 and service dogs (those certified by a nationally recognized service dog organization to assist disabled persons with essential daily activities) to Section 515-3. It also authorizes disabled persons who use guide, service, or signal dogs to reside on site during the animal's quarantine, if housing is available, and allows physically handicapped persons accompanied by service dogs to utilize public places and conveyances at no charge for the animal until July 1, 1992. Further, the bill requires the Director of Finance to adopt rules for licensing guide, service, and signal dogs and provides for appropriate designation on such licenses. This provision is effective July 1, 1992.

Your Committee finds that guide, service, and signal dogs provide essential services for their masters and should be duly recognized in the statutes.

Your Committee has amended this bill by changing the effective date of the Section relating to dog licenses to July 1, 1991, and by clarifying in Section 5 that the handicapped person will be liable for any damage caused by the person's service dog.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 153, SD 1, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 153, SD 1, HD 2, CD 1.

Representatives Shon, Metcalf, Morihara, Amaral, Duldulao and Ward,
Managers on the part of the House.

Senators McMurdo, Crozier and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 111 on S.B. No. 154

The purpose of this bill is to provide specific requirements for minimum content and labeling of Kona coffee.

Your Committee finds that truth in labeling is a vital consumer protection tool, and in order to maintain the high quality of Kona coffee products and continued viability of the industry, quality control and product differentiation are essential.

Your Committee has amended this measure by including a purpose section, and providing for Kona coffee minimum content and labeling requirements to be included in Chapter 486, Hawaii Revised Statutes (HRS), instead of Chapter 147, HRS. Your Committee believes that it would be more appropriate to include these requirements under the laws relating to measurement standards and uniform packaging and labeling.

In addition, technical, nonsubstantive amendments were also made for purposes of clarity and style, including the rewording and rearrangement of sections.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 154, SD 1, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 154, SD 1, HD 1, CD 1.

Representatives Hirono, Metcalf, Amaral, Hagino, Morihara, Takamine and Ward,
Managers on the part of the House.

Senators Ikeda, Iwase and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 112 on S.B. No. 348

The purpose of this bill is to prohibit the Department of Commerce and Consumer Affairs from releasing or divulging any statistics regarding collision damage waivers (CDWs) of rented motor vehicles, except as allowed by rules promulgated by the Department in accordance with Chapter 91, Hawaii Revised Statutes.

This measure will protect rental motor vehicle lessors by providing for the confidentiality of CDW information submitted to the Department of Commerce and Consumer Affairs. However, your Committee emphasizes that the Department's authority to adopt rules applies to both obtaining and releasing CDW information. It does not preclude lessors from submitting required data prior to the adoption of rules by the Department. It is your Committee's intent that CDW information be submitted by lessors immediately upon enactment of this measure. Moreover, the bill does not require the Department to promulgate rules to collect such data.

Your Committee has amended this bill by clarifying Section 437D-8.5, Hawaii Revised Statutes, relating to CDW commissions, by including a definition of "commission for selling collision damage waivers." In addition, technical, nonsubstantive amendments were made for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 348, SD 1, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 348, SD 1, HD 1, CD 1.

Representatives Hirono, Cachola, Morihara, Oshiro and Thielen,
Managers on the part of the House.

Senators Ikeda, Cobb, Iwase and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 113 on S.B. No. 1757

The purpose of this bill is to prohibit motor fuel refiners from engaging in the business of a retail service station or motor fuel sales outlet until August 1, 1993.

In addition, this measure:

- (1) Requires the Attorney General to gather and assess information on prohibiting the direct retailing of motor fuel by refiners (commonly known as divorcement) and its impact on the price of motor fuel, and further, to analyze Hawaii data on this subject;
- (2) Requires the Department of Commerce and Consumer Affairs to gather and study data on divorcement and its impact on the consumer;
- (3) Provides exemptions from the divorcement moratorium if the refiner has executed a binding lease or has acquired real property in fee simple and has obtained substantially all of the necessary permits to commence construction of a service station or retail motor fuel outlet prior to the effective date of this Act; and
- (4) Allows a refiner to replace, in the same area, a service station or retail fuel outlet where the refiner has had to close a station or outlet due to the termination of the real property lease, and provides that the refiner can exercise this replacement option two times.

Your Committee finds that this measure will promote vigorous price competition and to provide for an adequate supply of automotive goods and services to the public. Your Committee declares it to be in the best interest of the public that legislation be enacted to prevent unfair practices and monopolistic distribution and marketing in the motor fuel industry of the State.

Your Committee has amended this bill by:

- (1) Including definitions of "direct operation" and "franchise";
- (2) Deleting the definition of "wholesale price";
- (3) Extending the moratorium to distributors of motor fuel as well as refiners;

- (4) Exempting refiners and distributors from the moratorium if the land involved has been zoned appropriately to permit service station use or retail motor fuel outlet use, and has received a shoreline management area permit, if applicable, as of the effective date of this Act; and
- (5) Allowing a refiner to replace two service stations or retail motor fuel outlets within the same county where the refiner or distributor has had to close a station or outlet due to the termination of the real property lease.

Technical, nonsubstantive amendments were also made for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1757, SD 1, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1757, SD 1, HD 1, CD 1.

Representatives Hirono, Metcalf, Amaral, Hagino, Hiraki, Morihara and Ward,
Managers on the part of the House.

Senators Ikeda, Cobb, Iwase, McCartney and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 114 on S.B. No. 1188

The purpose of this administration bill is to bring Hawaii's measurement standards into alignment with national consensus standards for uniformity in weights and measures by amending Chapter 486, Hawaii Revised Statutes.

Your Committee has made a few non-substantive, technical corrections to this bill.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1188, SD 1, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1188, SD 1, HD 1, CD 1.

Representatives Hirono, Metcalf, Amaral, Morihara, Takamine, Yoshimura and Thielen,
Managers on the part of the House.

Senators Chang, Ikeda and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 115 on S.B. No. 1278

The purpose of this bill is to mandate the Department of Land and Natural Resources to adopt rules for the regulation of anchoring and boating in each marine life conservation district.

Your Committee has amended this measure to clarify that the Department is mandated to adopt rules for boating only to the extent of its jurisdiction. Some concern has been expressed that if H.B. No. 917 (which transfers all functions, powers, and duties involving the regulation of ocean recreational boating and coastal activities to the Department) is not enacted, inconsistencies in the law may be created. By specifically limiting adoption of rules to the extent of the Department's jurisdiction, H.B. No. 917 will have no effect on these provisions if it is not enacted. If it is, then of course the Department shall adopt rules as required.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1278, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1278, HD 2, CD 1.

Representatives Stegmaier, Metcalf, Apo, Morihara, Santiago and Thielen,
Managers on the part of the House.

Senators Chang, Solomon and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 116 on S.B. No. 1279

The purpose of this bill is to:

- (1) Provide for the extension of leases for businesses where the lessee has made improvements to the premises which will benefit the public in order to allow commercial aquaculture businesses to continue to serve the public;
- (2) Clarify language relating to the minimum sizes of fish by replacing general terminology with more appropriate terms and remove kala, Naso lituratus, from the minimum size requirements section because it is primarily used as an aquarium fish;
- (3) Allow the Department of Land and Natural Resources to transfer to administrative rules the licensing measures relating to the selling and servicing of pond raised mullet, Kona crab, and lobsters during their respective closed seasons; and
- (4) Prohibit the taking of rocks to which marine life is attached.

Upon further consideration your Committee has amended this measure by deleting the provisions providing for the extension of leases for businesses where the lessee had made improvements to the premises which will benefit the public.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1279, SD 1, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1279, SD 1, HD 2, CD 1.

Representatives Stegmaier, Metcalf, Apo, Morihara, Santiago, Yoshimura, Young and Thielen,
Managers on the part of the House.

Senators Chang, Hagino and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 117 on S.B. No. 1382

The purpose of this bill is to establish a program to provide a timely and appropriate response to homelessness and to govern the services and benefits made available through facilities for homeless families.

Your Committee finds that the issue of donor liability is a matter of vital concern to the success of the entire program envisioned by the bill. Exposure to liability for injury resulting from a donation to the program would clearly have a chilling effect on one's desire to assist the homeless. For these reasons, your Committee has given extensive thought to the question of donor liability and concludes that, under general common law principles, donors to homeless facilities would not be liable for ordinary negligence in any event, and the standards for gross negligence or willful or wanton conduct are not changed by the provisions of this bill.

On further consideration of the bill, your Committee has amended the definition of "Homeless family" to mean a household with at least one dependent child under 18 years of age.

Your Committee has also amended the bill by replacing the entire contents of § -6, which deals with liability for injuries resulting from donor negligence. As amended, the bill exempts from all liability any donor who gives money for homeless programs; exempts from liability any donor of land and improvements or any donor who provides services or materials used to build or construct a homeless facility, except where injury results from the donor's gross negligence or wanton acts or omissions; and provides that if the donor gives the director a full accounting of all known dangers concerning donated land or facilities, the donor shall not be liable for injury resulting from the donation.

Your Committee wants to make clear, however, that this departure from the negligence standard of care to gross negligence is for this homeless situation only and is not to be viewed as a general policy change. The exigency of the circumstances and the need to encourage donations to the homeless program compels us to strike a delicate balance between affording adequate means of redress for injury versus the need for additional homes for the homeless.

Your Committee has further amended § -6 to require the director to inspect all donations for the purpose of ensuring that they are reasonably safe for public use.

Your Committee has also amended the bill by making technical changes which have no substantive effect.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1382, SD 2, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1382, SD 2, HD 1, CD 1.

Representatives Tom, Isbell, Metcalf, Say, Arakaki, Chun, Duldulao, Kawakami, Yonamine, Anderson and Tatibouet,
Managers on the part of the House.

Senators Yamasaki, Crozier, B. Kobayashi and George,
Managers on the part of the Senate.

Conf. Com. Rep. 118 on S.B. No. 1247

The purpose of this bill is to clarify the provisions of Act 15, Session Laws of Hawaii 1988, relating to:

- (1) The acceptance by the counties of dedicated streets, rights of way, public facilities, and easements in connection with projects developed pursuant to Act 15, and the liability of the counties with respect thereto;
- (2) The subdivision, construction, and building standards applicable to projects developed pursuant to the Act;
- (3) The conformance of county plans and standards with final project plans and specifications certified by the Housing Finance and Development Corporation;
- (4) Disclosure to purchasers of the fact that a project has been developed pursuant to Act 15;
- (5) The State's responsibility with respect to the correction of construction defects; and
- (6) The extent of the State's obligation to indemnify the counties for injury, death, or property damage resulting from the design, planning, engineering, construction, or maintenance of dedicated public facilities.

Your Committee considered a county objection to the effect that the bill unlawfully requires a local governing body "to take legislative action on a particular subject and to reach a particular result" in connection with the bill's requirement that the counties conform their plans and standards to the final plans and specifications of an Act 15 project. This issue was submitted to the Department of the Attorney General and, after consultation, your Committee finds that this characterization of the language in the bill is not warranted. The county action required by the provision in question is ministerial in nature and, as such, necessitates no legislative action on the part of the county councils.

Your Committee further considered the existing and proposed provisions of the bill concerning the respective liability of the State and counties with regard to injury attributable to Act 15 projects, and requested the opinion of the Department of the Attorney General on this issue. After reviewing the Department's response in reference to Chapter 662, relating to acceptance of liability by the State, your Committee has amended the bill to provide that in a legal action against the county concerning a project developed under the Act, the State shall indemnify and hold the county harmless for all matters over which the State exercised responsibility or control and as to which there was a breach by the State of a duty owed to the plaintiff.

Your Committee has also amended the bill by making technical changes and correcting grammatical errors at page 2, line 11 and page 3, line 5. These amendments have no substantive effect.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1247, SD 1, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1247, SD 1, HD 2, CD 1.

Representatives Isbell, Ihara, Hashimoto, Kawakami, Taniguchi and Ward,
Managers on the part of the House.

Senators Crozier, Aki and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 119 on S.B. No. 1088

The purpose of this bill is to authorize use of blue emergency lights on Department of Public Safety vehicles.

This bill also requires the Director of Finance of the City and County of Honolulu to provide, for a fee, special license plates displaying the words "Combat" and "Wounded" upon application by veterans who were awarded the Purple Heart by the U.S. Department of Defense.

Your Committee finds that Department of Public Safety vehicles should be equipped with blue lights to facilitate emergency responses. Your Committee also finds that wounded veterans are deserving of special consideration and attention of the kind afforded by special license plates.

Your Committee has amended this bill by providing that the special license plates are also awardable upon certification that the applicant is a veteran, and that the license plates for these individuals shall contain the word "VETERAN." Also, your Committee has specified that these special designations shall be on the left side of the license plates in a manner similar to Congressional and Honorary Consul license plates.

Your Committee has further amended this bill by giving the Section on license plates an effective date of January 1, 1992, and by making several nonsubstantive technical changes for the purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1088, SD 1, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1088, SD 1, HD 2, CD 1.

Representatives Oshiro, Metcalf, Amaral, Baker, Horita and Ward,
Managers on the part of the House.

Senators Mizuguchi, Crozier and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 120 on S.B. No. 1756

The purpose of this bill is to amend Hawaii's environmental response or "superfund" law to enable the Department of Health to more effectively administer the State Hazard Evaluation and Emergency Response Program. This bill incorporates various new provision into Hawaii's superfund law, including provisions taken from the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and the Superfund Amendments and Reauthorization Act. This bill also makes housekeeping amendments to correct technical errors in the law.

Your Committee has amended this bill by:

- (1) Prohibiting the commencement of any citizen suit against any person, including the State, who is alleged to be in violation of any rule, requirement, or order pursuant to the Environmental Response Law if the director has issued a notice letter to the violator concerning the violation or has undertaken a response action, including investigation, with respect to the violation;
- (2) Limiting the definition of "contractual relationship" to definitional terms by removing provisions which apply more correctly to liability and are contained elsewhere in the Chapter;

- (3) Removing pesticide products registered under the Federal Insecticide, Fungicide, and Rodenticide Act from the definition of "hazardous substance";
- (4) Reinserting pollutants and contaminants with those substances which are prohibited from release into the environment or for which release remedial action is required;
- (5) Replacing "pollutants or contaminants" into provisions applying to "hazardous substances" in definitions of "release", "remedy" or "remedial action" and "remove" or "removal action";
- (6) Authorizing the Director to take action whenever there is a substantial threat of a pollutant or contaminant into the environment;
- (7) Providing for liability for payment of all costs incurred by the State in the restoration, rehabilitation, or replacement or acquisition of the equivalent of any natural resources injured, destroyed, or lost as a result of a release of a hazardous substance or pollutant or contaminant;
- (8) Mandating the Department to publish a listing of sites subject to de minimus settlements;
- (9) Requiring the Department to adopt the State Contingency Plan and other rules to implement the Environmental Response Law by December 31, 1992;
- (10) Permitting a person who receives and complies with the terms of any order to bring an action to review the order at any time;
- (11) Providing that the criminal penalties for failing to report the release of hazardous substances to the Department, and for knowingly releasing a hazardous substance into the environment, as set forth in Sections 128D-3 and 128D-8, shall not take effect until the State contingency plan has been adopted;
- (12) Providing that any person who knowingly releases a hazardous substance shall be subject to prosecution of a class C felony or punishable by a civil penalty of not more than \$100,000 per day of violation;
- (13) Allowing a person receiving an order issued by the Director to supplement the administrative record with other documents, writings, and materials within thirty days after receipt of the order.
- (14) Providing that criminal and civil penalties for the failure to report the release of a hazardous substance and for the knowing release of a hazardous substance shall not attach to employees acting within the scope of their employment who have no managerial or supervisory authority.

Your Committee understands that the concept of citizen suits is a relatively untried one in the State. A balance needs to be reached to allow citizens access to the courts to protect the environment and yet it is important that this access not be abused. This provision is an attempt to strengthen Hawaii's environmental laws and yet may need to be studied and refined. It is suggested that perhaps the full implications of allowing citizen suits in this context should be further explored during the interim and that the legislature consider modifications to this provision during the 1992 Session.

Your Committee has also made technical, nonsubstantive amendments for purposes of style and clarity and to correct drafting errors.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1756, SD 1, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1756, SD 1, HD 2, CD 1.

Representatives Hiraki, Metcalf, Amaral, Hagino, Santiago and Thielen,
Managers on the part of the House.

Senators Chang, Hagino, Ikeda, Levin, Solomon and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 121 on S.B. No. 1449

The purpose of this bill is to reorganize the membership of the Board of Trustees of the Employees' Retirement System and allow retirees to purchase membership service credit for active military service.

Specifically, the bill increases the membership of the Board from seven to eleven, with five rather than three members who are not public employees and five members appointed by the Governor with the advice and consent of the Senate for six year terms as follows:

- (1) One representing Bargaining Units (1) and (10);
- (2) One representing Bargaining Units (2), (3), (4), (6), (8), (9), and (13);
- (3) One representing Bargaining Units (5) and (7);
- (4) One representing Bargaining Units (11) and (12); and
- (5) One retiree of the System.

The Director of Finance continues as an ex officio member, and the System shall make findings and recommendations to ensure smooth transition and report to the 1992 Legislature. Actual reorganization will not be effective until January 1, 1998.

The provision allowing purchase of military service would be repealed December 31, 1993.

Your Committee finds that the Employees' Retirement System Board of Trustees has not been reorganized for many years and that this bill is needed to ensure that the System is responsive to contemporary needs of its membership.

Your Committee has amended this bill by deleting the military service buy-back provision and instead requiring the Board of Trustees to study the proposal and report to the 1992 Legislature.

Your Committee has further amended this bill by reorganizing the Board of Trustees as follows:

- (1) One general employee and one teacher to serve for five rather than six years;
- (2) Four non-employees also to serve for five rather than six years;
- (3) Three employee trustees appointed by the Governor with the advice and consent of the Senate, of whom one will be nominated by the Exclusive Representative of Bargaining Units (2), (3), (4), (6), (8), (9), and (13), one of whom will be nominated by the Representative of Bargaining Units (11) and (12), and one of whom will be nominated by the Representatives of Bargaining Units (1) and (10);
- (4) The retiree trustee; and
- (5) The Director of Finance.

One new non-employee will be appointed for two years and one for four years. The employee trustee nominated from Units (2), (3), (4), (6), (8), (9), or (13) will be appointed effective January 1, 1994 for five years; the employee trustee nominated from Units (1) or (10) will serve for three years; the employee trustee nominated from Units (11) or (12) will serve for one year; and the retiree trustee will serve for five years. In addition, the System's transition report will be submitted to the 1993 Regular Session of the Legislature rather than the 1992 Regular Session.

To accommodate the change in membership, your Committee has amended Section 88-28, Hawaii Revised Statutes, to provide that six rather than four concurring votes on the Board shall be necessary to validate a decision.

Finally, your Committee has provided that the bill shall be effective on January 1, 1992, except for the Section calling for a study of the military service buy-back provision, which will take effect on July 1, 1991.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1449, SD 1, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1449, SD 1, HD 2, CD 1.

Representatives Takamine, Souki, Alcon, Ihara, Yonamine and Marumoto,
Managers on the part of the House.

Senators Mizuguchi, A. Kobayashi and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 122 on S.B. No. 1914

The purpose of this bill is to amend the taxation laws relating to insurance companies by:

- (1) Repealing preferential tax rates enjoyed by Hawaii insurance companies and levying the same rates on both domestic and foreign insurers;
- (2) Requiring insurers whose annual tax liability is more than \$1,000 for the preceding calendar year to make quarterly, rather than monthly payments based on either of two payment schedules;
- (3) Authorizing tax credits to qualified insurers that do not exceed 1.2 per cent of the gross premiums taxed, and establishing requirements for the credits;
- (4) Requiring taxpayers to submit written requests for credits to the insurance commissioner within three rather than six years of the date of the payment of taxes, fees, or other charges made in error; and
- (5) Providing for an alternative schedule of tax rates in the event that provisions in this bill are found to be unconstitutional.

Presently, insurance companies are granted certain tax benefits that are not enjoyed by other businesses in Hawaii. While many of the benefits are justifiable, your Committee finds that certain tax benefits should be reconsidered and eliminated wherever appropriate. Your Committee further finds that the tax exemption for gross income or gross proceeds from real property rentals enjoyed by insurance companies is not warranted, and that insurance companies should be taxed as are all other entities engaged in this type of business in the State.

The Legislature intends to hold comprehensive hearings on the taxation of insurance companies before the convening of the regular session of 1992. This bill is intended to be the first step in the reform of the State laws governing the taxation of insurance companies.

Your Committee has amended this bill by deleting the substance and by providing for the taxing of insurance company gross income or gross proceeds received after December 31, 1991, as rents from investments in real property in the State.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1914, SD 2, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1914, SD 2, HD 1, CD 1.

Representatives Hirono, Souki, Hiraki, Metcalf, Morihara, Tajiri and Ward,
Managers on the part of the House.

Senators Yamasaki, Ikeda, Iwase, A. Kobayashi and George,
Managers on the part of the Senate.

Conf. Com. Rep. 123 on S.B. No. 818

The purpose of this bill is to provide qualified employees a total of three months of family leave upon the birth or adoption of a child of the employee or to care for the employee's child, spouse, or parent with a serious health condition. The bill imposes the family leave requirement on all employers with two hundred or more employees and qualifies employees who are employed for at least three consecutive months by the employer from whom the leave benefits are sought.

Your Committee has made the following amendments to the bill:

- (1) To be eligible for family leave, an employee must have been employed for at least six instead of three consecutive months by the employer from whom benefits are being sought;
- (2) The family leave requirement is to be imposed on employers with one hundred instead of two hundred or more employees;
- (3) The definition of "health care provider" has been changed to mean a physician as defined in the workers' compensation law;
- (4) Section -3 was amended to clarify that an employee is entitled to take four weeks of leave during any calendar year; to allow the leave to be taken intermittently during each calendar year; to prohibit the accumulation of the leave; to authorize an employer to require an employee to make up the leave within the same pay period if the unpaid leave conflicts with the unreduced compensation requirement for exempt employees under the federal Fair Labor Standards Act; and to preclude an employee from taking more than a total of four weeks of leave in any twelve-month period;
- (5) The last sentence in section -4 was amended to add the term "accrued" before the phrase "...paid leaves such as...";
- (6) Section -6 was amended to clarify that the certification of the birth of a child be issued by a health care provider or the family court or, in the case of the placement of a child for adoption, by a recognized adoption agency, the attorney handling the adoption, or the individual officially designated by the birth parent to select and approve the adoptive family;
- (7) Section -7(a) was amended to add a provision denying the employee reinstatement rights in the event the employer experiences a layoff or workforce reduction and the employee would have lost a position had the employee not been on leave;
- (8) Section -9 was amended to add a provision requiring the Director of Labor and Industrial Relations to assist employers in the training and placement of temporary help to perform the work of those employees on family leave;
- (9) The appropriation section was deleted;
- (10) A new section was added to require the Legislative Reference Bureau to conduct a study on family leave which shall cover the fiscal impact of the leave; tax credits for employers; the experience of public sector employers and other employers already providing family leave; the responsibilities resulting from the Act for the Director of Labor and Industrial Relations and Director of Taxation; and guidelines for determining when a health condition is acute, traumatic, or life-threatening; and
- (11) The effective date section was amended to add a proviso to delay the application of the Act to private sector employers until January 1, 1994.

Your Committee on Conference intends that family leave as provided by this bill, as amended, shall be available only for those health conditions of a seriously demanding nature, requiring urgent attention by a health care provider. It is expected that such acute health conditions will have come on suddenly and be of short duration.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 818, SD 1, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. 818, SD 1, HD 2, CD 1.

Representatives Takamine, Souki, Baker, Kanoho, Taniguchi, Yonamine and Marumoto,
Managers on the part of the House.

Senators Yamasaki, A. Kobayashi, Mizuguchi, Solomon and George,
Managers on the part of the Senate.

Conf. Com. Rep. 124 on S.B. No. 1462

The purpose of this bill is to provide funding to continue the Moving Image Preservation project.

Your Committee finds that film, video material, and moving images are important forms of historical records and should be given adequate protection and preservation to allow continued access to their use.

Your Committee has amended the bill to increase the amount of the appropriation from \$1 to \$50,000 for each of fiscal years 1991-1992 and 1992-1993.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1462, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1462, HD 1, CD 1.

Representatives Tam, Say, Chang and O'Kieffe,
Managers on the part of the House.

Senators Yamasaki, Hagino, Tungpalan and George,
Managers on the part of the Senate.

Conf. Com. Rep. 125 on S.B. No. 1567

The purpose of this bill is to prohibit the sale of cigarettes from vending machines except in a bar, cabaret, or any establishment for which the minimum age for admission is eighteen.

Your Committee finds that although current law prohibits a minor from purchasing tobacco products, many minors illegally purchase cigarettes from vending machines, most of which are left unattended and unsupervised. This measure proposes to regulate the dispensing of tobacco products and make cigarette vending machines less accessible to minors by allowing them only in establishments that do not admit minors.

Your Committee has amended this bill by extending the effective date to July 1, 1992, to allow more time for those concerned to meet its provisions.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1567, SD 1, HD 1, CD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1567, SD 1, HD 1, CD 2.

Representatives Shon, Metcalf, Amaral, Arakaki, Bainum, Hagino and Tatibouet,
Managers on the part of the House.

Senators McMurdo, Levin and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 126 on S.B. No. 246

The purpose of this bill is to:

- (1) Specify that the establishment of reasonable charges by the Director of Health for treatment services related to mental health, mental illness, drug addiction, and alcoholism, is to be carried out pursuant to the Hawaii Administrative Procedure Act;
- (2) Make every person who is hospitalized or who receives treatment services at psychiatric facilities or community mental health centers under the jurisdiction of the State or a county, or at psychiatric facilities or community mental health centers that derive more than fifty per cent of their revenues from the general fund of the State, liable for the expenses attending the person's reception, maintenance, and treatment;
- (3) Make every parent or legal guardian of a minor, and every spouse of a patient, who is hospitalized or who receives treatment services at psychiatric facilities or community mental health centers under the jurisdiction of the State or a county, or at psychiatric facilities or community mental health centers that derive more than fifty per cent of their revenues from the general fund of the State, liable for the expenses attending the reception, maintenance, and treatment of the child or spouse;
- (4) Requiring case managers of persons hospitalized or receiving services pursuant to court orders, to encourage the person's parent, legal guardian, or spouse to apply for available insurance coverage and assist the person in applying for the coverage; and
- (5) Deleting provisions:

- (A) Requiring the director to consider the financial circumstances of a patient and the patient's family when making collections on charges for outpatient professional and other personal services;
- (B) Authorizing the director to adjust the amount of any liability so that the charges imposed will not tend to make the patient or the patient's family a public charge or deprive them of necessary support; and
- (C) Authorizing the director to defray the hospital expenses of indigent or medically indigent persons needing hospital treatment for mental illness, drug addiction, or alcoholism.

Your Committee has amended this bill by:

- (1) Expanding its applicability to include all services and service-related expenses;
- (2) Requiring every person who is liable for service-related expenses to make reasonable efforts to utilize any available insurance coverage, including private insurance, medicare, and medicaid, to offset these costs;
- (3) Reinstating the provision authorizing the Director of Health to adjust the amount of any service-related liability so that the charges imposed will not tend to make the patient or the patient's family a public charge or deprive them of necessary support;
- (4) Authorizing a court to order any person hospitalized or receiving services to make reasonable efforts to utilize any available insurance coverage to offset any service-related costs;
- (5) Requiring a court to order a person's case manager to encourage the person to apply for any available insurance coverage and assist the person in applying for this coverage; and
- (6) Requiring case managers of all persons hospitalized or receiving services, rather than just the case managers of persons hospitalized or receiving services pursuant to court orders, to encourage the person or the person's parent, legal guardian, or spouse to apply for any available insurance coverage and assist the person in applying for this coverage.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 246, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 246, HD 1, CD 1.

Representatives Shon, Tom, Arakaki, Chun, Duldulao and Tatibouet,
Managers on the part of the House.

Senators Yamasaki, Levin, McMurdo and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 127 on S.B. No. 1340

The purpose of this bill is to:

- (1) Establish a long-term care financing advisory board composed of ten members consisting of:
 - (A) Five members appointed by the Governor who shall have backgrounds in insurance management, financial portfolio management, or health care management, or persons of similar experience;
 - (B) One consumer member who shall be a senior citizen; and
 - (C) Four ex officio members: the Director of the Executive Office on Aging, Director of Finance, Director of Health, and the Director of Human Services;
- (2) Require the long-term care financing advisory board to advise the Executive Office on Aging on the establishment of a comprehensive long-term care financing program for Hawaii residents and to consider the feasibility of creating a public fund to be administered by a public body;
- (3) Require the advisory board to establish a variety of recommendations for guidelines for the financing program including guidelines for participation, schedule of required contribution rates, benefit vesting guidelines, and terms and conditions for the receipt of program benefits, including eligibility requirements; and
- (4) Define "long-term care".

The members of the advisory board are to serve without compensation but shall be reimbursed for expenses, including travel expenses, necessary for the performance of their duties.

Your Committee on Conference has amended this bill by:

- (1) Changing the amount of the expected family asset expenditures for nursing home care between 1991 and 2020 from \$210,300,000 to \$212,300,000 on page 2, line 15;

- (2) Amending the language in section 5 to require the advisory board to submit a copy of its report with recommendations to the President of the Senate and the Speaker of the House of Representatives in addition to the Governor, before November 1, 1991; and
- (3) Deleting the requirement that the Governor transmit the report to the Chairs of the Senate Committee on Health and Human Services and the House Committee on Human Services and Committee on Health.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1340, SD 2, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1340, SD 2, HD 2, CD 1.

Representatives Tom, Souki, Arakaki, Chun, M. Ige, Kawakami, Tajiri and Tatibouet,
Managers on the part of the House.

Senators Yamasaki, A. Kobayashi, Levin and McMurdo,
Managers on the part of the Senate.

Conf. Com. Rep. 128 on S.B. No. 809

The purpose of this bill is to appropriate funds for the design and construction of a bike path and walkway makai of Kamehameha Highway from the entrance of Waimea Bay to the proposed city and county of Honolulu Waialeale Beach Park.

Your Committee amended this bill by changing the appropriated amount from \$1 to \$400,000 and by deleting the reference to "an eight foot" bike path on line 4 so that the width of the path remains flexible.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 809, SD 1, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 809, SD 1, HD 1, CD 1.

Representatives Oshiro, Souki, Baker, Chang and Ward,
Managers on the part of the House.

Senators Yamasaki, Hagino, Nakasato and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 129 on S.B. No. 1511

The purpose of this bill is to appropriate funds for a classroom library at Kapaa Elementary School on the island of Kauai.

Although Kapaa Elementary is the most populated elementary school in the State, it does not have its own library facilities and currently uses the facilities at Kapaa High School. Your Committee finds that in order to provide Hawaii's children with a quality education, proper resources and facilities must be made available to them.

Your Committee has amended this measure by increasing the appropriation from \$1 to \$80,000, and by making technical, nonsubstantive amendments for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1511, SD 1, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1511, SD 1, HD 1, CD 1.

Representatives Tam, Say, Isbell, Kanoho and O'Kieffe,
Managers on the part of the House.

Senators Yamasaki, B. Kobayashi, McCartney and George,
Managers on the part of the Senate.

Conf. Com. Rep. 130 on S.B. No. 1962

The purpose of this bill is to amend certain provisions of Chapter 342J, Hawaii Revised Statutes, which deal with hazardous waste requirements. This bill would make the State's hazardous waste regulatory program substantially equivalent to the federal Resource and Recovery Act (RCRA) program administered by the United States Environmental Protection Act (EPA), as part of a plan to obtain authorization from the EPA for the State to administer its hazardous waste program in lieu of the federal RCRA program.

Your Committee, in Conference Draft 1, amended the bill by deleting the section pertaining to the waiver or reduction of fees charged for copying public documents if a waiver or reduction is in the public interest. Your Committee was incorrect in its previous assumption that the section on waiver was already provided for under Section 92F-42(13) of the Hawaii Revised Statutes.

Upon reconsideration, your Committee has further amended this bill by:

- (1) Adding language relating to copy fee waiver; and

- (2) Correcting a typographical error in section 19 of the bill to reflect the five-year drop-dead clause for the section on citizen's suits.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1962, SD 2, HD 2, CD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1962, SD 2, HD 2, CD 2.

Representatives Hiraki, Metcalf, Amaral, Santiago, Young and Thielen,
Managers on the part of the House.

Senators Blair, Chang, Hagino, Levin and Reed,
Managers on the part of the Senate.

Conf. Com. Rep. 131 on S.B. No. 1224

The purpose of this bill is to exempt from the general excise tax, amounts received by the operator of a county transportation system from a political subdivision under an operating contract with the political subdivision, where the political subdivision is the owner of the county transportation system.

Your Committee has amended this bill by deleting references to an automated guideway transit system, and by making three technical nonsubstantive amendments for purposes of clarity and style.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1224, SD 2, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1224, SD 2, HD 2, CD 1.

Representatives Oshiro, Souki, Hashimoto, Say, Yonamine and Ward,
Managers on the part of the House.

Senators Yamasaki, Aki, Fernandes Salling and George,
Managers on the part of the Senate.

Conf. Com. Rep. 132 on S.B. No. 1286

The purpose of this bill is to authorize State agency appointing authorities, with the approval of the Director of Personnel Services, to provide incentives to enhance the State's ability to recruit persons to fill certain position vacancies.

Your Committee finds that there are occasions when the State encounters severe problems in recruiting qualified personnel to fill certain employment vacancies. Currently, the State civil service law does not provide State agencies with the necessary flexibility to attract candidates with the necessary qualifications. This bill authorizes appointing authorities to offer certain incentives to employment candidates to overcome recruitment difficulties.

Following its review of this measure, your Committee has amended this bill by deleting the proposed amendments to section 76-23, Hawaii Revised Statutes, with respect to the filling of vacancies.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1286, SD 2, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1286, SD 2, HD 2, CD 1.

Representatives Takamine, Say, Chang, Hashimoto, Yonamine and Ward,
Managers on the part of the House.

Senators Yamasaki, Iwase, Mizuguchi and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 133 on S.B. No. 1338

The purpose of this bill is to set effective July 1, 1991, the salary range of the Deputy District Superintendents to an unspecified minimum and maximum amount.

Your Committee on Conference has amended this bill by specifying the salary range for Deputy District Superintendents to not less than \$65,683 nor more than \$72,886 a year.

Your Committee on Conference finds it imperative, however, that the Superintendent of Education look into the problem of the lack of a sufficient number of vice principals in the educational system. The current level of providing only an eight per cent increase in compensation may be an insufficient incentive for qualified teachers to apply for vice principal positions. However, your Committee on Conference is aware that there must also be sufficient incentives to make it rewarding for teachers to remain teachers at salaries that reflect their skills and knowledge. The solutions to this dilemma require the Superintendent's urgent attention.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1338, SD 2, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1338, SD 2, HD 2, CD 1.

Representatives Takamine, Tam, Souki, Chun, Kawakami, Yonamine, Young and Tatibouet,
Managers on the part of the House.

Senators Yamasaki, Iwase, Mizuguchi and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 134 on S.B. No. 8

The purpose of this bill is to create an entity known as the Hawaii Property Insurance Association which will provide basic property insurance to owners and occupants of property in areas of high risk to natural disasters.

The Association is to be composed of all insurers authorized to transact property or casualty insurance in Hawaii except those engaged only in writing no-fault policies for U-drive vehicles. The Association is to formulate a plan of operation to provide insurance to persons in an area designated by the commissioner after consultation with representatives of the United States Geological Survey, the State Department of Defense, and the county in which the area is located.

Your Committee on Conference has amended the bill as follows:

- (1) The purpose section was expanded to emphasize that the Legislature's intent is to assist owners and occupants of property in high risk areas and not to provide insurance coverage for large-scale development or for imminent lava flows or attendant losses or to encourage further development in high risk areas;
- (2) Section 431: -105(b)(1) was amended to allow the Association to include coverage for commercial risks up to the limits of coverage for residential risks as additional coverage;
- (3) Section 431: -105(b) was amended to allow the Association to devise a method to give credit to member insurers for homeowners and fire insurance policies individually underwritten on risks located in the designated area;
- (4) Section 431: -114 was amended to delete the phrase "...or any of its subdivisions", thus exempting the Association only from the payment of State taxes;
- (5) Section 431: -119 which would have imposed a \$5 fee on each policy issued by the Association to cover the Association's operational expenses was deleted; and
- (6) An appropriation section was added to provide \$100,000 for fiscal year 1991-1992 only to cover the operational costs of the Association and to make it clear that no appropriated funds may be used for payments on policies issued by the Association.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 8, SD 2, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 8, SD 2, HD 2, CD 1.

Representatives Hirono, Souki, Chang, Metcalf, Morihara and Ward,
Managers on the part of the House.

Senators Yamasaki, Ikeda, A. Kobayashi and George,
Managers on the part of the Senate.

Conf. Com. Rep. 135 on S.B. No. 113

The purpose of this bill is to appropriate the sum of \$1 for fiscal year 1991-1992, and the sum of \$1 for fiscal year 1992-1993, to the department of health, for the University of Hawaii to carry out a study to characterize the nature of a non-ciguatera marine toxin suspected of causing the deaths of two Atlantic dolphins living in the lagoon of the Hyatt Regency Waikoloa Hotel in Kona, Hawaii.

Your Committee has amended this bill by changing the sum appropriated for fiscal year 1991-1992 from \$1 to \$77,038, and changing the sum appropriated for fiscal year 1992-1993 from \$1 to \$58,078.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 113, SD 1, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 113, SD 1, HD 1, CD 1.

Representatives Stegmaier, Shon, Souki, Apo, Bainum, Tajiri, Young and O'Kieffe,
Managers on the part of the House.

Senators Yamasaki, Chang and George,
Managers on the part of the Senate.

Conf. Com. Rep. 136 on S.B. No. 1311

The purpose of this bill is to transfer the ownership and jurisdiction over certain State parks to the counties and the ownership and jurisdiction over certain county parks to the State. This bill also appropriates funds for the development of a master plan for the old Kona airport state recreation area in the county of Hawaii. This bill also appropriates funds to the counties to provide support for the responsibilities transferred from the State to the counties.

Your Committee finds that the State and the counties have discussed the issue of transferring the estate, right, title, and interest to certain parks between jurisdictions for a number of years. This bill is the result of an agreement reached between the State and the counties with respect to the ownership and jurisdiction over these parks.

Upon further consideration of this measure, your Committee has amended this bill by stipulating that the 16th Avenue park (TMK nos. 3-3-14:15, 16, and 17; 3-3-17:1; and 3-3-19:2 and 5) shall be transferred from the State to the City and County of Honolulu with the understanding that the park shall be utilized exclusively for recreational purposes. Your Committee finds that this will ensure the preservation of this park for recreational uses.

Your Committee has further amended this bill by reducing the appropriation proposed for the Kona airport recreation area plan from \$200,000 to \$100,000.

Your Committee has further amended this bill by including a new part II which authorizes the establishment of an "'aina hoomalu state parks program". The provisions inserted into part II of this bill with respect to the 'aina hoomalu program were derived from H.B. No. 1061, HD 2, SD 1. Your Committee finds that the 'aina hoomalu park program will offer park users a variety of experiences that will enhance their appreciation of Hawaii's cultural, ecological, and recreational resources.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1311, SD 1, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1311, SD 1, HD 1, CD 1.

Representatives Hagino, Ihara, Metcalf, Souki, Alcon, Baker, Hashimoto, Kawakami, Santiago, Takamine, Yoshimura, Young, Marumoto and O'Kieffe,
Managers on the part of the House.

Senators Yamasaki, Nakasato, Solomon and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 137 on S.B. No. 1718

The purpose of this bill is to repeal the law relating to the underground storage tank financial responsibility guarantee fund.

Your Committee has amended this bill by deleting its entire contents and inserting language:

- (1) Repealing the laws relating to the establishment and composition of the underground storage tank financial responsibility guarantee fund and, instead, requiring the department of health to collect underground storage tank fees that, after the deduction of administrative expenses necessary for the implementation of this Act, are to be placed into a separate account of the Hawaii Capital Loan Revolving Fund for the purpose of making loans to businesses to replace, upgrade, close, take remedial action relating to, and clean up releases from, their underground storage tanks;
- (2) Changing the title of section 342L-36.5, Hawaii Revised Statutes, from "financial responsibility guarantee fund" to "underground storage tank fees";
- (3) Requiring all moneys received as repayment of loans and interest payments pursuant to the law relating to underground storage tank fees, to be deposited into the Hawaii Capital Loan Revolving Fund;
- (4) Authorizing the director to suspend the collection of fees when the account established in the Hawaii Capital Loan Revolving Fund has a sufficient balance to meet actual and projected loans, rather than claims;
- (5) Requiring every owner, rather than every owner or operator, who has complied with the notification requirements of the underground storage tanks law and whose tank is currently in use, to:
 - (A) Pay a registration fee of \$250, rather than a maintenance fee of \$200, to the director for each petroleum underground storage tank, beginning October 1, 1991, rather than October 1, 1990; and
 - (B) Pay an annual registration fee of \$250, rather than a biannual maintenance fee of \$100, to the director for each petroleum underground storage tank, after October 1, 1991;
- (6) Authorizing the director to increase or decrease the amount of the fee in order to maintain an adequate level in the separate account established in the Hawaii Capital Loan Revolving Fund, rather than in the underground storage tank financial responsibility guarantee fund;
- (7) Repealing the requirement that the department submit a report to the Legislature with proposed legislation to provide for a financial guarantee program;
- (8) Authorizing the department to adopt rules to establish the conditions and eligibility requirements related to tank replacement, upgrade, closure, and remediation, and the clean up of releases, necessary for persons to utilize the Hawaii Capital Loan Program, rather than requiring the department to adopt rules relating to the acquisition and maintenance of certification under the financial guarantee program;
- (9) Repealing the laws relating to certification under the financial guarantee program, interim application requirements for certification, and the review of interim applications;

- (10) Repealing the law requiring the Department of Health to coordinate with and enlist the assistance of the Department of Commerce and Consumer Affairs on matter relating to finance and insurance;
- (11) Defining:
- (A) "Account" to mean the separate account established in the Hawaii Capital Loan Revolving Fund that, after deduction for administrative expenses needed for the implementation of this Act, is to be used for the purpose of making loans to businesses replacing, upgrading, closing, taking remedial action relating to, or cleaning up releases from, their underground storage tanks; and
- (B) "Hawaii Capital Loan Revolving Fund" to mean the revolving fund established pursuant to section 210-3, Hawaii Revised Statutes".
- (12) Repealing the amendments to section 210-3 and section 342L-36.5, Hawaii Revised Statutes, on January 1, 1993, and providing that section 210-3 and section 342L-36.5, Hawaii Revised Statutes, are to be reenacted in the form in which they read on the day before the approval of this Act.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1718, SD 2, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1718, SD 2, HD 2, CD 1.

Representatives Hiraki, Souki, Alcon, Morihara, Tajiri and O'Kieffe,
Managers on the part of the House.

Senators Yamasaki, Chang, Levin and George,
Managers on the part of the Senate.

Conf. Com. Rep. 138 on S.B. No. 1797

The purpose of this bill is to:

- (1) Require any defendant convicted of crimes related to domestic abuse to appear at a subsequent hearing to determine whether the defendant has complied with all conditions of the court's sentence, but allows the court to waive the defendant's appearance if a court officer has determined that the defendant has complied with all conditions of the sentence; and
- (2) Appropriate funds to be expended by the Commission on the Status of Women to disseminate information about abuse and resources available to victims, examine the causes of domestic violence and abuse, and recommend solutions, particularly concerning methods of minimizing the occurrence of domestic violence in the State and encourage healthy family relationships and individual self-esteem.

Your Committee upon further consideration has amended S.B. No. 1797, SD 2, HD 2, by:

- (1) Amending section 709-906(5) relating to abuse of family and household members to permit the court to suspend any portion of a jail sentence, except for the mandatory forty-eight hours, upon the condition that the defendant remain arrest-free and conviction-free or complete court-ordered counseling;
- (2) Deleting the bracketing and the underscored language at lines 3-8 on page 1 and instead inserting the word "any" before the word "treatment" at line 4 and deleting the phrase "at any available domestic violence program" at lines 4-5;
- (3) Deleting the underscored language at lines 11-20 on page 1 and instead inserting the following "The court shall order a subsequent hearing at which the person is required to make an appearance, on a date certain, to determine whether the person has completed the ordered treatment. The court may waive the subsequent hearing and appearance where a court officer has established that the person has completed the treatment ordered by the court.";
- (4) Appropriating \$115,000 for fiscal years 1991-1992 and 1992-1993 to be expended by the Judiciary to hire persons to fill four social worker positions;
- (5) Changing the amount appropriated for the Commission on the Status of Women from the sum of \$1 to \$50,000; and
- (6) Making a few technical nonsubstantive changes for purposes of style, clarity, and consistency.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1797, SD 2, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1797, SD 2, HD 2, CD 1.

Representatives Metcalf, Say, Amaral, Hirono, Tajiri and Thielen,
Managers on the part of the House.

Senators Yamasaki, Blair, Hagino and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 139 on S.B. No. 1737

The purpose of this bill as received is to amend section 3 of Act 111, Session Laws of Hawaii 1990 (community-based enterprise development), to eliminate the restriction on the amount of the funds appropriated for the Hawaii community-based development revolving fund that can be used to provide grants and to appropriate \$2 to the Hawaii community-based development revolving fund for the provision of grants to traditional or small community-based businesses or enterprises.

Your Committee upon further consideration has amended S.B. No. 1737, SD 2, HD 2, by deleting the contents of the bill entirely and substituting the language of H.B. No. 1705, HD 1, with the following changes to page 2:

- (1) Changed the word "not" to "no" at line 3;
- (2) Deleted the phrase "appropriate moneys to the Hawaii community-based development revolving fund, and to" at lines 5 to 6; and
- (3) Inserted "Hawaii community-based development" before the word "revolving" at line 7.

As amended, the purpose of the bill is to amend chapter 210D, Hawaii Revised Statutes (relating to community-based development), to allow the Department of Business, Economic Development, and Tourism to use moneys in the Hawaii community-based development revolving fund not appropriated for a specific purpose to make either grants or loans, provided that any reallocation of funds does not deplete those available for loans. The bill also appropriates \$50,000 to the Hawaii community-based development revolving fund for the purpose of providing grants.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1737, SD 2, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1737, SD 2, HD 2, CD 1.

Representatives Bellinger, Souki, Baker, Lee and Marumoto,
Managers on the part of the House.

Senators Yamasaki, Aki, Matsuura and George,
Managers on the part of the Senate.

Conf. Com. Rep. 140 on S.B. No. 1792

The purpose of this bill is to clarify and strengthen the existing correctional industries law. Presently, services provided by the correctional industries program are restricted to the construction, renovation, and repair of private nonprofit agency facilities. This bill would allow the program to expand its services to include work on an agency's grounds, furniture, vehicles, and equipment.

The program is further restricted in its ability to purchase items used in the manufacture of its goods and services on a nonbid basis. This bill authorizes and provides the program with added flexibility by exempting all purchases from the public bidding requirements of chapter 103, Hawaii Revised Statutes.

Finally, the bill allows inmates to be compensated for work assignments from the correctional industries revolving fund, and removes any restriction regarding the use of inmate earnings for purposes of restitution. The latter amendment will allow the Department of Public Safety to qualify this program for federal certification.

Your Committee has amended this bill by:

- (1) Authorizing the Director of Public Safety to develop programs for inmates in other industries rather than only the construction industry; and
- (2) Deleting the additional words "anything purchased" in section 3 and replacing the word "purchases" to clarify the intent that all purchases shall be exempt from the public bidding process.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1792, SD 2, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1792, SD 2, HD 1, CD 1.

Representatives Say, Tom, Amaral, Bainum, Chang, Chun, Peters and Tatibouet,
Managers on the part of the House.

Senators Yamasaki, Iwase, Mizuguchi and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 141 on S.B. No. 1839

The purpose of this bill is to deter repeat offenses by sex offenders and career criminals by requiring these individuals to submit to blood and saliva testing to be used for a DNA identification profile that will allow law enforcement officials to identify re-offenders.

Your Committee, upon further consideration, has made the following amendments to S.B. No. 1839, SD 1, HD 1:

- (1) Amended the phrase "sex offenders and career criminals" at page 1, line 4, to "sex and violent offenders";

- (2) Deleted the words "unequivocally identifying" at page 1, line 16, and inserted "assisting in the identification of";
- (3) Narrowed the scope of the offender population that would be subject to testing by deleting the references on page 3, at lines 7 to 8, to Hawaii Revised Statutes sections 707-702 (manslaughter), 707-710 (assault in the first degree), 707-720 (kidnapping), and 707-751 (promoting child abuse in the second degree); and
- (4) Changing the effective date from July 1, 1991 to July 1, 1992.

Technical, nonsubstantive amendments were made for purposes of style and clarity, and to correct drafting errors.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1839, SD 1, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1839, SD 1, HD 1, CD 1.

Representatives Metcalf, Say, Amaral, Bainum, M. Ige, Morihara and Thielen,
Managers on the part of the House.

Senators Yamasaki, Blair, Hagino and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 142 on S.B. No. 1858

The purpose of this bill is to improve the juvenile justice system by incorporating the powers, functions, and duties of the Juvenile Justice Interagency Board into the Office of Youth Services and establishing four regional advisory boards and directorships to assist the office.

Your Committee on Conference has amended this bill as follows:

- (1) The last paragraph in the purpose section was amended to clarify that four regional boards and directorships are being established;
- (2) A paragraph was added to the section delineating the powers and duties of the regional directors to require that the regional director assist the executive director in coordinating, monitoring, and evaluating all programs and activities operated by the office within its region;
- (3) A new section was added to provide for the repeal of chapter 571D, Hawaii Revised Statutes, the chapter establishing the Juvenile Justice Interagency Board;
- (4) A new section was added to provide for the transfer of all rights, powers, functions, duties, personnel, appropriations, records, equipment, and other property from the Juvenile Justice Interagency Board to the Department of Human Services to be administered by the Office of Youth Services; and
- (5) Several nonsubstantive amendments were made for purposes of clarity and style.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1858, SD 2, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1858, SD 2, HD 2, CD 1.

Representatives Metcalf, Say, Amaral, Arakaki, Kanohe, Hiraki and Thielen,
Managers on the part of the House.

Senators Yamasaki, A. Kobayashi, McMurdo and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 143 on S.B. No. 712

The purpose of this bill is to:

- (1) Exempt fifty per cent of the gross income of certain contract carriers by water from the public service company tax until June 30, 1994;
- (2) Require that an annual financial report be submitted to the Department of Taxation and the Department of Business, Economic Development, and Tourism by each contract carrier and related partners, if any, for each year the exemption is claimed; that the report be filed on or before the first day of the fourth month following the taxable year; and that the report include an apportionment of operations within and without Hawaii;
- (3) Require an annual financial report to be due on or before March 1, 1994;
- (4) Require the Director of Taxation to submit the report to the Legislature; and
- (5) Make failure to comply with the reporting requirements constitute a waiver of the right to claim the exemption.

Your Committee has amended this bill by:

- (1) Extending the exemption to one hundred per cent of the gross income of certain contract carriers until June 30, 1996;
- (2) Requiring annual financial reports to be filed on or before the fifteenth day of the fifth month following the close of the taxable year;
- (3) Requiring an annual financial report to be due on or before March 1, 1996; and
- (4) Requiring the Director of Taxation to submit only relevant financial data to the Legislature to facilitate the reporting process.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 712, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 712, HD 2, CD 1.

Representatives Oshiro, Souki, Baker, Say, Yonamine and Anderson,
Managers on the part of the House.

Senators Yamasaki, A. Kobayashi and George,
Managers on the part of the Senate.

Conf. Com. Rep. 144 on S.B. No. 2114

The purpose of this bill is to appropriate the sum of \$2 to the Department of Transportation for fiscal year 1991-1992, for plans and designs for the Ala Moana gateway improvement project. This bill requires the Ala Moana gateway improvement project to consist of two individual projects aimed at beautifying and enhancing the western Waikiki gateway. The two individual projects are:

- (1) Ala Moana Boulevard improvements, which include the beautification and landscaping of the pedestrian areas between Atkinson Boulevard and Kalakaua Avenue and the addition of a traffic lane in the mauka direction between Kalia Road and Kalakaua Avenue; and
- (2) Ala Wai Yacht Harbor improvements, which include the beautification of Harbor Road and the vicinity, the development of a ground-level retail promenade fronting the Ilikai Hotel, the development of a two or three-level central parking garage, and the development of a new park at the old heliport area.

This bill also requires the Department of Transportation to expend the moneys appropriated in consultation with the Waikiki Improvement Association.

Your Committee has amended this bill by:

- (1) Changing the appropriation from \$2 to \$1,264,000;
- (2) Deleting the Ala Wai Yacht Harbor improvements project and requiring the Ala Moana gateway improvement project to consist of improvements to Ala Moana Boulevard;
- (3) Dividing the Ala Moana Boulevard improvements project into two components:
 - (A) Beautification and landscaping of the pedestrian areas of Ala Moana Boulevard between Atkinson Boulevard and Kalakaua Avenue; and
 - (B) Addition of a traffic lane in the mauka direction from three hundred feet makai of Kalia Road to Kalakaua Avenue;
- (4) Requiring the beautification and landscaping component to include:
 - (A) Enlarging the sidewalk area by removing a portion of the median;
 - (B) Adding a landscaped planter between the boulevard and the widened sidewalk, shade trees, lower-level landscaping, sidewalk furniture and other pedestrian amenities; and
 - (C) Replacing the existing median with a pedestrian barrier to deter jaywalking, which may consist of a lava rock wall; and
- (5) Requiring the traffic lane component to include a right-turn-only lane into Kalia Road and another lane between Kalia Road and Kalakaua Avenue.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 2114, SD 2, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2114, SD 2, HD 2, CD 1.

Representatives Cachola, Oshiro, Souki, Kawakami, Lee, Tajiri and Marumoto,
Managers on the part of the House.

Senators Yamasaki, Nakasato, Solomon and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 145 on S.B. No. 1297

The purpose of this bill is to change the repeal date of Act 342, Session Laws of Hawaii 1986, from September 30, 1991 to September 30, 1993, thus maintaining the current legal drinking age at 21 for two additional years.

Your Committee finds that this bill will contribute to reducing the number of traffic accidents involving young adults. Also, without such legislation, the State of Hawaii will lose \$9 million in federal highway funds as a consequence of Public Law 98-363.

Your Committee on Conference was prepared to recommend that the drinking age be permanently fixed at 21. However, due to a late revelation by the Department of Transportation (DOT) informing your Committee that the Department had submitted an inadequate report regarding the extent to which Act 342 has reduced accidents, injuries, and fatalities caused by driving under the influence of alcohol, your Committee is compelled to require that the DOT submit a completed report before the law establishing the drinking age as 21 is made permanent. As the DOT has indicated that it can furnish the completed report before the convening of the 1992 legislative session, your Committee has moved up the date for repeal of the current drinking age from September 30, 1993 to September 30, 1992.

Your Committee has also amended the bill by providing that the DOT will be required to submit only one comprehensive report to the Legislature prior to the 1992 session and deleting the requirement of an additional report prior to the 1993 session.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1297, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1297, HD 1, CD 1.

Representatives Oshiro, Metcalf, Amaral, Baker, Hashimoto and Ward,
Managers on the part of the House.

Senators Fernandes Salling, Aki and George,
Managers on the part of the Senate.

Conf. Com. Rep. 146 on S.B. No. 9

The purpose of this bill is to establish a Department of Environmental Protection, provided that the Legislature enacts the following amendments prior to July 1, 1992:

- (1) A determination of the functions and duties, including programs and personnel, to be transferred to the Department; and
- (2) The establishment of:
 - (A) A dual permit system with the Department of Health for activities that require both an environmental and health perspective;
 - (B) Mechanisms to coordinate departmental programs and policies with other departments;
 - (C) An environmental enforcement team to enforce current laws and write rules for the Department; and
 - (D) An environmental data system to correlate sources of pollution with locations of work, residence, and recreation of people who are affected by environmentally-influenced illnesses.

Your Committee has amended this measure by:

- (1) Establishing a Department of Environmental Protection under Section 26-4, Hawaii Revised Statutes;
- (2) Requiring the Governor to prepare an organizational and functional plan for the new department;
- (3) Authorizing the Governor to appoint a task force to assist him in preparing the plan;
- (4) Setting forth the scope of the task force's work;
- (5) Requiring the Governor to submit the organizational plan to the Legislature no later than thirty days prior to the convening of the 1992 legislative session as part of the supplementary executive budget; and
- (6) Providing for the repeal of this Act if the Legislature fail to enact the powers, duties, and other provisions necessary for the establishment of the Department during the 1992 Regular Session.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 9, SD 2, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 9, SD 2, HD 2, CD 1.

Representatives Hiraki, Ihara, Shon, Takamine, Say, Alcon, Morihara and Thielen,
Managers on the part of the House.

Senators Yamasaki, Chang, Hagino and George,
Managers on the part of the Senate.

Conf. Com. Rep. 147 on S.B. No. 731

The purpose of this bill is to comply with the requirements of Article VII, Section 6, of the Constitution of the State of Hawaii. This section requires the Legislature to provide either a tax refund or tax credit to qualified taxpayers whenever the State General Fund balance at the close of each of two successive fiscal years exceeds five per cent of General Fund revenues for each of the two fiscal years.

Your Committee finds that these factors have been met for the tenth consecutive year, and that the tax credit established by this bill complies with the constitutional requirements.

Your Committee has amended this bill by establishing the amount of the tax credit at \$1 per resident individual taxpayer. Your Committee has further amended the bill by denying application of the credit to persons who are imprisoned felons or misdemeanants, or residents at youth correctional facilities, who have been incarcerated for more than six months of the taxable year.

Technical, nonsubstantive amendments have been made for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 731, SD 1, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 731, SD 1, HD 1, CD 1.

Representatives Souki, Alcon, Baker, Chang, Duldulao, M. Ige, Kanoho, Kawakami, Say, Tajiri, Yonamine, Anderson and Marumoto,
Managers on the part of the House.

Senators Yamasaki, Iwase and George,
Managers on the part of the Senate.

Conf. Com. Rep. 148 on S.B. No. 1045

The purposes of this bill are to require the University of Hawaii to submit an annual salary report to the Legislature of all executive and managerial positions, including the President, and to authorize the Board of Regents to set the President's salary up to a limit of \$95,000 effective July 1, 1996.

Your Committee on Conference has amended this bill to:

- (1) Require that the annual report contain the salaries paid to all executive and managerial employees rather than the salary schedules and include the salaries of all faculty members;
- (2) Authorize the Legislature rather than the Board of Regents to set the President's salary effective July 1, 1996; and
- (3) Delete the \$95,000 cap on the President's salary.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1045, SD 1, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1045, SD 1, HD 1, CD 1.

Representatives D. Ige, Metcalf, Souki, Duldulao, Horita, Fukunaga, Taniguchi and Tatibouet,
Managers on the part of the House.

Senators Yamasaki, Iwase, Mizuguchi and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 149 on S.B. No. 1167

The purpose of this bill is to establish a juvenile justice information system. The statewide system will allow juvenile justice agencies to provide the most effective identification, protection, counseling, rehabilitation, and educational programs that will help juvenile offenders to become law-abiding and productive citizens.

Your Committee has amended this bill by:

- (1) Including provisions that limit the individuals and agencies that shall be allowed access to the information in the system;
- (2) Deleting the reference to chapter 92F, Hawaii Revised Statutes (Uniform Information Practices Act (Modified)), as the means pursuant to which the Director of Public Safety is supposed to report information collected to the system with respect to the youth correctional facilities;
- (3) Requiring the police to report all police designated fields collected on juvenile offenders to the juvenile justice information system; and
- (4) Increasing the appropriation to a one-year appropriation of \$88,710 for fiscal year 1991-1992. Of the amount appropriated, your Committee intends that \$70,992 be used for personnel, \$48,312 for a project coordinator

and \$22,680 for a clerk typist, and that \$17,718 be used for operating expenses, specifically \$14,958 to rent necessary office space and \$2,760 to pay for telephone equipment and services.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1167, SD 2, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1167, SD 2, HD 2, CD 1.

Representatives Metcalf, Souki, Amaral, Arakaki, Bainum, Yonamine and Thielen,
Managers on the part of the House.

Senators Yamasaki, Blair, Hagino and Koki,
Managers on the part of the Senate.

Conf. Com. Rep. 150 on S.B. No. 1379

The purpose of this bill, as received by your Committee, is to improve the grants, subsidies, and purchases of services provisions to ensure effective decision-making and accountability through the repeal of Chapter 42, Hawaii Revised Statutes (HRS), and the establishment of a new chapter that would:

- (1) Require the agencies to first identify and assess needs for services and then evaluate the most appropriate service delivery system;
- (2) Provide that, if an agency determines that the services can better be addressed through a private provider, the agency is to submit a recommended budget as part of the Executive or Judiciary budget and to advertise for proposals upon appropriation of funds;
- (3) Allow requests for grants and subsidies that are not included in the budget request to be submitted directly to the Legislature;
- (4) Establish an advisory council to assist decision-makers in identifying community-specific priorities in terms of basic services, funding recommendations, and new or expanded services; and
- (5) Authorize State agencies to extend existing grant, subsidy, or purchase of service contracts from a current fiscal biennium into the first three months of the subsequent fiscal year or biennium, provided certain conditions are met.

Upon further consideration, your Committee has amended the bill by:

- (1) Revising the number and composition of the Advisory Council (Council) by:
 - (A) Decreasing the total number of members from twenty-one to thirteen members and decreasing the number of members from each county from four to two;
 - (B) Changing the at-large members to members that represent one of the program areas in health, human services, employment, education, and culture and the arts; and
 - (C) Specifying that members from each county shall be persons who represent different community interests;
- (2) Authorizing the Council to investigate and expedite complaints that may involve funding, policy, or procedural decisions made by the agency;
- (3) Specifying that the Council shall submit reports of its findings and recommendations before July 1, and January 1, of each year to coincide and be incorporated within the development of the Executive or Judiciary budget;
- (4) Adding a new section requiring each agency to convene an advisory committee to determine needs in the agency's area of responsibility by, among other things:
 - (A) Conducting comprehensive assessments of the agency's resources and estimated needs of the target groups; and
 - (B) Making recommendations to the agency as to whether or not requests for purchase of service agreements should be funded;
- (5) Requiring each agency to establish, by rules adopted pursuant to Chapter 91, an appeals process to reconsider any recommendations for funding made by the agency;
- (6) Allowing only the providers to be able to extend contracts for one additional period not to exceed ninety days if certain conditions are met;
- (7) Adding new requirements that every recommendation for funding shall state the amounts requested and include an assessment to determine costs of not providing the service;
- (8) Requiring each agency to review each request to determine the efficiency and the effectiveness of the proposal in achieving the objectives of the program;

- (9) Adding a new requirement that annual reports be submitted by the chief executive on all purchase of service agreements funded for the previous fiscal period;
- (10) Defining "advisory council" and "agency advisory committee";
- (11) Requiring, for purchase of service agreements, each agency to establish an employee team to formulate and implement an agency approved monitoring plan; to establish criteria for program evaluation; and to assimilate the monitoring and evaluation manual volume III and systems forms volume IV provided to the State by SMS Research and Arthur Anderson & Co. into its monitoring and evaluation system;
- (12) Clarifying that appropriations for grants, subsidies, and purchases of service made prior to the effective date of this measure shall be subject to the provisions of Chapter 42, HRS, as it existed prior to its repeal; and
- (13) Making technical, nonsubstantive amendments for purposes of style and clarity.

Article VII, Section 4, of the State Constitution requires that public funds shall be used only for public purposes and granted only pursuant to standards established by law. Your Committee finds that this bill meets this constitutional requirement. In addition, this bill establishes the means by which to provide the services in an effective and efficient manner.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1379, SD 1, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1379, SD 1, HD 1, CD 1.

Representatives Souki, Baker, Kanoho, Say, Yonamine and Marumoto,
Managers on the part of the House.

Senators Yamasaki, Levin, A. Kobayashi and George,
Managers on the part of the Senate.

Conf. Com. Rep. 151 on S.B. No. 2101

The purpose of this bill is to authorize funds for plans, land purchase, design, site preparation, improvements to land, construction and necessary equipment for capital improvement projects. This bill authorizes general obligation bonds in the sum of \$12,549,000 for various projects.

Your Committee finds that this bill will provide appropriations to meet the needs of the State through various capital improvement projects. For purposes of further discussion, your Committee has amended the four unspecified projects to various specified projects and inserted the appropriate amounts specified for each project.

After close scrutiny, your Committee believes that the projects contained herein reflect the Legislature's continued support of project which reflect the needs and desires of the people of the State of Hawaii.

Your Committee on Conference is in accord with the intent and purpose of S.B. 2101, SD 1, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. 2101, SD 1, HD 1, CD 1.

Representatives Souki, Alcon, Baker, Chang, Duldulao, M. Ige, Kanoho, Kawakami, Say, Tajiri, Yonamine and Anderson,
Managers on the part of the House.

Senators Yamasaki, Aki, Hagino, Iwase, A. Kobayashi, B. Kobayashi, Levin, Solomon and George,
Managers on the part of the Senate.

Conf. Com. Rep. 152 on S.B. No. 2102

The purpose of this bill is to authorize the issuance of general obligation bonds and to declare findings that the total amount of principal and interest, estimated for such bonds authorized but unissued and calculated for all bonds issued and outstanding, will not cause the debt limit to be exceeded at the time of issuance.

Article VII, section 13, of the Constitution of the State of Hawaii, requires the Legislature to include a declaration of findings in every general law authorizing the issuance of general obligation bonds, which shall declare the issuance of state bonds authorized will not cause the debt limit to be exceeded at the time of issuance.

Your Committee has amended this bill by inserting the appropriate amounts provided by the Department of Budget and Finance. Other technical, nonsubstantive amendments have been made for the purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 2102, HD 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2102, HD 1, CD 1.

Representatives Souki, Say, Alcon, Baker, Chang, Duldulao, M. Ige, Kanoho, Kawakami, Tajiri, Yonamine, Anderson and Marumoto,
Managers on the part of the House.

Senators Yamasaki, Aki, Hagino, Iwase, A. Kobayashi, B. Kobayashi, Levin, Solomon and George,
Managers on the part of the Senate.

Conf. Com. Rep. 153 on S.B. No. 1381

The purpose of this bill is to establish a commission for performance standards within the Department of Education to set the standards of achievement for students in public schools and to provide a means of assessing educational achievement.

Your Committee finds that it is difficult to determine the success or failure of Hawaii's educational system in meeting the central goal of education: students' ability to lead full and productive lives. To ensure that students in Hawaii's public school system are able to master the basic skills and essential competencies necessary to succeed in life, standards of achievement must be established.

Your Committee has amended the bill by:

- (1) Authorizing the commission to hire a maximum of five employees, who shall be exempt from civil service requirements and excluded from collective bargaining as provided by law;
- (2) Outlining the responsibilities of the director to include supporting the activities of the commission and facilitating commission efforts, acting as a liaison between the commission and various organizations, coordinating meetings, writing reports, keeping records, researching information, communicating with local and national experts and organizations, supervising clerical support, and other related duties;
- (3) Appropriating \$230,600 for each year of fiscal biennium 1991-1993; and
- (4) Making several technical, nonsubstantive amendments for purposes of clarity and style.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1381, SD 2, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1381, SD 2, HD 2, CD 1.

Representatives Tam, Souki, Bunda, Shon, Yonamine and Tatibouet,
Managers on the part of the House.

Senators Yamasaki, B. Kobayashi, McCartney and George,
Managers on the part of the Senate.

Conf. Com. Rep. 154 on S.B. No. 1812

The purpose of this bill is to extend the current suspension of the escalator clause of Hawaii's liquor tax until June 30, 1993.

During the period of the suspension, your Committee hopes that the local industry and the Department of Taxation can reach an agreement on the terms for elimination of the escalator clause. An element of the agreement would presumably involve an increase in liquor tax rates. Your Committee believes that any increase must take into account the viability of the local industry, its ability to pay increased taxes, the impact of the increases on consumers and consumption, and State revenues.

The Department of Taxation will propose rate structures for 1993, to be effective at the sunset of this suspension. However, merely replicating the ad valorem tax with a rate structure that will produce equal revenues is not appropriate. Your Committee charges the Department of Taxation to consider other concerns, such as the effect on consumers, the increase that the marketplace can bear, and subsequent harm to the industry and possible attrition of distributors.

Your Committee has amended this bill by making technical, nonsubstantive changes for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1812, SD 1, HD 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1812, SD 1, HD 2, CD 1.

Representatives Hirono, Souki, Arakaki, Morihara, Say, Yoshimura and Anderson,
Managers on the part of the House.

Senators Yamasaki, A. Kobayashi and George,
Managers on the part of the Senate.

Conf. Com. Rep. 155 on S.C.R. No. 1

The purpose of this Concurrent Resolution is to request the Governor to initiate discussions relating to the establishment of cooperative associations among Pacific Island states, territories, and nations.

Upon further consideration, your Committee has amended this Concurrent Resolution by clarifying that, while many Pacific states have expressed interest in such collaborative efforts, the State of Pohnpei, as the national capitol of the Federated States of Micronesia, offers communication and logistical advantages which would facilitate a more extensive dialogue with other Pacific Island states. It would therefore be best to initiate discussions with the Governor of the State of Pohnpei, as an appropriate beginning point for further discussions with the other Pacific states, territories, and nations.

Your Committee on Conference is in accord with the intent and purpose of S.C.R. No. 1, SD 1, HD 1, as amended herein, and recommends that it be Finally Adopted in the form attached hereto as S.C.R. No. 1, SD 1, HD 1, CD 1.

Representatives Ihara, Takamine, Taniguchi, Yonamine and Ward,
Managers on the part of the House.

Senators Chang, Hagino and Reed,
Managers on the part of the Senate.

SPECIAL COMMITTEE REPORT**Spec. Com. Rep. 1**

Your Committee on Credentials begs leave to report that it has thoroughly considered the matter of the seating of the members-elect of the House of Representatives of the Sixteenth Legislature of the State of Hawaii, Regular Session of 1991, and finds that the following members-elect are duly qualified to sit as members of the House of Representatives, to wit:

FIRST DISTRICT:	Jerry L. Chang
SECOND DISTRICT:	Harvey S. Tajiri
THIRD DISTRICT:	Wayne Metcalf
FOURTH DISTRICT:	Dwight Y. Takamine
FIFTH DISTRICT:	Virginia Isbell
SIXTH DISTRICT:	Mike O'Kieffe
SEVENTH DISTRICT:	David Morihara
EIGHTH DISTRICT:	Herbert J. Honda
NINTH DISTRICT:	Joseph M. Souki
TENTH DISTRICT:	Rosalyn Baker
ELEVENTH DISTRICT:	Daniel J. Kihano
TWELFTH DISTRICT:	Samuel S.H. Lee
THIRTEENTH DISTRICT:	Robert Bunda
FOURTEENTH DISTRICT:	Alex Santiago
FIFTEENTH DISTRICT:	Reb Bellinger
SIXTEENTH DISTRICT:	Terrance W.H. Tom
SEVENTEENTH DISTRICT:	Marshall K. Ige
EIGHTEENTH DISTRICT:	Whitney T. Anderson
NINETEENTH DISTRICT:	Cynthia Thielen
TWENTIETH DISTRICT:	Jackie Young
TWENTY-FIRST DISTRICT:	David D. Stegmaier
TWENTY-SECOND DISTRICT:	Gene R. Ward
TWENTY-THIRD DISTRICT:	Barbara Marumoto
TWENTY-FOURTH DISTRICT:	Jane B. Tatibouet
TWENTY-FIFTH DISTRICT:	Calvin K.Y. Say
TWENTY-SIXTH DISTRICT:	Les Ihara, Jr.
TWENTY-SEVENTH DISTRICT:	Brian T. Taniguchi
TWENTY-EIGHTH DISTRICT:	James T. Shon
TWENTY-NINTH DISTRICT:	David M. Hagino
THIRTIETH DISTRICT:	Duke Bainum
THIRTY-FIRST DISTRICT:	Carol Fukunaga
THIRTY-SECOND DISTRICT:	Mazie Hirono
THIRTY-THIRD DISTRICT:	Rod Tam
THIRTY-FOURTH DISTRICT:	Suzanne N.J. Chun

THIRTY-FIFTH DISTRICT:	Kenneth T. Hiraki
THIRTY-SIXTH DISTRICT:	Dwight L. Yoshimura
THIRTY-SEVENTH DISTRICT:	Dennis A. Arakaki
THIRTY-EIGHTH DISTRICT:	Emilio S. Alcon
THIRTY-NINTH DISTRICT:	Romy M. Cachola
FORTIETH DISTRICT:	Karen K. Horita
FORTY-FIRST DISTRICT:	Tom Okamura
FORTY-SECOND DISTRICT:	Clarice Y. Hashimoto
FORTY-THIRD DISTRICT:	David Y. Ige
FORTY-FOURTH DISTRICT:	Noboru Yonamine
FORTY-FIFTH DISTRICT:	Julie R. Duldulao
FORTY-SIXTH DISTRICT:	Paul T. Oshiro
FORTY-SEVENTH DISTRICT:	Annelle C. Amaral
FORTY-EIGHTH DISTRICT:	Henry Haalilio Peters
FORTY-NINTH DISTRICT:	Peter K. Apo
FIFTIETH DISTRICT:	Ezra R. Kanoho
FIFTY-FIRST DISTRICT:	Bertha C. Kawakami

Signed by all members of the Committee.