

FIFTY-EIGHTH DAY

Thursday, April 27, 1995

The House of Representatives of the Eighteenth Legislature of the State of Hawaii, Regular Session of 1995, convened at 11:42 o'clock a.m., with the Speaker presiding.

The invocation was delivered by Rajendranandana of the International Society for Krishna Consciousness, after which the Roll was called showing all members present with the exception of Representatives Isbell, Santiago and Say, who were excused.

The Clerk proceeded to read the Journal of the House of Representatives of the Fifty-Seventh Day.

On motion by Representative Amaral, seconded by Representative Thielen and carried, reading of the Journal was dispensed with and the Journal of the Fifty-Seventh Day was approved.

SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 760 to 763) were read by the Clerk and were placed on file:

Sen. Com. No. 760, informing the House that the Senate has disagreed to the amendments proposed by the House to the following Senate Concurrent Resolutions:

S.C.R. No. 1, HD 1
 S.C.R. No. 21, HD 1
 S.C.R. No. 61, SD 1, HD 1
 S.C.R. No. 76, HD 1
 S.C.R. No. 103, SD 2, HD 1
 S.C.R. No. 167, SD 1, HD 1
 S.C.R. No. 181, SD 1, HD 1
 S.C.R. No. 191, HD 1
 S.C.R. No. 207, HD 1
 S.C.R. No. 213, SD 1, HD 1
 S.C.R. No. 214, SD 1, HD 1
 S.C.R. No. 266, SD 1, HD 1
 S.C.R. No. 290, HD 1

Sen. Com. No. 761, informing the House that the Senate has agreed to the amendments proposed by the House to the following Senate Concurrent Resolutions, and said resolutions were adopted by the Senate on April 26, 1995:

S.C.R. No. 33, SD 1, HD 2
 S.C.R. No. 121, HD 1
 S.C.R. No. 128, SD 1, HD 1
 S.C.R. No. 243, SD 1, HD 1
 S.C.R. No. 249, SD 1, HD 1
 S.C.R. No. 270, SD 1, HD 2
 S.C.R. No. 305, SD 1, HD 1

Sen. Com. No. 762, informing the House that S.B. No. 593, SD 1, HD 2, passed Final Reading in the Senate on April 26, 1995.

Sen. Com. No. 763, informing the House that the Senate has disagreed to the amendments proposed by the House to the following Senate Concurrent Resolutions and has named the following conferees on April 26, 1995:

S.C.R. No. 95, SD 1, HD 1:

Senators Fukunaga, Chair; Baker and Liu.

S.C.R. No. 237, SD 1, HD 1:

Senators Tam, Chair; Aki and Levin.

S.C.R. No. 246, SD 1, HD 1:

Senators Tam, Chair; Aki and Chumbley.

S.C.R. No. 247, SD 1, HD 1:

Senators Fukunaga, Chair; Baker and Liu.

At this time, Representative Halford introduced to the members of the House a group of eighth grade students from Maui. They were accompanied by their teacher, Mrs. Lynn Halford, Representative Halford's wife.

At 11:51 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 12:10 o'clock p.m.

ORDER OF THE DAY

SUSPENSION OF RULES

On motion by Representative Amaral, seconded by Representative Thielen and carried, the rules were suspended for the purpose of considering bills on Final Reading on the basis of a modified consent calendar.

UNFINISHED BUSINESS

Conf. Com. Rep. No. 51 and S.B. No. 1868, SD 1, HD 1, CD 1:

On motion by Representative Stegmaier, seconded by Representative Kanohe and carried, the report of the Committee was adopted and S.B. No. 1868, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO RECODIFICATION OF THE EDUCATION STATUTES," having been read throughout, passed Final Reading by a vote of 48 ayes, with Representatives Isbell, Santiago and Say being excused.

The Chair directed the Clerk to note that S.B. No. 1868 had passed Final Reading at 12:12 o'clock p.m.

At 12:13 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 12:14 o'clock p.m.

STANDING COMMITTEE REPORT

Representatives Stegmaier and Lee, for the Committees on Education and Higher Education and the Arts, presented a joint report (Stand. Com. Rep. No. 1932) recommending that S.C.R. No. 47 be adopted.

On motion by Representative Stegmaier, seconded by Representative Lee and carried, the joint report of the Committees was adopted and S.C.R. No. 47, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING AN EXAMINATION OF THE KE ALA 'IKE INITIATIVE OF THE HAWAII EDUCATIONAL NETWORKING CONSORTIUM," was adopted.

CONFERENCE COMMITTEE REPORTS

Representatives Shon and Kawakami, for the Committee on Conference on the disagreeing vote of the House to the amendments proposed by the Senate in H.B. No. 518, HD 1, SD 2, presented a report (Conf. Com. Rep. No. 2) recommending that H.B. No. 518, HD 1, SD 2, as amended in CD 1, pass Final Reading.

In accordance with Article III, Section 15 of the Constitution of the State of Hawaii, action on Conf. Com. Rep. No. 2 and H.B. No. 518, HD 1, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO ENERGY CONSERVATION," was deferred for a period of 48 hours.

Representatives Herkes and Kawakami, for the Committee on Conference on the disagreeing vote of the House to the amendments proposed by the Senate in H.B. No. 1878, HD 2, SD 1, presented a report (Conf. Com. Rep. No. 3) recommending that H.B. No. 1878, HD 2, SD 1, as amended in CD 1, pass Final Reading.

In accordance with Article III, Section 15 of the Constitution of the State of Hawaii, action on Conf. Com. Rep. No. 3 and H.B. No. 1878, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE ENTERPRISE ZONES," was deferred for a period of 48 hours.

Representatives Stegmaier and Yonamine, for the Committee on Conference on the disagreeing vote of the House to the amendments proposed by the Senate in H.B. No. 1431, HD 1, SD 1, presented a report (Conf. Com. Rep. No. 4) recommending that H.B. No. 1431, HD 1, SD 1, as amended in CD 1, pass Final Reading.

In accordance with Article III, Section 15 of the Constitution of the State of Hawaii, action on Conf. Com. Rep. No. 4 and H.B. No. 1431, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," was deferred for a period of 48 hours.

Representative Shon, for the Committee on Conference on the disagreeing vote of the House to the amendments proposed by the Senate in H.B. No. 51, HD 1, SD 1, presented a report (Conf. Com. Rep. No. 5) recommending that H.B. No. 51, HD 1, SD 1, as amended in CD 1, pass Final Reading.

In accordance with Article III, Section 15 of the Constitution of the State of Hawaii, action on Conf. Com. Rep. No. 5 and H.B. No. 51, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO NOISE," was deferred for a period of 48 hours.

Representative Shon, for the Committee on Conference on the disagreeing vote of the House to the amendments proposed by the Senate in H.B. No. 22, HD 1, SD 1, presented a report (Conf. Com. Rep. No. 6) recommending that H.B. No. 22, HD 1, SD 1, as amended in CD 1, pass Final Reading.

In accordance with Article III, Section 15 of the Constitution of the State of Hawaii, action on Conf. Com. Rep. No. 6 and H.B. No. 22, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ENVIRONMENT," was deferred for a period of 48 hours.

Representative Takamine, for the Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House in S.B. No. 15, HD 1, presented a report (Conf. Com. Rep. No. 52) recommending that S.B. No. 15, HD 1, as amended in CD 1, pass Final Reading.

In accordance with Article III, Section 15 of the Constitution of the State of Hawaii, action on Conf. Com. Rep. No. 52 and S.B. No. 15, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," was deferred for a period of 48 hours.

Representative Menor, for the Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House in S.B. No. 500, HD 1, presented a report (Conf. Com. Rep. No. 53) recommending that S.B. No. 500, HD 1, as amended in CD 1, pass Final Reading.

In accordance with Article III, Section 15 of the Constitution of the State of Hawaii, action on Conf. Com. Rep. No. 53 and S.B. No. 500, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO MEASUREMENT STANDARDS," was deferred for a period of 48 hours.

FINAL READING

The following bills were taken from the Clerk's desk and the following actions taken:

H.B. No. 18, HD 2, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 18, HD 2, and H.B. No. 18, HD 2, SD 1, entitled: "A BILL FOR AN ACT RELATING TO JITNEY SERVICES," having been read throughout, passed Final Reading by a vote of 48 ayes, with Representatives Isbell, Santiago and Say being excused.

H.B. No. 39, HD 1, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 39, HD 1, and H.B. No. 39, HD 1, SD 1, entitled: "A BILL FOR AN ACT RELATING TO LANDING AND DOCKAGE FEES," having been read throughout, passed Final Reading by a vote of 48 ayes, with Representatives Isbell, Santiago and Say being excused.

H.B. No. 251, HD 1, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 251, HD 1, and H.B. No. 251, HD 1, SD 1, entitled: "A BILL FOR AN ACT RELATING TO SHORELINE CERTIFICATION," having been read throughout, passed Final Reading by a vote of 48 ayes, with Representatives Isbell, Santiago and Say being excused.

H.B. No. 379, HD 2, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 379, HD 2, and H.B. No. 379, HD 2, SD 1, entitled: "A BILL FOR AN ACT RELATING TO USED OIL," having been read throughout, passed Final Reading by a vote of 48 ayes, with Representatives Isbell, Santiago and Say being excused.

H.B. No. 1173, HD 1, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 1173, HD 1, and H.B. No. 1173, HD 1, SD 1, entitled: "A

BILL FOR AN ACT RELATING TO TRAFFIC," having been read throughout, passed Final Reading by a vote of 48 ayes, with Representatives Isbell, Santiago and Say being excused.

H.B. No. 2051, HD 1, SD 2:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 2051, HD 1, and H.B. No. 2051, HD 1, SD 2, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY," having been read throughout, passed Final Reading by a vote of 48 ayes, with Representatives Isbell, Santiago and Say being excused.

H.B. No. 2352, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 2352, and H.B. No. 2352, SD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLES," having been read throughout, passed Final Reading by a vote of 48 ayes, with Representatives Isbell, Santiago and Say being excused.

The Chair directed the Clerk to note that H.B. Nos. 18, 39, 251, 379, 1173, 2051 and 2352 had passed Final Reading at 12:16 o'clock p.m.

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

H.C.R. No. 50, HD 1, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.C.R. No. 50, HD 1, and H.C.R. No. 50, HD 1, SD 1, entitled: "HOUSE CONCURRENT RESOLUTION CONCERNING CHILDREN'S RIGHTS AS VICTIMS OR WITNESSES IN CRIMINAL CASES," was Finally adopted.

H.C.R. No. 57, HD 1, SD 1:

Representative Okamura moved that the House agree to the amendments proposed by the Senate to H.C.R. No. 57, HD 1, and H.C.R. No. 57, HD 1, SD 1, be Finally adopted, seconded by Representative Ward.

Representative Tarnas rose and requested that his remarks, in support of the resolution, be entered into the Journal and the Chair, noting that there were no objections, "so ordered."

Representative Tarnas' remarks are as follows:

"Mr. Speaker, I speak in strong support of H.C.R. 57 which will authorize the Board of Land and Natural Resources to issue a lease for the private development of certain submerged and fast lands at Kawaihae, Kona, Hawaii, for marina purposes. It will permit the building of berthing areas, utilities, roadways, and other harbor infrastructure and facilities by a private developer.

"The plan described in this measure has been developed by members of the community in a collaborative process over several years. Special consideration has been given to environmental and social aspects, as well as protection of the very important cultural and historic sites in the area. Groups included in the planning included the Waimea Civic Club, Na Koa O Pu'ukohola Heiau, the Kawaihae Boating Association, and Kona Mauka Trollers.

"This community-based planning effort serves as an excellent example for other harbor expansion projects throughout the region and the state.

"Thank you, Mr. Speaker."

Representative Kawanakoa then rose and requested the Clerk to cast an aye vote, with reservations, and the Chair "so ordered."

The motion was put by the Chair and carried, and the House agreed to the amendments proposed by the Senate to H.C.R. No. 57, HD 1, and H.C.R. No. 57, HD 1, SD 1, entitled: "HOUSE CONCURRENT RESOLUTION AUTHORIZING THE BOARD OF LAND AND NATURAL RESOURCES TO ISSUE A LEASE FOR THE PRIVATE DEVELOPMENT OF CERTAIN FAST AND SUBMERGED LANDS AT KAWAIIHAE, HAWAII, FOR MARINA PURPOSES," was Finally adopted. (Representative Kawanakoa voted aye, with reservations)

H.C.R. No. 124, HD 1, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.C.R. No. 124, HD 1, and H.C.R. No. 124, HD 1, SD 1, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE UNIVERSITY OF HAWAII TO EXPAND ITS TEACHER TRAINING OPPORTUNITIES TO OTHER COMMUNITIES IN THE STATE AS WELL AS EXPAND ITS OUTREACH EFFORTS ON THE NEIGHBOR ISLANDS," was Finally adopted.

H.C.R. No. 168, HD 1, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.C.R. No. 168, HD 1, and H.C.R. No. 168, HD 1, SD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING AN INTERIM SESSION COLLABORATIVE PROCESS BETWEEN PUBLIC AGENCIES AND PRIVATE SECTOR PROVIDERS OF SERVICES TO FAMILIES AND CHILDREN IN EARLY CHILDHOOD TO ESTABLISH A PRO-FAMILY PREVENTIVE SERVICE SYSTEM," was Finally adopted.

H.C.R. No. 195, HD 2, SD 1:

Representative Okamura moved that the House agree to the amendments proposed by the Senate to H.C.R. No. 195, HD 2, and H.C.R. No. 195, HD 2, SD 1, be Finally adopted, seconded by Representative Ward.

Representative Case rose and requested that his remarks, against the resolution, be inserted into the Journal and the Chair, noting that there were no objections, "so ordered."

Representative Case's remarks are as follows:

"Mr. Speaker, when this resolution was before this body on April 12th, the 48th day of the current session, debate was cut off prematurely via a motion for the previous question offered by the resolution's principal introducer. The fact that that motion technically met applicable rules of procedure does not make it proper, for it accomplished its purpose of precluding floor rebuttal of the arguments offered by the resolution's supporters. So that the record is complete, I offer this rebuttal of the key points now.

"First, as I had suspected and feared, the focus of the proponents' arguments was everywhere but where it should have been. The focus was on the Bishop Estate's mission, the perceived wrongs suffered by the Bishop Estate, etc.

"But, deliberately or otherwise, the focus was not on the Supreme Court of Hawaii and the confidence of our citizenry in the integrity, capability and independence of the judicial and other branches of our government. Issues relating to the Bishop Estate will exist or not exist regardless of the means of selection, but issues relating to the judicial branch depend on the Supreme Court's continued participation in trustee selection.

"Second, as I had suspected and feared, the proponents argued that the resolution was just a resolution, that it simply asks this body to 'respect' the wishes of the Bishop Estate's benefactor. They argued that this was just one of many resolutions, impliedly innocuous in nature, forwarded by the Hawaiian Civic Clubs.

"But the careful organization, marshalling and presentation of supporting arguments belie that downplaying of intent. It is obvious from that effort that the Bishop Estate itself desires to retain the status quo at all costs and has assiduously worked the halls to this end; that worries me even more.

"Third, as I had suspected and feared, the proponents argued that there was no better process for selecting the Bishop Estate trustees. But that argument exists only in a vacuum, only if one first decides that an alternate process is not desired.

"There are, in fact, many alternatives which, even if the question is isolated solely to the quality and suitability of trustees produced by any one selection process, may in fact result in better trustees. I also find in this argument the tinge of acceptance of omniscient, paternalistic government action toward native Hawaiians, which I find puzzling considering that native Hawaiians are otherwise strongly moving in the opposite direction of self-determination and self-sufficiency.

"Fourth, while the Hawaii Land Reform Act is no longer directly at issue considering this body's floor amendment, and while I re-emphasize that I think we could fairly re-examine that law (in proper fashion), the proponents did make certain misstatements regarding that law which bear correcting. The Representatives from Nuuanu and Lihue, for example, continue to maintain, as have others, that the Bishop Estate and other lessees were not fairly compensated for the leased fees condemned.

"But lessors received full fair market value as determined by jury, and were free to reinvest and did reinvest those proceeds in other investments, many of which proved highly lucrative. Additionally, the Representative from Lihue, in citing three leased fee sales followed by fee simple sales for the proposition that full compensation was not paid, makes the fundamental mistake of comparing apples and oranges; by definition a leased fee value will virtually always be less (oftentimes substantially less, depending on the lease) than the fee simple value.

"The Representative from Lihue also makes the misstatement that the United States Supreme Court never directly addressed the constitutionality of the Hawaii Land Reform Act. That is incorrect: the highest court in the land was fully briefed, heard arguments, and issued a unanimous opinion, on that exact issue.

"Finally, I am aware that, in the heat of debate, issues are sometimes overpersonalized, and one must develop a

'thick skin.' I have no problem with either, but cannot leave unaddressed the Majority Floor Leader's characterization of my position as 'political opportunism.'

"My own personal background and beliefs as they relate to the broader issues of the native Hawaiian movement may surprise the Majority Floor Leader. But I refuse to allow my conclusion -- that the goal of maintaining and increasing our overall confidence in the competence and integrity of government must be paramount to other goals articulated by this resolution's proponents and, to a large extent, shared by me -- to be characterized otherwise.

"Thank you, Mr. Speaker."

Representatives Shon, McMurdo, Garcia, Anderson, Hamakawa, Pepper, Takai, Stegmaier, Saiki, Takumi and Hiraki then rose to request the Clerk to cast no votes for them, respectively.

The motion was put by the Chair and carried, and the House agreed to the amendments proposed by the Senate to H.C.R. No. 195, HD 2, and H.C.R. No. 195, HD 2, SD 1, entitled: "HOUSE CONCURRENT RESOLUTION SUPPORTING THE WILL OF KE ALI'I BERNICE PAUAHI BISHOP AND REQUESTING THE JUSTICES OF THE SUPREME COURT OF HAWAII TO CONTINUE TO HONOR THEIR COMMITMENT TO UPHOLD THE WILL OF KE ALI'I BERNICE PAUAHI BISHOP," was Finally adopted, with Representatives Anderson, Case, Garcia, Hamakawa, Hiraki, McMurdo, Pepper, Saiki, Shon, Stegmaier, Takai and Takumi voting no. (Representative Ward voted aye with reservations)

H.C.R. No. 229, HD 2, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.C.R. No. 229, HD 2, and H.C.R. No. 229, HD 2, SD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO EXAMINE THE MANAGEMENT AND OPERATIONS OF THE COMMISSION ON WATER RESOURCE MANAGEMENT," was Finally adopted.

H.C.R. No. 234, HD 2, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.C.R. No. 234, HD 2, and H.C.R. No. 234, HD 2, SD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A PERFORMANCE AUDIT OF CERTAIN EDUCATIONAL PROGRAMS," was Finally adopted.

H.C.R. No. 240, HD 1, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.C.R. No. 240, HD 1, and H.C.R. No. 240, HD 1, SD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO CONDUCT AN AUDIT MAKING RECOMMENDATIONS TO IMPROVE OR REPLACE THE ADMINISTRATION OF THE PURCHASE OF SERVICES SYSTEM UNDER CHAPTER 42D, HAWAII REVISED STATUTES," was Finally adopted.

H.C.R. No. 256, HD 2, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.C.R. No. 256,

HD 2, and H.C.R. No. 256, HD 2, SD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF HEALTH AND OTHER RELEVANT AGENCIES TO EXPLORE THE USE OF THE MARIMED FOUNDATION'S SAILING SCHOOL VESSEL 'TOLE MOUR' TO EXPAND THE RESIDENTIAL CAPACITY OF THE KAILANA PROGRAM FOR HAWAII'S EMOTIONALLY IMPAIRED ADOLESCENTS AND ADOLESCENTS IN NEED OF SPECIAL EDUCATION SERVICES," was finally adopted.

H.C.R. No. 278, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.C.R. No. 278 and H.C.R. No. 278, SD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE UNITED STATES CONGRESS, THE TERRITORY OF GUAM, THE UNITED STATES DEPARTMENT OF DEFENSE, THE UNITED STATES DEPARTMENT OF THE INTERIOR, AND THE UNITED STATES DEPARTMENT OF AGRICULTURE TO ASSIST ONE ANOTHER IN THE DEVELOPMENT AND IMPLEMENTATION OF AN INTEGRATED PEST MANAGEMENT CONTROL PROGRAM TO PREVENT THE SPREAD OF THE BROWN TREE SNAKE," was finally adopted.

SUSPENSION OF RULES

On motion by Representative Okamura, seconded by Representative Ward and carried, the rules were suspended for the purpose of reconsidering action previously taken.

RECONSIDERATION OF ACTION TAKEN

Representative Okamura moved that the House reconsider its action taken on April 13, 1995 in disagreeing to the amendments proposed by the Senate to H.B. Nos. 187, HD 1 (SD 1); 759, HD 1 (SD 1); 837, HD 2 (SD 1); 1486, HD 2 (SD 1); 1491, HD 2 (SD 1); 2050, HD 1 (SD 1); and 2137, HD 1 (SD 1), seconded by Representative Ward and carried.

Representative Okamura then gave notice of intent to agree to the amendments proposed by the Senate to H.B. Nos. 187, HD 1 (SD 1); 759, HD 1 (SD 1); 837, HD 2 (SD 1); 1486, HD 2 (SD 1); 1491, HD 2 (SD 1); 2050, HD 1 (SD 1); and 2137, HD 1 (SD 1).

ANNOUNCEMENTS

Representative Kawakami rose and requested waiver of the 48-hour hearing notice requirement for the Finance Committee to hear S.B. No. 1204, SD 1, today at 1:00 p.m. in Room 908, and the Chair "so ordered."

Representative Hiraki then rose and requested waiver of the 48-hour hearing notice requirement for the purpose of convening the Conference Committee for H.B. No. 26, HD 2, SD 1, at 1:15 p.m. today in Room 504, and the Chair "so ordered."

Representative Lee: "Your Conference Committee will reconvene at 2:00 p.m. today in Room 1008 on H.B. Nos. 298 and 1409 and S.B. Nos. 1467 and 1626."

Representative Amaral moved to keep the Journal open until midnight this legislative day for the purpose of

receiving Conference Committee Reports, seconded by Representative Thielen and carried.

At 12:26 o'clock p.m., the House of Representatives stood in recess for the purpose of receiving Conference Committee Reports.

CONFERENCE COMMITTEE REPORTS

In accordance with the motion made earlier, the following Conference Committee Reports (Conf. Com. Rep. Nos. 7 to 34 and 54 to 81) were received in the Clerk's Office:

Conf. Com. Rep. No. 7 and H.B. No. 2000, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO WAGES AND HOURS OF EMPLOYEES ON PUBLIC WORKS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 8 and H.B. No. 149, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 9 and H.B. No. 2179, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO REAL PROPERTY," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 10 and H.B. No. 819, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO GRAFFITI," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 11 and H.B. No. 1965, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII STATE PUBLIC LIBRARY SYSTEM," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 12 and H.B. No. 898, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST KAPIOLANI HEALTH CARE SYSTEMS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 13 and H.B. No. 1968, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO RUBELLA TESTING," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 14 and H.B. No. 813, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO PARENTAGE," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 15 and H.B. No. 1188, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE ETHICS COMMISSION," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 16 and H.B. No. 1485, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR COMMISSION," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 17 and H.B. No. 1770, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF AGRICULTURE," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 18 and H.B. No. 26, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLES," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 19 and H.B. No. 1385, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO DRUG PRODUCT SELECTION," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 20 and H.B. No. 1790, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO GAME MAMMALS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 21 and H.B. No. 2013, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONSERVATION DISTRICT," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 22 and H.B. No. 715, HD 1, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO DRIVING UNDER THE INFLUENCE OF INTOXICATING LIQUOR OR DRUGS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 23 and H.B. No. 87, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE TRAFFIC CODE," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 24 and H.B. No. 181, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO AN AUTOMATIC FINGERPRINT IDENTIFICATION SYSTEM," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 25 and H.B. No. 1499, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL INTERESTS DISCLOSURES," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 26 and H.B. No. 1853, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL HISTORY RECORD INFORMATION," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 27 and H.B. No. 1857, HD 2, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD SUPPORT ENFORCEMENT," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 28 and H.B. No. 2023, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL INJURIES COMPENSATION," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 29 and H.B. No. 2038, HD 2, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL TAX PENALTIES," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 30 and H.B. No. 1244, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO ACTIVITY PROVIDERS AND ACTIVITY DESKS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 31 and H.B. NO. 1977, HD 1, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ENVIRONMENT," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 32 and H.B. No. 112, HD 2, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ENFORCEMENT OF THE STATE ETHICS CODE," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 33 and H.B. No. 1311, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 34 and H.B. No. 1763, HD 3, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN FISHPONDS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 54 and S.B. No. 424, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 55 and S.B. No. 995, SD 1, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO PRIVATE SCHOOLS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 56 and S.B. No. 1320, SD 1, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO ROADSIDE HERBICIDE USE," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 57 and S.B. No. 1577, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PAYMENT OF TAXES BY ELECTRONIC FUNDS TRANSFER," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 58 and S.B. No. 807, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO PRESCRIPTIONS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 59 and S.B. No. 1161, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO SAVINGS BANKS INVESTMENTS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 60 and S.B. No. 87, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE RELEASE OF PRETRIAL INMATES," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 61 and S.B. No. 158, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO GRAFFITI," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 62 and S.B. No. 159, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO SENTENCING," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 63 and S.B. No. 288, SD 1, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO HUNTERS AND FISHERMEN," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 64 and S.B. No. 869, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO A SECTION OF THE HAWAII REVISED STATUTES AMENDED BY ACT 164, SESSION LAWS OF HAWAII 1991," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 65 and S.B. No. 889, SD 2, HD 3, CD 1, entitled: "A BILL FOR AN ACT RELATING TO SPORTS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 66 and S.B. No. 1254, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO NOTARIES PUBLIC," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 67 and S.B. No. 1560, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO INTOXICATING LIQUOR," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 68 and S.B. No. 1568, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO BULK SALES," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 69 and S.B. No. 1642, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO BOATING," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 70 and S.B. No. 596, SD 1, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 71 and S.B. No. 385, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO WELFARE FRAUD," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 72 and S.B. No. 887, HD 1, CD 1, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO SECTION 11 OF ARTICLE VII OF THE CONSTITUTION OF THE STATE OF HAWAII," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 73 and S.B. No. 1521, SD 2, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH CARE DATA DISCOVERY," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 74 and S.B. No. 287, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO IRRIGATION WATER DEVELOPMENT," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 75 and S.B. No. 1905, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FACILITIES," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 76 and S.B. No. 6, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD SUPPORT," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 77 and S.B. No. 431, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO HARASSMENT," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 78 and S.B. No. 1286, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO RESTRICTIONS ON POST EMPLOYMENT," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 79 and S.B. No. 84, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO DRUG DEALERS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 80 and S.B. No. 443, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO SEX OFFENDERS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 81 and S.B. No. 171, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO UNIFORM INFORMATION PRACTICES," were placed on the calendar for Final Reading on Monday, May 1, 1995.

ADJOURNMENT

At 12:00 o'clock midnight, the House of Representatives adjourned until 11:30 o'clock a.m. tomorrow, Friday, April 28, 1995.

FIFTY-NINTH DAY

Friday, April 28, 1995

The House of Representatives of the Eighteenth Legislature of the State of Hawaii, Regular Session of 1995, convened at 11:45 o'clock a.m., with the Speaker presiding.

The invocation was delivered by Representative David A. Tarnas, after which the Roll was called showing all members present.

The Clerk proceeded to read the Journal of the House of Representatives of the Fifty-Eighth Day.

On motion by Representative Amaral, seconded by Representative Thielen and carried, reading of the Journal was dispensed with and the Journal of the Fifty-Eighth Day was approved.

GOVERNOR'S MESSAGES

The following messages from the Governor (Gov. Msg. Nos. 243 to 250) were read by the Clerk and were placed on file:

Gov. Msg. No. 243, informing the House that on April 24, 1995, he signed the following bills into law:

House Bill No. 7 as Act 24, entitled: "RELATING TO MOTOR VEHICLES";

House Bill No. 360 as Act 25, entitled: "RELATING TO TRANSPORTATION";

House Bill No. 553 as Act 26, entitled: "RELATING TO FINANCIAL SERVICES LOAN COMPANIES";

House Bill No. 554 as Act 27, entitled: "RELATING TO FINANCIAL SERVICES LOAN COMPANIES";

House Bill No. 867 as Act 28, entitled: "RELATING TO CONDOMINIUM PROPERTY REGIMES";

House Bill No. 1274 as Act 29, entitled: "RELATING TO PUBLIC IMPROVEMENTS";

House Bill No. 1313 as Act 30, entitled: "RELATING TO PUBLIC LANDS";

House Bill No. 1427 as Act 31, entitled: "RELATING TO THE PROBATE CODE";

House Bill No. 1848 as Act 32, entitled: "RELATING TO PESTICIDE RESIDUE LABELING";

House Bill No. 1937 as Act 33, entitled: "RELATING TO INTERSTATE BANKING";

House Bill No. 1940 as Act 34, entitled: "RELATING TO PHARMACISTS";

House Bill No. 1942 as Act 35, entitled: "RELATING TO UNIFORM LICENSING REQUIREMENTS";

House Bill No. 2204 as Act 36, entitled: "RELATING TO FINANCIAL INSTITUTIONS";

House Bill No. 2237 as Act 37, entitled: "RELATING TO ADOPTIONS";

House Bill No. 2275 as Act 38, entitled: "RELATING TO LIQUOR";

Senate Bill No. 927 as Act 39, entitled: "RELATING TO FINANCIAL SERVICES LOAN COMPANIES";

Senate Bill No. 1381 as Act 40, entitled: "RELATING TO UNIFORM COMMERCIAL CODE ARTICLE 3";

Senate Bill No. 1747 as Act 41, entitled: "RELATING TO THE RESIDENTIAL LANDLORD-TENANT CODE";

Senate Bill No. 1748 as Act 42, entitled: "RELATING TO THE RESIDENTIAL LANDLORD-TENANT CODE"; and

Senate Bill No. 1912 as Act 43, entitled: "RELATING TO THE RESIDENTIAL LANDLORD TENANT CODE".

Gov. Msg. No. 244, informing the House that on April 25, 1995, he signed the following bills into law:

House Bill No. 552 as Act 44, entitled: "RELATING TO FINANCIAL SERVICES LOAN COMPANIES";

House Bill No. 556 as Act 45, entitled: "RELATING TO FINANCIAL SERVICES LOAN COMPANIES";

House Bill No. 775 as Act 46, entitled: "RELATING TO ENDOWMENT FUNDS";

House Bill No. 896 as Act 47, entitled: "RELATING TO HEALTH INSURANCE";

House Bill No. 1376 as Act 48, entitled: "RELATING TO THE CODE OF FINANCIAL INSTITUTIONS";

House Bill No. 1502 as Act 49, entitled: "RELATING TO CANDIDATES' FINANCIAL DISCLOSURE STATEMENTS";

House Bill No. 1928 as Act 50, entitled: "RELATING TO CHARITABLE ORGANIZATIONS";

House Bill No. 1929 as Act 51, entitled: "RELATING TO THE DEFINITION OF CAPITAL OF A FINANCIAL INSTITUTION";

House Bill No. 1930 as Act 52, entitled: "RELATING TO CONSENT ORDER OF REMOVAL OR PROHIBITION FOR ANY FINANCIAL INSTITUTION-AFFILIATED PARTY";

House Bill No. 1932 as Act 53, entitled: "RELATING TO SUBMISSIONS TO THE COMMISSIONER OF FINANCIAL INSTITUTIONS";

House Bill No. 1933 as Act 54, entitled: "RELATING TO CLARIFYING THE REQUIREMENTS OF THE CODE OF FINANCIAL INSTITUTIONS AS IT RELATES TO HAWAII BUSINESS CORPORATION ACT IN CONVERSION, MERGER, OR CONSOLIDATED SITUATIONS";

House Bill No. 1934 as Act 55, entitled: "RELATING TO FORMS OF DEPOSIT IN HAWAII FINANCIAL INSTITUTIONS";

House Bill No. 1935 as Act 56, entitled: "RELATING TO POWERS OF TRUST COMPANIES";

House Bill No. 1936 as Act 57, entitled: "RELATING TO CHANGES TO THE FIELD OF MEMBERSHIP OF HAWAII CREDIT UNIONS";

House Bill No. 2049 as Act 58, entitled: "RELATING TO AIRPORT LAW ENFORCEMENT";

Senate Bill No. 1262 as Act 59, entitled: "RELATING TO THE SECONDARY MARKET SERVICES CORP.-HAWAII";

Senate Bill No. 872 as Act 60, entitled: "RELATING TO A SECTION OF THE HAWAII REVISED STATUTES AMENDED BY ACT 221, SESSION LAWS OF HAWAII 1994"; and

Senate Bill No. 1712 as Act 61, entitled: "RELATING TO THE INSURANCE CODE".

Gov. Msg. No. 245, informing the House that on April 27, 1995, he signed the following bill into law:

Senate Bill No. 1433 as Act 62, entitled: "RELATING TO THE UNIVERSITY OF HAWAII."

Gov. Msg. No. 246, informing the House that on April 27, 1995, after considerable study and reflection, he has decided to permit the following bill to become law without his signature:

Senate Bill No. 1509 as Act 63, entitled: "RELATING TO THE OFFICE OF VETERANS' SERVICES".

Gov. Msg. No. 247, returning House Bill No. 605, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

April 27, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 605

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 605, entitled, 'A Bill for an Act Relating to Motor Vehicle Rentals.'

The purpose of this bill is to give users of rental cars the option to purchase a full tank of gas from the rental car dealer at the prevailing market rate. Since the gas will already have been purchased, the consumer can then return the rental car on empty without any additional charge for gas.

The bill would not necessarily result in a cost benefit to the consumer unless the consumer returned the rental car as close to empty as possible. In situations where the car was driven more than one hundred miles, the consumer would not be eligible for a refund or credit for the unused amount of fuel and thus the rental company would receive a bonus on the unused gas in the tank.

In addition, this bill contains an apparent error in the formula used to determine the prevailing market price to refuel the car. As written, the bill would allow the car rental company to charge a fee not in excess of 'the sum of the locally prevailing retail market price for similar fuel.' Thus, instead of averaging the prices from different gas stations, this would allow the prices to be added, which would result in an unreasonable and exorbitant charge for the fuel.

For the foregoing reasons, I am returning House Bill No. 605 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 248, returning House Bill No. 1217, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

April 27, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 1217

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1217, entitled, 'A Bill for an Act Relating to Limited Insurance Licenses.'

The purpose of this bill is to authorize the insurance commissioner to issue a limited license to anyone who sells policies of individual or group credit personal property insurance or credit involuntary unemployment insurance.

This bill does not authorize any regulation of this type of insurance license. Since this insurance would often be offered to unsophisticated buyers who might feel pressured to purchase the insurance as part of applying for loans, some regulatory oversight is needed to protect the public. The absence of these protections makes this bill unacceptable.

For the foregoing reasons, I am returning House Bill No. 1217 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 249, returning House Bill No. 1282, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

April 27, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 1282

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1282, entitled, 'A Bill for an Act Relating to Negotiable Instruments.'

The purpose of this bill is to establish a clear procedure for the handling of claims involving cashier's, teller's, and certified checks that are claimed to have been lost, stolen, or destroyed.

This bill is nearly identical to Senate Bill No. 1381, entitled, 'A Bill for an Act Relating to Uniform Commercial Code Article 3,' which was also passed by the Legislature and which I approved on April 24, 1995. Since Senate Bill No. 1381 accomplishes the purpose of this bill, and has retained the statutory numbering of Article 3 of the Uniform Commercial Code, there is no necessity to also enact this bill.

For the foregoing reason, I am returning House Bill No. 1282 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 250, transmitting his statements of objections to Senate Bills Nos. 926, 961, 1721, 1722, 1723, 1725, 1726, 1727, 1728 and 1729, which he has returned to the Senate without his approval, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

April 27, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 926

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 926, entitled, 'A Bill for an Act Relating to Financial Services Loan Companies.'

The purpose of this bill is to allow financial services loan companies to charge points and consumer loan fees to lessees of Hawaiian Homes Commission Act lands.

This bill is identical to House Bill No. 552, entitled, 'A Bill for an Act Relating to Financial Services Loan Companies,' which was also passed by the Legislature and which I intend to approve. Since House Bill No. 552 accomplishes the purpose of this bill, there is no necessity to also enact this bill.

For the foregoing reason, I am returning Senate Bill No. 926 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

"EXECUTIVE CHAMBERS
HONOLULU

April 27, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 961

Honorable Members

Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 961, entitled, 'A Bill for an Act Relating to Financial Services Loan Companies.'

The purpose of this bill is to permit financial services loan companies to charge an annual fee and over-limit charge when open-ended credit is extended.

This bill is identical to House Bill No. 556, entitled, 'A Bill for an Act Relating to Financial Services Loan Companies,' which was also passed by the Legislature and which I intend to approve. Since House Bill No. 556 accomplishes the purpose of this bill, there is no necessity to also enact this bill.

For the foregoing reason, I am returning Senate Bill No. 961 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

"EXECUTIVE CHAMBERS
HONOLULU

April 27, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 1721

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1721, entitled, 'A Bill for an Act Relating to Charitable Organizations.'

The purpose of this bill is to repeal subsection (n) of section 467B-9, Hawaii Revised Statutes, which required charitable organizations conducting charitable solicitations to: (1) inform donors of their right to be deleted from donor mailing lists and (2) have procedures to effect such a deletion.

This bill is identical to House Bill No. 1928, which was also passed by the Legislature and which I intend to approve. Since House Bill No. 1928 accomplishes the purpose of this bill, there is no necessity to enact this bill.

For the foregoing reason, I am returning Senate Bill No. 1721 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

"EXECUTIVE CHAMBERS
HONOLULU

April 27, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 1722

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1722, entitled, 'A Bill for an Act Relating to the Definition of Capital of a Financial Institution.'

The purpose of this bill is to make a technical amendment to the definitional section of the Code of Financial Institutions to clarify the definition of the term 'capital'.

This bill is identical to House Bill No. 1929, entitled, 'A Bill for an Act Relating to the Definition of Capital of a Financial Institution,' which was also passed by the Legislature and which I intend to approve. Since House Bill No. 1929 accomplishes the purpose of this bill, there is no necessity to also enact this bill.

For the foregoing reason, I am returning Senate Bill No. 1722 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

"EXECUTIVE CHAMBERS
HONOLULU

April 27, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 1723

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1723, entitled, 'A Bill for an Act Relating to Consent Order of Removal or Prohibition for Any Financial Institution-Affiliated Party.'

The purpose of this bill is to correct an error in HRS Section 412:2-309. The bill adds one word that was inadvertently omitted during the recodification of the financial institutions law.

This bill is identical to House Bill No. 1930, entitled, 'A Bill for an Act Relating to Consent Order of Removal or Prohibition for Any Financial Institution-Affiliated Party,' which was also passed by the Legislature and which I intend to approve. Since House Bill No. 1930 accomplishes the purpose of this bill, there is no necessity to also enact this bill.

For the foregoing reason, I am returning Senate Bill No. 1723 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

"EXECUTIVE CHAMBERS
HONOLULU

April 27, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 1725

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1725, entitled, 'A Bill for an Act Relating to Submissions to the Commissioner of Financial Institutions.'

The purpose of this bill is to provide the Commissioner of Financial Institutions with some flexibility when an incorrect report is submitted by a financial institution. The bill would allow the Commissioner to extend the period for correction of the record not more than 45 days.

This bill is identical to House Bill No. 1932, entitled, 'A Bill for an Act Relating to Submissions to the Commissioner of Financial Institutions,' which was also passed by the Legislature and which I intend to approve. Since House Bill No. 1932 accomplishes the purpose of this bill, there is no necessity to also enact this bill.

For the foregoing reason, I am returning Senate Bill No. 1725 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

"EXECUTIVE CHAMBERS
HONOLULU

April 27, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 1726

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1726, entitled, 'A Bill for an Act Relating to Clarifying the Requirements of the Code of Financial Institutions as it Relates to the Hawaii Business Corporation Act in Conversion, Merger, or Consolidation Situations.'

The purpose of this bill is to harmonize the procedures required under the Corporation Act with the procedures required of a newly converted, merged or consolidated financial institution.

This bill is identical to House Bill No. 1933, entitled, 'A Bill for an Act Relating to Clarifying the Requirements of the Code of Financial Institutions as it Relates to the Hawaii Business Corporation Act in Conversion, Merger, or Consolidation Situations,' which was also passed by the Legislature and which I intend to approve. Since House Bill No. 1933 accomplishes the purpose of this bill, there is no necessity to also enact this bill.

For the foregoing reason, I am returning Senate Bill No. 1726 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

"EXECUTIVE CHAMBERS
HONOLULU

April 27, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 1727

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1727, entitled, 'A Bill for an Act Relating to Forms of Deposit in Hawaii Financial Institutions.'

The purpose of this bill is to correct an erroneous reference to a section of law that does not exist.

This bill is identical to House Bill No. 1934, entitled, 'A Bill for an Act Relating to Forms of Deposit in Hawaiian Financial Institutions,' which was also passed by the Legislature and which I intend to approve. Since House Bill No. 1934 accomplishes the purpose of this bill, there is no necessity to also enact this bill.

For the foregoing reason, I am returning Senate Bill No. 1727 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

"EXECUTIVE CHAMBERS
HONOLULU

April 27, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 1728

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1728, entitled, 'A Bill for an Act Relating to Powers of Trust Companies.'

The purpose of this bill is to clarify that trust companies can write drafts on their respective checking accounts.

This bill is identical to House Bill No. 1935 entitled, 'A Bill for an Act Relating to Powers of Trust Companies,' which was also passed by the Legislature and which I intend to approve. Since House Bill No. 1935 accomplishes the purpose of this bill, there is no necessity to also enact this bill.

For the foregoing reason, I am returning Senate Bill No. 1728 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

"EXECUTIVE CHAMBERS
HONOLULU

April 27, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 1729

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1729, entitled, 'A Bill for an Act Relating to Changes to the Field of Membership of Hawaii Credit Unions.'

The purpose of this bill is to require the prior written approval of the Commissioner of Financial Institutions for any proposed changes to a credit union's field of membership.

This bill is identical to House Bill No. 1936, entitled, 'A Bill for an Act Relating to Changes to the Field of Membership of Hawaii Credit Unions,' which was also passed by the Legislature and which I intend to approve. Since House Bill No. 1936 accomplishes the purpose of this bill, there is no necessity to also enact this bill.

For the foregoing reason, I am returning Senate Bill No. 1729 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 764 and 765) were read by the Clerk and were placed on file:

Sen. Com. No. 764, informing the House that on April 27, 1995, the President appointed conferees on the part of the Senate for the consideration of amendments proposed by the Senate to the following House Bill:

H.B. No. 26, HD 2, SD 1:

Senators Holt, Chair; Fernandes Salling, Iwase and Anderson.

Sen. Com. No. 765, informing the House that on April 27, 1995, the President appointed conferees on the part of the Senate for the consideration of amendments proposed by the House to the following Senate Concurrent Resolution:

S.C.R. No. 290, HD 1:

Senators Graulty, Chair; Matsunaga, Matsuura and McCartney.

At 11:50 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 12:03 o'clock p.m.

ORDER OF THE DAY

SUSPENSION OF RULES

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

UNFINISHED BUSINESS

Conf. Com. Rep. No. 1 and H.B. No. 1800, HD 1, SD 2, CD 1:

Representative Stegmaier moved that the report of the Committee be adopted and H.B. No. 1800, HD 1, SD 2, CD 1, having been read throughout, pass Final Reading, seconded by Representative Tom.

Representative Ito rose and requested that his remarks, in favor of the bill, be entered into the Journal and the Chair, noting that there were no objections, "so ordered."

Representative Ito's remarks are as follows:

"Mr. Speaker, this is an exciting time for all of us who have been working to improve the transition from school to work in this country. Last year, Congress passed the Administration's School-to-Work Opportunities Act of 1994 which will give a series of competitive grants to states in order to form a national system of state-organized, locally implemented school-to-work programs.

"One goal of school-to-work programs is to enhance learning by connecting classroom theory with workplace reality. In structured work-based learning, employers provide more than paid work; they also provide students with workplace learning experiences that are tied to school lessons. Through formal training agreements, workplace training plans, mentoring by workplace personnel, and other approaches, employers help students meet specific, increasingly challenging learning goals.

"Insurance and liability issues arise in school-to-work programs because students are required to leave school premises in order to continue learning at the workplace.

"As the school-to-work opportunities movement gains momentum in Hawaii, more and more schools will be seeking opportunities for their students to make the connection, between school and work. This bill, H.B. No. 1800, HD 1, SD 2, CD 1, will remove a major barrier to participation and increase the chances of local employers being willing to host school-to-work programs.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1800, HD 1, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO VOCATIONAL EDUCATION," having been read throughout, passed Final Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. No. 1800 had passed Final Reading at 12:04 o'clock p.m.

STANDING COMMITTEE REPORTS

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 1933) recommending that S.B. No. 1593 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Tom, seconded by Representative White and carried, the report of the Committee was adopted and S.B. No. 1593, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLED SUBSTANCES," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 1934) recommending that S.B. No. 1770 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Tom, seconded by Representative White and carried, the report of the Committee was adopted and S.B. No. 1770, entitled: "A BILL FOR AN ACT RELATING TO ADMINISTRATIVE PROCESS FOR CHILD SUPPORT ENFORCEMENT," passed Second Reading and was placed on the calendar for Third Reading.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1935) recommending that S.B. No. 1204, SD 1, pass Third Reading.

On motion by Representative Say, seconded by Representative Kawakami and carried, the report of the Committee was adopted and S.B. No. 1204, SD 1, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL PROTECTION," having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that S.B. No. 1204 had passed Third Reading at 12:05 o'clock p.m.

FINAL READING

The following bills were taken from the Clerk's desk and the following actions taken:

H.B. No. 187, HD 1, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 187, HD 1, and H.B. No. 187, HD 1, SD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR CARRIERS," having been read throughout, passed Final Reading by a vote of 51 ayes.

H.B. No. 759, HD 1, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 759, HD 1, and H.B. No. 759, HD 1, SD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR CARRIER LAW ENFORCEMENT," having been read throughout, passed Final Reading by a vote of 51 ayes.

H.B. No. 837, HD 2, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 837, HD 2, and H.B. No. 837, HD 2, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII COMMUNITY COLLEGES," having been read throughout, passed Final Reading by a vote of 51 ayes.

H.B. No. 1486, HD 2, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 1486, HD 2, and H.B. No. 1486, HD 2, SD 1, entitled: "A BILL FOR AN ACT RELATING TO WILDLIFE," having been read throughout, passed Final Reading by a vote of 51 ayes.

H.B. No. 1491, HD 2, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 1491, HD 2, and H.B. No. 1491, HD 2, SD 1, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY," having been read throughout, passed Final Reading by a vote of 51 ayes.

H.B. No. 2050, HD 1, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 2050, HD 1, and H.B. No. 2050, HD 1, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DISPOSAL OF IMPOUNDED VESSELS," having been read throughout, passed Final Reading by a vote of 51 ayes.

H.B. No. 2137, HD 1, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 2137, HD 1, and H.B. No. 2137, HD 1, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE WAIKIKI AQUARIUM," having been read throughout, passed Final Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 187, 759, 837, 1486, 1491, 2050 and 2137 had passed Final Reading at 12:09 o'clock p.m.

**DISPOSITION OF MATTER
PLACED ON THE CLERK'S DESK**

H.C.R. No. 88, HD 2, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.C.R. No. 88, HD 2, and H.C.R. No. 88, HD 2, SD 1, entitled: "HOUSE CONCURRENT RESOLUTION CREATING A TASK FORCE TO STUDY POTENTIAL USES OF THE WAHIAWA RESERVOIR," was Finally adopted.

SUSPENSION OF RULES

On motion by Representative Okamura, seconded by Representative Ward and carried, the rules were suspended for the purpose of reconsidering action previously taken.

**RECONSIDERATION OF
ACTION TAKEN**

Representative Okamura moved that the House reconsider its action taken on April 13, 1995 in disagreeing to the amendments proposed by the Senate to House Bill Nos. 331 (SD 1); 357, HD 1 (SD 1); 756, HD 1 (SD 1); 814 (SD 1); 1833 (SD 1); 1884, HD 1 (SD 1);

1980, HD 1 (SD 1); 1988, HD 1 (SD 1); 2022 (SD 1); 2031, HD 1 (SD 1); and 2324, HD 1 (SD 2), seconded by Representative Ward and carried.

Representative Okamura then gave notice of intent to agree to the amendments proposed by the Senate to House Bill Nos. 331 (SD 1); 357, HD 1 (SD 1); 756, HD 1 (SD 1); 814 (SD 1); 1833 (SD 1); 1884, HD 1 (SD 1); 1980, HD 1 (SD 1); 1988, HD 1 (SD 1); 2022 (SD 1); 2031, HD 1 (SD 1); and 2324, HD 1 (SD 2).

ANNOUNCEMENTS

At this time, Representative Jones, on behalf of the members of the House, wished Representative Ito an early "Happy Birthday."

Representative M. Oshiro then rose and requested waiver of the 48-hour hearing notice requirement for the Energy and Environmental Protection Committee to hear S.C.R. Nos. 237 and 246 at 6:00 p.m. tonight in Room 406, and the Chair "so ordered."

Representative Shon: "Just a reminder to those conferees on the bills that we had this morning ... we will be reassembling in the same room at 7:00 o'clock this evening."

Representative Okamura: "A reminder to the members to please make yourselves available this evening up to midnight to sign committee reports. And there will be a Majority caucus on Sunday at 1:00 p.m."

Representative Ward: "There will be a Minority caucus on Sunday at 1:00 p.m. in Room 1008."

Representative Amaral moved to keep the Journal open until midnight this legislative day for the purpose of receiving Conference Committee Reports, seconded by Representative Thielen and carried.

At 12:15 o'clock p.m., the House of Representatives stood in recess for the purpose of receiving Conference Committee Reports.

CONFERENCE COMMITTEE REPORTS

In accordance with the motion made earlier, the following Conference Committee Reports (Conf. Com. Rep. Nos. 35 to 50 and 82 to 140) were received in the Clerk's Office and the following actions taken:

Conf. Com. Rep. No. 35 and H.B. No. 929, HD 2, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE COMMISSION ON THE STATUS OF WOMEN," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 36 and H.B. No. 1466, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO MAXIMIZING FEDERAL REIMBURSEMENT FOR HAWAII'S VOCATIONAL REHABILITATION PROGRAM," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 37 and H.B. No. 1643, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO NURSING FACILITY TAX," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 38 and H.B. No. 1834, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PUBLIC

PROCUREMENT CODE," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 39 and H.B. No. 2107, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO COFFEE," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 40 and H.B. No. 298, HD 2, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 41 and H.B. No. 123, HD 2, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO ALTERNATIVE METHODS OF TRANSPORTATION," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 42 and H.B. No. 1919, HD 1, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE INSURANCE CODE," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 43 and H.B. No. 1426, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 44 and H.B. No. 1959, HD 2, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO CONCILIATION PANELS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 45 and H.B. No. 1208, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO DEPOSITS OF PUBLIC FUNDS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 46 and H.B. No. 1997, HD 3, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO FAMILY LEAVE," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 47 and H.B. No. 2215, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 48 and H.B. No. 792, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 49 and H.B. No. 111, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO LOBBYING," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 50 and H.B. No. 471, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO TELECOMMUNICATIONS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 82 and S.B. No. 858, SD 1, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYEE BENEFIT PLANS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 83 and S.B. No. 1022, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS AND THE ISSUANCE THEREOF TO ASSIST NOT-

FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES TO THE GENERAL PUBLIC," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 84 and S.B. No. 1028, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO A REPRESENTATIVE PAYEE SYSTEM," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 85 and S.B. No. 1410, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE AUTHORIZATION OF SPECIAL PURPOSE REVENUE BONDS FOR MEDICAL WASTE FACILITY PROJECT DEVELOPMENT," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 86 and S.B. No. 1461, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO DEVELOPMENTAL DISABILITIES," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 87 and S.B. No. 396, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PERSONNEL OF PUBLIC SCHOOLS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 88 and S.B. No. 942, SD 1, HD 3, CD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 89 and S.B. No. 336, SD 1, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DRIVER EDUCATION AND TRAINING FUND," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 90 and S.B. No. 1683, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ASSISTANCE," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 91 and S.B. No. 1751, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO PERSONNEL WITHIN THE DIVISION OF CONSUMER ADVOCACY," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 92 and S.B. No. 432, SD 2, HD 3, CD 1, entitled: "A BILL FOR AN ACT RELATING TO DRUG DEMAND REDUCTION ASSESSMENTS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 93 and S.B. No. 68, SD 2, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ASSISTANCE," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 94 and S.B. No. 1939, SD 2, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ACCESS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 95 and S.B. No. 478, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO ACCESSIBILITY OF STATE AND COUNTY BUILDINGS AND FACILITIES," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 96 and S.B. No. 853, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING

TO HIGHWAYS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 97 and S.B. No. 1674, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO COMMUNITY HOSPITALS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 98 and S.B. No. 937, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 99 and S.B. No. 1467, SD 2, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 100 and S.B. No. 1298, SD 2, HD 3, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII TEACHER STANDARDS BOARD," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 101 and H.B. No. 1626, HD 1, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 102 and H.B. No. 1903, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 103 and H.B. No. 1409, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE OF HAWAII ENDOWMENT FUND," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 104 and H.B. No. 2094, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 105 and H.B. No. 1586, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING IN PUBLIC EMPLOYMENT," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 106 and H.B. No. 1425, HD 1, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO RECYCLING," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 107 and H.B. No. 1909, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FUNDS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 108 and H.B. No. 1996, HD 1, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO OCCUPATIONAL SAFETY AND HEALTH TRAINING AND ASSISTANCE FUND," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 109 and H.B. No. 386, HD 1, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ENVIRONMENT," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 110 and H.B. No. 1785, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT MAKING

AN APPROPRIATION TO PROVIDE COUNSELING, TRAINING, AND OTHER SERVICES TO DISLOCATED WAIALUA SUGAR COMPANY WORKERS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 111 and H.B. No. 2089, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES HEALTH FUND," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 112 and H.B. No. 2133, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION REFORM," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 113 and H.B. No. 1472, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO TAX CREDITS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 114 and H.B. No. 1828, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN HOME LANDS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 115 and H.B. No. 745, HD 2, SD 2, CD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO IMPROVE EFFECTIVENESS OF THE NONPOINT SOURCE POLLUTION CONTROL PROGRAM," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 116 and H.B. No. 48, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FINANCES," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 117 and H.B. No. 1787, HD 1, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENTAL ASSISTANCE," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 118 and H.B. No. 1920, HD 2, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HURRICANE RELIEF FUND," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 119 and H.B. No. 1220, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE BUDGET," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 120 and H.B. No. 1262, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 121 and H.B. No. 1780, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS BUDGET," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 122 and S.B. No. 82, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO CRIME," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 123 and S.B. No. 201, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT

RELATING TO ENVIRONMENTAL EDUCATION," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 124 and S.B. No. 304, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE BONDS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 125 and S.B. No. 458, SD 1, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 126 and S.B. No. 1626, SD 1, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 127 and S.B. No. 1336, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN AFFAIRS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 128 and S.B. No. 487, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO GASOLINE DEALERS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 129 and S.B. No. 493, SD 1, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE REPORTING OF SCHEDULE II CONTROLLED SUBSTANCES," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 130 and S.B. No. 550, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEVELOPMENT OF SCHOOLS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 131 and S.B. No. 944, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO MONEY LAUNDERING," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 132 and S.B. No. 1141, SD 2, HD 1, CD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR AGRICULTURAL RESEARCH AND DEVELOPMENT," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 133 and S.B. No. 1331, SD 1, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 134 and S.B. No. 1559, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE REGISTRATION," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 135 and S.B. No. 1701, SD 1, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING REVOLVING FUNDS," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 136 and S.B. No. 1739, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CLEAN HAWAII CENTER," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 137 and S.B. No. 1762, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 138 and S.B. No. 1804, SD 1, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT," were placed on the calendar for Final Reading on Monday, May 1, 1995.

Conf. Com. Rep. No. 139 and S.C.R. No. 237, SD 1, HD 1, CD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE ALA WAI WATERSHED ADVISORY COMMITTEE, THE MAMALA BAY COMMISSION, AND THE KUHIO STORM DRAIN PROJECT TO ADDRESS CONCERNS RELATED TO WATER QUALITY OF WAIKIKI AREA BEACH WATERS," were placed on the calendar for final action on Monday, May 1, 1995.

Conf. Com. Rep. No. 140 and S.C.R. No. 246, SD 1, HD 1, CD 1, entitled: "SENATE CONCURRENT RESOLUTION RELATING TO DRINKING WATER TESTING," were placed on the calendar for final action on Monday, May 1, 1995.

ADJOURNMENT

At 12:00 o'clock midnight, the House of Representatives adjourned until 10:00 o'clock a.m. on Monday, May 1, 1995.

SIXTIETH DAY

Monday, May 1, 1995

The House of Representatives of the Eighteenth Legislature of the State of Hawaii, Regular Session of 1995, convened at 10:20 o'clock a.m., with the Speaker presiding.

The invocation was delivered by Miss Eliza Morrow of Jesus Christ of Latter Day Saints, after which the Roll was called showing all members present.

The Clerk proceeded to read the Journal of the House of Representatives of the Fifty-Ninth Day.

On motion by Representative Amaral, seconded by Representative Thielen and carried, reading of the Journal was dispensed with and the Journal of the Fifty-Ninth Day was approved.

SENATE COMMUNICATION

The following communication from the Senate (Sen. Com. No. 766) was read by the Clerk and was placed on file:

Sen. Com. No. 766, informing the House that the Senate has reconsidered its action taken on April 27, 1995 in agreeing to the amendments proposed by the House to Senate Bill No. 1331, SD 1, HD 2. The Senate moved to disagree with the amendments proposed by the House.

At 10:25 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 10:50 o'clock a.m.

ORDER OF THE DAY

SUSPENSION OF RULES

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

UNFINISHED BUSINESS

Conf. Com. Rep. No. 119 and H.B. No. 1220, HD 1, SD 1, CD 1:

Representative Say moved that the report of the Committee be adopted and H.B. No. 1220, HD 1, SD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Kawakami.

Representative Say rose to speak in favor of the bill, stating:

"Mr. Speaker, the staff that we had this year was a very excellent and energetic bunch and I would like to recognize all of them to the members of the House. First of all, we have Miss Angela Correa who applied to the University of Hawaii Law School and she is in a pre-admissions program at the University. Next we have Ms. Jennifer Winks; Maria Tubana, and Rowena Tanaka, Secretary.

"In the research section, we have R.J. Yahuki; Nandana Kalupahana; Ms. Leslie Urago who is getting married this year; Tracy Fukui who will also be going on to law school; and we have Ms. Janna Centeio.

"Now we have the analysts -- those who worked on the budget with all of the subject committee chairs: Ms. Denise Gee who will be leaving the State of Hawaii to work in Washington, D.C., Ms. Leora Tyau; Mr. Kris Kono, and Mr. Greg Kwan who was in charge of the Department of Education budget; Joy Uchida who helped us very much in the economic development budget; Ms. Clarice Guieb who was in charge of social services; Mr. Brian Furuto who was in charge of the health area; Mr. Brian Hallett; and Ms. Beth Kerl, assistant to Mr. Seki.

"The hard core staff was made up of Ms. Rose Marie Edwards, Office Manager; Mr. Jo Hamasaki; and 'The Three Muskateers' -- Mr. Ryan Kurashige who was in charge of the CIP; Mr. Dean Seki, Chief Analyst; and Mr. Rod Tanonaka, Chief Researcher.

"Thank you all very much.

"Mr. Speaker, I would also like to recognize the House Finance Committee members who really had the patience and tolerance in going through the overall biennium budget. First of all, I would like to recognize Vice Chair Bertha Kawakami who did a fantastic job in supporting me when I was down, and Vice Chair ... thank you very much.

"We have the sage of this House, Representative Emilio Alcon, who is double-dipping right now with legislative pay and state retirement pay; Representative Ezra Kanoho, another sage from the island of Kauai; and also Representative Virginia Isbell who was very, very instrumental in bringing up a lively discussion in the House Finance Committee; Representative Jerry Chang from Hilo; Representative Bob Nakasone from Maui who was very quiet, but his quietness really hid what he knew about the overall biennium budget; Representative Devon Nekoba and Representative M. Oshiro ... this is the first time in my career Representatives Nekoba and M. Oshiro had to perform in conference to restore some State Culture and the Arts Foundation funds. Then we had the 'CPA' of the committee which was Representative Nathan Suzuki who also asked a lot of analytical questions to the respective departments; and last but not least, our twins from the Waianae/Leeward Coast -- Representative Mike Kahikina and Representative Jones. Then from Kaneohe, we had Representative Ken Ito who was very, very strong in criticizing not only the Department of Education, but on programs throughout the state. He was the 'expert' as far as being an educator; and finally was our loyal opposition who asked a lot of very pertinent questions also -- Representative Ward and Representative Marumoto ... thank you so much.

"For all of us, Mr. Speaker, when we last voted on the budget bill, I stood before you and said that the House had formulated a solid financial plan to tackle the projected \$250 million shortfall. Today I stand before all of you to tell you once again that I believe that the State will stand on firm ground with our budget.

"As we all know, the budget conference began with an even larger projected deficit of over \$350 million. But thanks to the hard work of the House and Senate conferees, especially Senate Chair Donna Ikeda who, I say at her age, can outwork me because at 6:00 o'clock in the morning, she was still up and I was ready to go to bed. The budget you have before you will address that projected deficit.

"Mr. Speaker, I would like to begin my comments on the budget by going back to when we first learned of our fiscal dilemma. In the days that followed the House's passage of the budget, I was taken aback at the overwhelming pleas to restore the cuts we had made. After being criticized for trying to raise revenues to cover the state's increasing operational costs, I thought I got a loud and clear directive from the members and the public to reduce the size of government. However, it appeared to me that no one was willing to bite the bullet. The resulting message I got was a hypocritical one, and it said to me ... 'Mr. Chair, solve our budget woes by cutting government spending -- just don't cut what I want.'

"To the members and to the public at large, I can only say what I have been saying from day one of this session ... either we cut back, and lose programs, or we find a way to generate more revenue. For the House Finance Committee members, it was a lose-lose situation, no matter what position you looked at ... what were the alternatives?

"Some of you might claim that we can provide the same amount of services with less resources by being more efficient. I don't know if that is entirely true but, yes, we also addressed the state's fiscal crisis by promoting more efficiency in government. For instance, the House initiated, Mr. Speaker, a general assistance lump-sum budgeting program that will help curb the skyrocketing costs of providing this social service to the community. As I stated in caucus yesterday, in the executive request they were projecting a \$12 million increase for fiscal year 1995-1996 and a \$24 million increase in 1996-1997. Where do you find those general fund resources, Mr. Speaker? I really don't know. I want to state for the record that I believe that part of the reason for the escalation in cost for social programs has been the generosity of this body. Admittedly, the other part of the reason has been the administration of programs themselves -- but that is also because the Legislature has left this program to go unchecked for all these years.

"We therefore have addressed this by first allocating only a set amount to the general assistance program -- \$47 million. We then gave the Director of Human Services the flexibility to determine both the eligibility standards and the amount of payments to recipients. If, Mr. Speaker, the department cooperates as they have indicated, this will be a big step towards controlling runaway expenditures, and may be a model for future initiatives.

"We also authorized similar initiatives with the University of Hawaii and the community hospitals of the Department of Health. Essentially, we have made a pact with these two entities by allowing them to collect and retain their own resources -- leaving them ultimately responsible for their own operations.

"The Legislature, on the other hand, must agree to put its money where its mouth is and provide the necessary general funds if it wants to expand programs or create new programs at the University of Hawaii or at the community hospitals. By allowing the University and the hospitals to be totally special funded, this is what we have given these two entities: the autonomy to collect and retain their own resources and subsequently allowing them to use their resources as they see fit. Ultimately, I hope that this autonomy will produce better services and programs to the overall community.

"Mr. Speaker and members of this House, we also cut back on the funding of the Transportation Department. So what, you might ask, it's just special funds after all,

right? I have to admit that I myself once thought that way until my counterpart in the Senate Chamber pointed out that if the Department of Transportation, especially the Airports Division, lowers its costs of operations, a potential benefit will accrue, possibly in the area of lowering landing fees, whereby more airlines with their seats would be invited back to the State of Hawaii. And lower airfare can translate into increased visitor counts. So you see, Mr. Speaker, the budget was not all about cutting programs or increasing revenues. It has been crafted by carefully balancing a mix of hard-line choices and implementing innovative initiatives.

"Mr. Speaker, I have learned that after every move this Legislature makes, someone will say that we should have made another instead. I find, sometimes, comments like these very disconcerting and very counterproductive. To those of you who say that we should have cut this budget, we did that. To those of you who say that we should have tried to find more resources to keep programs intact, we did that. To those of you who say that we should have tried to find more ways to increase government efficiency, we did that too. Mr. Speaker, there are no simple solutions to the problems we face today -- only difficult choices.

"What shocks me is that this past weekend, after we had wrapped up the budget, the reaction of our own members was one of, we should not have cut this, or we should not have cut that, or worst yet, where is my project or where is my appropriation in the budget? We, as legislators, need to start to look at the bigger picture. If we continue to bring a narrow scope of interest to this chamber, we will only serve fragmented needs of the community, and that would be very irresponsible.

"This budget, as well as the other measures tied to it, are good vehicles to demonstrate all of your willingness and dedication to represent and lead the state as a whole. The plan that the House and Senate has is a solid one, but only if you, as decision-makers, are willing to sacrifice your individual wants for the needs of the people. Everyone in the state needs our help and guidance ... the poor, the young, the families, the businesses -- everyone. And our decisions must reflect these needs. This budget and other measures that relate to the way government provides its services represent the needs of our people.

"Our message must be clear and it must be unified. We must learn to face our problems eye to eye and address them with courage. Throwing money at problems will not make them go away. I realize that the needs of the people of our state are great, but we need to start to understand that our resources are not without limit. In fact members, we are only beginning to see the effects of our generous ways of the past. We are only beginning to feel the effects of the difficult decisions we must make in the future.

"Mr. Speaker, thank you very much for all of your support throughout this session. With your guidance and leadership, this House has produced a fiscal plan that will carry the state well into the next generation.

"Thank you."

Representative Kawakami then rose to speak in favor of the bill, stating:

"Mr. Speaker, I must say that perhaps this was one of the most difficult sessions that we faced in fashioning a balanced budget under austere circumstances. This was an arduous task of covering a budget shortfall of \$350 million that seemed as a mission impossible.

"But, Mr. Speaker and fellow legislators, with due diligence, perseverance, and above all patience and stamina, your Finance Chairman Say, with his competent staff members and especially his Big 4 -- Rod, Dean, Jo and Ryan -- and his Committee members, vowed to tackle the task and keeping in mind the need to balance needs, services, and coming out with a balanced budget.

"Mr. Speaker, we have before this House today a measure for which we had to make tough decisions on. We have examined every possible means of revenue enhancement coupled with budget cuts and government downsizing. We have also sent a strong message to the various departments to become more efficient in their operations.

"This measure addresses the fiscal crisis by utilizing savings from paring down and eliminating various tax credits, and also we have had to transfer special funds and reserves to make up that deficit. We have also had new initiatives in terms of the community hospitals and some of the education measures.

"But all totaled, the priorities of the House were met -- a balanced budget of \$12 billion for the next biennium, and significant pieces of legislation such as the Hawaiian Home Lands settlement, reform in workers' compensation and auto insurance, plus leaving a \$48 million surplus for 1997.

"Mr. Speaker, to all the chairs of the subject matter committees and their committee members, we thank you for your patience and understanding throughout these trying times, and to the House leadership for your encouragement, support, and your wisdom, we express our 'thank you.' And above all, to Chairman Say, a tireless leader who always had his heart in the right place to accomplish this surmountable task, to the Finance Committee members who were there throughout the crisis with their support, and last but not least to the efficient and competent and tireless efforts of the staff for such a cause, we say to you a big MAHALO!

"Thank you very much, Mr. Speaker."

Representative Ward then rose to speak against the bill, stating:

"I rise to speak the same gratitude to Chair Say and his staff; however, I rise with a different perspective in our position to the budget.

"Mr. Speaker, as a freshman I stood on this floor and said that the vote on the biennium budget was the most important vote taken in this chamber. And though I didn't understand a thing about it and didn't even attempt to read its voluminous pages, I automatically and enthusiastically voted 'yes,' and I am sure some others will be doing similarly today.

"However, in the second biennium I was faced with the budget, that when I looked at it and understood some of the things about it, I said, having read the bill and saw the inside workings of the Finance Committee, I began to be a bit critical of the process by which we arrived at the budget. Some of things I said that I saw in the process, and that may still be applicable today, are such things as genuine secrecy surrounding the budget process, including the forbidden practice of even taking the worksheets out of the Finance Committee room, or the fact that only a few select members are in control of the budget, and limited access by the public to any of the information that we even on the Committee have.

"In the second biennium budget, I pleaded with the Majority to set goals and priorities for the State of Hawaii

so that the money we squandered, like with the renovation of the Capitol and buying raceway parks, could be prevented in the future. Some of those things, Mr. Speaker, in the present budget, including a large parking structure and buying a large building on Ala Moana Boulevard, may perhaps be existing examples of those types of spending. So even having said to these reservations about the budget processing in the second biennium, I still always, in the past, voted for the budget.

"So why is it different today?"

"Today, Mr. Speaker, marks the third biennium budget that will come before us, the third only for me; for others it may be ten, it may be fifteen budgets. But today I will not bemoan the fact that the secrecy and the mumbo-jumbo in the technics that go to forming the budget are still in place, even though I must sincerely and seriously commend Calvin Say for really opening up the process and how each budget process becomes a bit more known, Mr. Speaker, which, in the days past, under your realm or even more or lesser which is no reflection on you, but that's the way things were done. I understand, even before you Mr. Speaker, it was even more of a closed process so you should be commended, as you were in your time so he in his time, except what is still a rather closed process. It's still a private matter of leadership and the rest of us play, probably a secondary role of saying, well, what's in my district and what can I protect, and I appreciate the Chair saying that all of us have been saying, well, why did you cut my project? My answer, Mr. Chair of the Finance Committee, is because that's all that they know about. They don't know the macroeconomic picture that goes into fiscal macro decisions that the Finance and the Budget and Finance and the Governor make.

"Mr. Speaker, all of this leads me to say this: The fiscal direction of the state has not changed over these three bienniums and that's from the point of view that I speak. And if I voted for this budget, it would be to condone a process as well as a spending bent that, frankly to me, is out of whack with the economy as well as out of whack with the wishes of the people of Hawaii.

"There are four reasons I believe this, Mr. Speaker, and the first premise is this. A state budget should not grow faster than the state economy. A recent article from the Chamber of Commerce noted that the private sector has lost thousands of jobs in the last number of months whereas we have added jobs to the public sector. The point is that the budget is out of whack with the state economy, and the economic realities of our economy is that it has slowed down but government spending has not. This budget presents a 12 percent increase in spending over the last biennium. This means we are spending a full billion dollars more in the coming two years than we did in the preceding two years.

"The Council on Revenues has projected a growth of 1.9 percent for the current fiscal year, 4.6 percent for the first year of the biennium, and 5 percent for the second year of the biennium. This means that we are growing, there are millions of dollars being added to the coffers, but yet our spending is still exceeding that and, therefore, a deficit spending of \$350 million results not from a weak economy, but from spending that has not slowed down.

"So what we are asked to adopt by voting for this budget is a 12 percent increase. Now, a level of a 12 percent increase doesn't sound like a lot; in fact, some of my colleagues from the other side of the aisle may stand up and say that with increasing needs, population and inflation and the emergency appropriations, these increases are necessary to meet the needs of the people. But before anyone says this, they should look back at

where our voting constituency has told us over the past few months; that is, State spending has gotten out of hand. We have heard at Neighborhood Boards, community hearings, community gatherings, that state government is simply just too fat. We have all heard the debate over how fast the state payroll grew over the past eight years -- thousands of people added even though a majority of those are in the Department of Education -- the fact that they were added to the coffers when the coffers were bare. Now, I am not going to reiterate the debate over the numbers by telling you that the public is aghast at the phenomenal growth of government, but what we hear from our constituencies is to stop spending the tax dollars merely to increase the public payroll.

"Mr. Speaker, I must put a footnote in here. Historically, in the days when Hawaii didn't have to lock its doors and when a handshake was the bond between two business people, there is only one profession left that can go on the bond of its word, and that's you and I and all the elected officials in this room. When we say something, i.e. Mr. Speaker, no new taxes, the people hear it and they believe us, and when we say no new taxes at the beginning of this session or the beginning of an election and we raise taxes, our credibility as professional policymakers is lessened and threatened.

"Mr. Speaker, I challenge you and the Majority to delve into the way that government spending has continued to grow and grow and grow, and I challenge you to reinvent the present mindset that causes this to happen, that says the only way we can solve the problems of the people of Hawaii is to spend more and more and spend more and more, throwing money at the problem. Mr. Speaker, you and I and all of us know we must change that mindset.

"The Chair of the Finance Committee alluded to that ... government does not have all the solutions, and we know government does not have all the solutions to all the problems, but we must change the attitude and recognize that it takes not only sweat, but innovation and creativity and courage -- that's political will -- to truly change the problems facing government.

"We must also make sure that the public administrators and public employees alike share our discovery, that yes, there is a bottom of the honey jar, and yes, we just can't go out and raise more money to satisfy the hungry pig called state government. Look what it almost made us do this session. We almost took \$320 million out of the economy by raising the GE tax by 25 percent. It literally would have cut the growth rate of this economy by 50 percent -- taking it out of the pockets of the people and sticking it in the pockets of the government. Mr. Speaker, you should be commended as a Majority for not having done that but the temptation was there.

"We also almost dealt a death blow by increasing taxes to the visitor industry, or at least a debilitating blow, by increasing the TAT tax from 6 to 8 percent.

"Another premise, Mr. Speaker, is that a budget that balanced itself on the backs of the least vulnerable is not a good budget policy. The budget is balanced on the backs of the most vulnerable of our state and takes over \$65 million out of their pockets and into the government's hands. In short, this budget is premised on \$65 million worth of tax increases. I spoke earlier on a tax by any other name -- be it a user fee or a tax credit -- is a tax increase. That's right, a tax increase, by reducing and eliminating the three taxes on the table of rent, food and excise taxes.

"Now this is another historical but contemporary footnote. There's been a lot of talk about the Contract

with America and what in effect it is going to do on the national level for the people of the State of Hawaii. All of us have heard what we've called the alarmist and fuel mongering of rhetoric about how the food of children and students is going to be taken directly out of their mouths. Well what, Mr. Speaker, is here and now and real before us -- right before our eyes -- is the money for those who are the poor and the least able to fend for themselves in the State of Hawaii are now going to have \$65 million taken out of their pockets. That's not Contract with America. And for those of us who vote for this budget, when they come back in the future and say, the problems with the state budget are what the federal Contract has done to us, please remember today, please remember your vote for this budget is on the backs of the vulnerable, the backs of the poor, the backs of those people that many of you have thought is the federal government's pension.

"My third premise, Mr. Speaker . . . has my time run out?"

The Chair responded:

"Just about. . . in fact it has, but please go ahead and finish it up."

Representative Ward continued, saying:

"Thirdly, Mr. Speaker, the budget process is structurally flawed and is the third reason for voting no for it. It is warped and out of sync with the state economy and is premised on the fact that not only because the poor pay more, it is a matter of conscience and fiscal responsibility that I say 'no' to this budget that is based on a system of merit rather than simply availability of funds.

"It was recently in a panel discussion with the Senate and the House with the Women Bankers' Association. . .

The Chair interrupted and said:

"Representative, I didn't mean for you to go on. Will you please end your deliberation unless someone wishes to yield."

Representative Thielen then rose and yielded two minutes of her time.

Representative Ward thanked the Chair and continued, saying:

"This is the beginning of a filibuster, I can see.

"Mr. Speaker, what I learned in that conference was basically that the driving premise of state finance is the availability of money, not how effectively government meets the needs of the people, how we use funds, how we, in effect, have accountability into our programs in our departments. I realize, to some extent, we have to use projections, but the fact that we do not scrutinize, measure the effectiveness and otherwise curb overspending by proving the value the same way that the private sector keeps people or programs alive, is the fact that they work. We have not been able to do that. This means that state government spending is largely based upon a false premise. Like a mountain climber, just because the money is there, you climb it to spend it. The size of the airport is exactly that same phenomenon.

"This kind of thinking means that there'll never be a rainy day fund. This kind of thinking means there will never be justification for measures of effectiveness and standards we hold up to all programs and departments that ask if programs or departments are effectively doing what they were created to do. This also ignores the fact

that there was at the beginning of the year \$1.7 billion of special funds laying around in the coffers of the state. For example, HFDC has a balance of \$476 million, some of which we will use wisely for the DHHL settlement. There's also a few hundred million in the Department of Transportation Airport Fund. I am very pleased to hear that the Chair of the Finance Committee said that we will use those to lower landing fees. Mr. Speaker, I would say we'd have done better if we had increased them three or four times and discouraged and lost the airlines, to have used those funds for that purpose earlier rather than hitting the airlines and having these coffers become so large. The Department of Transportation has raised landing fees but these funds, these special funds, they're earmarked for that purpose and can be used for macro-stimulation of our economy by getting more airlines to land here. . .

Representative Okamura, at this point, interrupted and said:

"Mr. Speaker, his two minutes are up."

Representative Ward responded:

"I believe that was a figure of speech."

The Chair then asked Representative Ward to "Proceed, please."

Representative Ward thanked the Chair and continued, saying:

"Mr. Speaker, most conspicuously absent in the budget is its silence on the stimulation of the economy. Hawaii's businesses are having the worst time ever in the state where business friendliness has become more unfriendly day by day. We have businesses dying on the vine, dropping off, of which this budget does not direct ... it does not speak itself to that. And before I'm chided for the comment that we really didn't do anything for the state's economy, let me counter by saying that we did do a lot to our state economy.

"So where is regulatory and our tax relief in the budget, Mr. Speaker? We couldn't even get some of DBEDT's programs for stimulation, at least of trade with Asia and the Pacific. Where are the 'fish' we threw to the private sector? It was tax-based, we are reminded, that it is 52 percent of our budget. There are fewer businesses out there collecting that tax which means, in the long run, there's going to be fewer moneys available.

"Lastly, Mr. Speaker, I want to acknowledge that despite my vote against the budget, it will obviously be approved anyway, and certainly its approval takes its success from the fact that many members of the Majority will vote for the bill because you, as an able leader, have convinced them so. I would only speak to the conscience of the freshmen that you have been sent here not to vote for leadership, but to vote your conscience. It not only applies to this bill but to all of those bills.

"In summary, this budget and the budget process, I believe, is leading the people of Hawaii astray and away from the true realities of what government's role and rate of spending should be. It is time to stop going in the direction we're going and get our priorities straight and put our financial house in order. Like the federal government, we must learn to live within our means. The State of Hawaii should not be living on a champagne diet with a beer budget, and this \$12 billion with a 12 percent increase has shown us that we still have not faced the fiscal realities of the future.

"Hawaii has a great future ahead of itself. We need to get our financial house in order as we have with all the others, but we sorely lack in that, Mr. Speaker, and because of that, with much regret I vote no on the budget which I think in the long run, as we get this medicine year by year, finally wake us up and say ... we've got to cut our spending; we've got to get our priorities straight; the economy and the State of Hawaii have got to walk in unison and not in separation.

"Thank you, Mr. Speaker."

Representative Amaral then rose to speak in favor of the bill, stating:

"Quite frankly, Mr. Speaker, I'm getting quite tired of being criticized for things we almost did since we can't be criticized for the things we did. We are presented with a campaign of misinformation and misspeak, and I really am annoyed at it. We are criticized for expanding government services and in the very next breath, Mr. Speaker, we are criticized for not providing government services to the most vulnerable of our population. We are criticized for removing tax credits and in the very next breath, this action is labeled as in fact, increasing taxes, imposing taxes. We are faced with, I believe, an attempt to try to erode the good work of this body here, to undermine the integrity of public servants, to present the misinformation with the intention, particularly of promoting simply one segment of the society -- one side of this society -- while not presenting good information, and I find that deeply troubling.

"First of all, this is not a deficit that we are facing, Mr. Speaker. We have been presented with the responsibility of putting together the budget -- that's the major function of the House and the Senate. The Executive has presented us with a budget that was in fact \$350 million over the revenue we anticipated we would be getting. The function of this body was then to bring that back into balance, and we did that at a great deal of sacrifice.

"I, Mr. Speaker, am one of those people that went before the Finance Chairman, pounding the table for programs in my district. I know that I am not alone in doing that. I know that other members here did that -- maybe not my colleagues from across the way, but certainly many of us. We expected that our programs would be funded; we expected that those programs that we all loved, that we all felt were important, would be funded, and we expected that we would meet the challenge of presenting a balanced budget.

"How were we to do that?"

"I think that the Finance Committee is to be commended for the work that they did. I believe it was incredibly difficult work, and I believe it is indeed a low blow -- a low blow -- to criticize them for the cuts that they have made, if you were not responsible enough to take the responsibility for having done it.

"Quite frankly, I would say to you, Mr. Speaker, it has been a long legislative session and an exhausting one. Every member here, and so if I am not as articulate as I usually am, I am tired, but we have all worked very hard to do the public's business. We will all be graded by the work that we have done by the people that elected us, but I want us to be graded based upon good information, not misinformation, and I believe that we have a responsibility to provide good information.

"Thank you, Mr. Speaker."

Representative McMurdo then rose to speak in favor of the bill, stating:

"I also want to commend Chairman Say and everyone on that Committee for what I think has been a superhuman job. It's one thing when we have plenty of money in the coffers -- that's easy to put a budget together. But to try to wrestle with what they've had to wrestle with this year really is a superhuman job.

"I'm a little tired, as the former speaker said, of this kind of criticism on the budget. First of all, I consider it highly irresponsible to vote against the budget because although there are things in this budget which I am not wild about, there are an awful lot more good things in it.

"Furthermore, if all of us voted the budget down, what happens to the wheels in the government? Everything stops, nothing proceeds. So the upshot of going down on the budget would mean that we'd have to have a special session -- God knows for how long -- and everyday that we are in special session would cost the taxpayers just that much more money.

"So I would like to say again, I think they've done a wonderful job with what they had to work with, and I will urge all of you to vote in favor of it.

"Thank you."

Representative Halford then rose to speak against the bill, stating:

"First of all, I would like to respond to the concept of good information. This bill that we are voting on today is about 90 percent of the money that the State will spend. It does not include the OHA budget or the Judiciary budget, et cetera. And in any case, this portion of our budget -- 90 percent -- is \$11.4 billion, and in relationship to our previous budget, item for item across the board, it is \$1.17 billion more than our existing budget. That is a 12 percent budget increase. If we lived through this session thinking in terms of a shortfall -- \$350 million shortfall -- which was in relationship to a proposed budget from the Executive.

"I need to vote against this bill because this budget increases government spending faster than the growth of our economy. This budget increases government spending faster than our projected increase in revenue. We have increased the taxes of the poorest and most fragile in our society to make this 12 percent increase work.

"Mr. Speaker, this budget is not our budget. It is the peoples' budget which this body has crafted for them. We are stewards of our peoples' resources. I cannot approve spending at a rate that is faster than economic growth or faster than wage increases. And I cannot approve additional spending by taking more money from the poor and those on fixed incomes.

"Thank you."

Representative Say, in rebuttal, stated:

"Mr. Speaker, yes, there is growth in the area of this biennium budget but the biggest growth for the members of this House, as far as position counts, is in the Department of Education.

"Secondly, for the House members, and I think the Finance Committee members realize that, Mr. Speaker, the biggest growth in general fund appropriations for this particular biennium is in the mandatory payments. Mandatory payments, I believe the lone Minority on the

Finance Committee realize, are the health care issues, Aid to Family with Dependent Children (AFDC), the Hawaii State Hospital -- the mental health consent decrees -- the retirement program, the health fund program, and the debt service program. Mr. Speaker, for the biennium budget, these particular mandatory programs cost you and the members of this House \$183.6 million in general funds for the first year, and for the second year, it has gone up to \$264.39 million for a grand total of \$447.99 million of general fund moneys.

"Mr. Speaker, we did take cuts in all the respective departments of about \$148 million. With these cuts, what we have done is try to restore those particular general fund moneys for these mandatory programs that I had no choice but to fund based on the federal consent decree and legislation that are in our statutes.

"We can cry all day to say that the process is not as open but it is a very open process where all of us -- as far as the House Finance Committee members -- participated, in asking for advice and ideas, Mr. Speaker. And like I stated earlier, in the House Draft 1 of the budget, where are these ideas of creativity? Where are these ideas of trying to resolve the budget crisis that we are in?

"In essence, Mr. Speaker, some of the members of the House may be confused because, if you look at the overall growth in the general fund area that we are all concerned about, it is a very small growth of about two percent of this \$11 billion budget. This is general funds.

"The members of the Finance Committee realize that we did increase the special fund ceiling by \$329 million -- the community hospitals, the University of Hawaii. There is a federal dollar increase in their ceiling of \$104 million that the Finance Committee got to see, where the respective departments made those requests ... can you increase the federal funds? And we have another area of \$83 million which is the trust fund ceiling that we have increased.

"Last but not least is the revolving fund increase, in regards to the environment and other programs that we have statewide, Mr. Speaker and members of this House. We add all of these up and that's where it comes up to that \$1 billion increase. And that's why I'm saying to the members ... what you are getting today is a true picture of why there is this increase. But this increase is not in general funds, as far as the total amount, and the general fund amount is a very small amount which we base our Council on Revenues' projections once more in these areas of taxes and non-tax revenues.

"And so I ask the members and the Minority to maybe reconsider their decision and go with a reservation on this particular budget. All of us will participate in groundbreaking ceremonies during the coming two years, and all of us will be a part of agreeing and supporting this budget.

"Thank you."

Representative Kawanakoa then rose to speak against the bill, stating:

"You know, Mr. Speaker, I'm a bit confused how we can justify all of this growth in the name of certain federal mandates and certain other special funds -- it's very confusing. I challenge some of my freshmen counterparts or my Democratic colleagues to come and explain the budget to me as they see it because what I see is the bottom line -- an increase in government of 12 percent, an increase of \$1.7 billion.

"I am voting against this budget not because it is irresponsible, I think it is just the opposite. I think my constituents sent me here to downsize or rightsize government -- to bring it back into play in proportion with our economy. So I think it is our mandate, at least for us newly elected representatives here, that we were voted in to come here and change government, to reduce the cost of spending, or reduce the size in government spending.

"First and foremost are my reasons. . . I have a whole list here. I am going to bore you with them because I think it is very important that these get out and this seems to be the only opportunity we have to share our ideas.

"First and foremost, this increase, this budget, is unacceptable, unjustifiable, unconscionable for our 1996-1997 state budget to increase by 12 percent or \$1.7 billion when our state is facing a financial crisis. How can we tell our constituents that we are going to raise government spending by 12 percent when our families, neighbors and friends are tightening their belts and spending less in order to make ends meet?

"Second, our state government is already fat, bloated and oversized. In fact, the prior Legislature, Mr. Speaker, increased government spending by 23 percent -- 23 percent! Was that justified? Was that needed? There are population increases by 23 percent. Do we have a need for 23 percent more services? I think not. Nevertheless, we increased government spending by 23 percent. This growth in spending is an incredible increase, Mr. Speaker. I wonder how many businesses grew by 23 percent last year. I wonder how many of my constituents are, for that matter. How many citizens in the State of Hawaii received a 23 percent increase in their salaries or were able to increase their family spending by 23 percent? Not many I suspect.

"Mr. Speaker, I am stressing this 23 percent increase in the last biennium budget to emphasize that our government is already running on an excessive and oversized budget. There is simply no reason that the current budget must grow by an additional 12 percent. You would think that the previous increase of 23 percent should be enough to last at least a couple of bienniums. I certainly believe that government has gotten too large and oversized, but I am not asking my colleagues to take it at face value because it is a general sentiment of the public at large. When I talk with Neighborhood Board members living in my district, when I speak with constituents while walking through the district, I have never once heard them tell me ... 'Hey, Quentin, we want our state government to get bigger.' 'Quentin, we want more government spending.' 'Quentin, we are madly in love with the idea of having state government that will spend more of our hard-earned dollars.' No, my constituents have never uttered these words, but they have told me that government has gotten too big, and that government spending is out of control. Adding a 12 percent increase to government spending in the current budget is not needed and is contrary to what our public wants.

"Third, a 12 percent increase in the state budget is ludicrous when compared to the size of our economy which is growing by only 1.9 percent. Mr. Speaker, we all know that government revenues are generated from and directly dependent on the economy. Therefore, how can we sustain a government that is growing six times faster than the economic revenue base? It just doesn't make sense to increase government spending at a rate of 12 percent when our economy is only increasing by 1.9 percent. As mentioned earlier, I also question the need for increasing spending by 12 percent when our population hasn't grown to that extent.

"Fifth, and probably most important, our state government today misplaces our taxpayers' money. It seems that our state government has so much extra money that hundreds of millions of dollars can be lying around in special funds or misplaced without worry or accounting. We are always in embarrassing positions of losing and finding money, as if we were lifting a mattress at home and unexpectedly finding a twenty dollar bill, or looking under the sofa and excitedly finding loose change. Just last week we found over a hundred million dollars sitting idle in HFDC. And every couple of weeks, Budget and Finance Director Earl Anzai finds thirty, forty or fifty million dollars lying around in another special fund. Perhaps we should make a fundamental change to our budget and fiscal structure with regard to special funds altogether.

"Mr. Speaker, we all know that in the economic boom years, Hawaii stashed hundreds of millions and even billions of dollars away in special funds, so now in these troubled economic times perhaps we should bring these funds back into the general fund. Perhaps it is time to examine whether these funds are being spent efficiently, or perhaps it is time to reallocate these funds to more worthy and needed programs and services.

"Sixth, our state government wastes our taxpayers' money. Again, it seems that the agencies have so much money that they can afford to waste and squander millions upon millions. Take, for example, the six thousand dollars spent for filing cabinets within the Office of Environmental Protection. And take, for example, our state departments which, in many instances, are paying premium rents for class A offices in such high-priced buildings as Grosvenor Center, City Financial Tower, Central Pacific Plaza and Bishop Square. What is even more egregious is that some of these agencies have actually rented entire floors of prime class A office space and left them vacant for periods of over a year. This is waste that I can't justify.

"Another example of waste that is almost unnerving is when agencies fail to take the federal drawdowns that are available in various program areas. These agencies come to the Legislature and tell us if we give them a dollar, they will get a matching dollar from the federal government, or we give them the dollar but then they fail to apply for the match. Another waste in our current structure of government.

"My seventh point, and the reason why I am strongly opposed to this 12 percent increase in our State budget, is because it is being paid for by the stealth and underhanded tax increases. First, there is an elimination of our tax credits. This will mean that taxpayers will be paying \$65 million more per year out of their wallets and purses. This will mean that Hawaii will become even more unaffordable for average families. This will mean that even more local families will be leaving our islands because they simply cannot afford to live here anymore. What is even more egregious is that the poor and low income families will be hit the hardest. The cuts in the food tax credit and the rental tax credit will directly take food and shelter away from those who need it most. The elimination of the medical general excise tax credit is unconscionable. Not only do we have the gull to tax the ill and infirmed on their medical bills in the first place, but now we are taking away what little relief they were receiving via the tax credits. We are also taxing our most frail and vulnerable population with a six percent nursing home tax. Think about how unjust this is -- taking away from the limited fixed incomes of our senior citizens. Mr. Speaker, I ask my colleagues ... how can we justify a 12 percent increase in government spending that will be funded by increasing taxes for our tax-beleagured families, and especially the poor and the elderly?

"Lastly, Mr. Speaker, I cannot support an increase in taxes to cover our fiscal irresponsibility when we have not done enough to reduce or rightsize our government. I ask whether the 109 positions in the Office of State Planning are truly necessary, or as HFDC justified its 97 positions in the work that it does. Have we attempted to privatize various areas of our government to reduce costs? I ask my colleagues, when they mention that nothing has been proposed, I ask them to take a look at Senator Liu's proposed budget which almost completely answers the shortfall in revenues by privatizing the State hospitals. We must rethink government and create innovative ways to reduce spending while maintaining the same amount and quality of services.

"In closing, I am asking my colleagues -- Republicans, as well as moderate to conservative Democrats -- to stand up for what is right by voting against what is wrong. Do not expand the state budget. I am also asking my freshmen colleagues to question why they are here. I ask them if their constituents voted for them to come here and increase the size of government. I ask them to simply vote the way their constituents would like them to vote. We must not increase the size of government.

"I thank you for a lot of time here, Mr. Speaker."

Representative Chun Oakland then rose to speak in favor of the bill, stating:

"First, I'd like to thank very much the Finance Committee Chair and Vice Chair, the Committee members, as well as the hardworking Finance staff and Ways and Means.

"I really appreciate that a number of our programs have been restored within the human services budget and to specifically name three: The youth services -- \$1.4 million has actually been put into our budget that will help youth services greatly. Also with regards to the Executive Office on Aging, the Senate version of the bill at one time had proposed both eliminating the Executive Office on Aging as well as the Office of Children and Youth, and both offices have been restored, and I would like to thank the Finance Committee for that.

"I would also like to highlight some of the cuts in the budget that Chairman Say was able to share with us yesterday. In the area of economic development, there has been a decrease -- substantial decrease -- in the budget (general funds). In employment programs, same thing -- decrease. In transportation, it basically has been decreased a little but is not increasing at all. In environmental protection, the programs have been cut. In health, the programs have been cut (general funds). In higher education -- cut. In culture and recreation -- cut. In individual rights -- cut. In human services, increased a bit ... I appreciate that. Lower education, increased a bit ... thank you for that. Public safety, increased a bit ... thank you. And government support, which I think there is some criticism about, and I believe this body is looking at this.

"I wanted to go back to human services. The Minority Leader and I both came in at the same time -- in 1990. If you look at this chart, the demand for human services has increased substantially. In 1991, our freshmen class, instead of celebrating Opening Day, I guess, did not celebrate but mourned the start of war. Hurricane Iniki, in 1992 -- 911 September 11th -- devastated Kauai; 1993, 1994 and 1995 -- plantations closed and still closing. People are hurting and that's when government should be there for them. So if anybody talks about increasing government spending, we have done that in the area of helping families. We have the Department of Human

Services personnel ... they should be taking care of caseloads -- less than a hundred cases per worker. What are they doing? They are taking care of 250 cases average. Talk about government employees lack of cases -- they're doing it.

"So I truly support this budget, and I appreciate what the body has done these past four years.

"Thank you."

Representative Pepper then rose to speak in favor of the bill, with reservations, stating:

"Mr. Speaker, I believe that the Chair of the Finance Committee and the Committee members have done a courageous job of dealing with a projection of unexpectedly low state revenues and constantly increasing demands for government services. And don't tell me that the citizenry wants government cut. They want the part of government that doesn't affect them cut, but not that part they want or need. I only need point to the Bureau of Conveyances as a supposedly essential service during the strike last year.

"But attitudes toward government are a matter of symbols as well as reality. And everyone has his or her symbol of poor judgment in government spending. My symbol is the special events arena at the University ... spending money on special events arena at the University when Hamilton Library is full and we need a new library, but the special events arena at the University was built.

"I note with sadness, however, that the budget contains money for improvements in this new arena. Yes, I know it is not coming from the general funds, but for me it is a symbol of something we should not be doing in these difficult times. It is a symbol of something we should not be doing when we have to tell people who need government help that they cannot have government help. It is symbol for me of something we should not be doing when we have to tell sick people that they cannot get the help they need.

"Thank you, Mr. Speaker."

Representative Meyer then rose to speak against the bill, stating:

"Although our conferees made a valiant effort to balance the proposed state budget by addressing the over-ambitious spending plans of the former administration, I believe that they did not go far enough. How can I say this? Is this a slap in the face of my colleagues? No, Mr. Speaker.

"What we have before us today is a slap in the taxpayers' face. That slap comes in the form of a \$65 million tax increase. That's right, Mr. Speaker ... a tax increase! By reducing and eliminating the three tax credits on the table which we are told were necessary to balance the budget, we have, in effect, raised taxes on our already overburdened constituents. For even with the tax credits, Hawaii already ranks fourth highest in the nation in per capita tax burden. With the adoption of House Bill 1472, we will be adding an average of \$60 to \$65 more in taxes paid for every man, woman and child in this state.

"I issue this challenge to my Democratic colleagues. I challenge you to spend the interim delving into the ways government spends our taxpayers' dollars. I challenge you ... do not wait until the next session to look into the various departments of state government to see how our tax dollars are being spent. I personally am looking forward to the next nine months where I can become

much more informed as to what goes on in every department of government because, having spent the short time here, I do have a much better picture of how complex and how gargantuan the government is.

"I challenge my Democratic colleagues to change the mindset that the only way government can solve problems is by spending more and more tax dollars on the problem. We must change that attitude and recognize that it takes not only sweat, but innovation, creativity, and courage to truly address the problems confronting state government.

"The challenges will become greater in the next few years with the changes that are being made in Washington. We must also make sure that public administrators and public employees alike share our discovery that, yes, there is a bottom to the honey jar and, yes, we just can't go out and raise more and more money to satisfy the hungry pig called state government. When I say innovative and creative ways of saving money, there are many, and Senator Liu has mentioned many of them.

"I think it's a crime that the State Hospital System which cost roughly 20 percent more to operate than private hospitals, allows \$100 million in accounts receivable to just sit there -- uncollected. They can come to this body and ask for money. Businesses just can't do that and our hospitals should not be allowed to do that. They should be sent back and asked to make every effort to collect the moneys due them.

"There are other areas we can save. Why should we pay \$42 a month for parking? That's a bargain. We should pay double that. We could collect another four to five million dollars if we all paid twice what we pay now and it would still be a bargain.

"The Department of Business, Economic Development and Tourism ... any experience I have had when I was not a member of this body but as a private taxpayer, and I would go down to find out about various things they were doing. I have yet to see the successes of their programs -- the large fishing vessel program that they had where they would lend millions of dollars in an effort to support fishing. I think 68 percent of their loans are past due. I have no idea how hard they are trying to collect those funds, but if they are responsible I would like to see and I hope to, in the interim, go down to DBEDT, ask the hard questions when we have the time. I would like to have them point out the successes that they have had in their programs.

"Another program -- the JOBS program. I read an article which said, for every single mother that got a job from the training, it cost a hundred thousand dollars. That doesn't seem like a bargain -- there must be a better way. If we would just eliminate the Department of Business, Economic Development and Tourism, we would save over \$30 million. These are just some examples.

"Another that comes to my mind is the State Hospital -- the State Mental Hospital. At present, there are 600 employees taking care of 160 patients. This seems amazing to me. I have talked to nurses there, people that have worked there for ten years. They feel that at least three quarters of these people would be better taken care of in small community homes and the criminally insane should be housed somewhere else. We should have a forensic unit where they can be kept more safely and health workers would not be jeopardized if they have been in the past.

"Mr. Speaker, I challenge all of us and especially you, as a Democratic Majority in the driver's seat, to ask ... why not change? We cannot continue to conduct business

as usual, and certainly not like we allowed it to be conducted during the last eight years.

"Thank you, Mr. Speaker."

Representative Arakaki then rose to speak in favor of the bill, stating:

"Perhaps for the Minority members who really don't understand the budget process, we should issue a challenge that maybe they should take the time during the interim to be educated about the budget process. I'm sure our Finance Chair and his Committee members can help out in that process.

"I guess what really bothers me is the misunderstanding regarding the budget. I think it is so easy to take apart, or to take potshots at different parts of the budget. But it reflects the kind of myopia that I think the Minority has in terms of what this budget reflects.

"Our purpose here as legislators is not just to nitpick and to complain. We're looking at the total public policy for the whole State of Hawaii, for our entire population of over a million people. And it is easy to criticize different parts of this budget and to criticize different kinds of spending, but there are times we need to look past that and see what the general good is that we're looking at. And as the Chair of Human Services mentioned, we have many needs that have to be met, and that's where the increases were. And every time cuts are attempted to be made in those areas, there is a hue and cry that we are insensitive. We need to take those things into account, and they keep saying that we've increased taxes. We haven't increased taxes. Granted, the tax credits are being reduced but we also have to take it in context because you and I were here, Mr. Speaker, when we provided those tax credits, and they were during the times when we had a surplus, and they were an attempt to equalize the fact that we were bringing in a lot more in revenues at that time and perhaps we needed to return that portion back to the people who needed it the most. But the fact is, the tax credits don't fall upon the poor because the poor don't really pay a lot of these taxes.

"So the budget, like a business, has to adjust itself. It's not a deficit. Like the Majority Floor Leader said, it's based on revenue projection. They have given us the revenue and there are times we need to take away to adjust as well. We need to downsize, and the downsizing includes taking away the benefits that we provided before. We don't have the kinds of excess revenues that we had before.

"But I especially want to thank the Finance Committee and our Finance Chair because I think for those of us who are really interested in making children and youth issues a priority, this budget expresses, even though there were cutbacks, it still expresses a real priority for children; the fact that we are going to continue the Office of Children and Youth and look at early childhood education and care, that we are going to continue prevention programs and gang prevention, an alternative to incarcerating our young people, that we are going to continue to keep our transition centers so that our young people can be trained and prepared for jobs, and we are finally going to look at how we can provide better mental health services in our community and in our schools for our children and adolescents. These are great needs for our children and they reflect an investment in our future. We cannot cut back on those areas. And I thank the Finance Chair and his staff for keeping those priorities in perspective.

"Thank you, Mr. Speaker."

Representative Anderson then rose to speak against the bill, stating:

"Mr. Speaker, I think we do understand the budget process but we don't like what we see. We can do better. We must not look past inefficiencies. This doesn't help those who need the assistance; we must face our inefficiencies.

"I, too, want to thank the many people that worked on this budget through the wee hours of the morning. They spent many, many hours, and I thank them for the time. But I am concerned that when government has a deficit, we look to raise taxes instead of having all departments on a regular cycle review in depth what they do well and should be doing, what they do just to do, what they can't possibly get to even though the project has been given to them. Those that work in each department are our experts and they know best what should be done.

"The government must require all departments on a regular basis to revisit ... what is their mission? Why are we here as a department? What are our policies? What are our goals? And how are we going to accomplish these goals? They then must be very open with the leadership and with the public. What must we insist that people and families do for themselves? What things can we decide that the private sector can do better for Hawaii than the public sector is doing now?

"I would hope that in the interim, we would begin to investigate all of our spending policies. The private sector does this on a regular basis to survive and hopefully to be profitable. Government should do no less.

"To raise taxes must be our last choice. We do have a spending crisis and not the money to cover the deficit. We plan programs that makes everyone feel good in the short term but which we soon discover that we can't afford. We must stop this yo-yo financial planning.

"The bottom line is that we must all live within our means and taxing must be our last solution. If business is humming, jobs are available, appropriate taxes are available for government to do what they must do, the things that individuals cannot do for themselves, cut the red tape, cut the delays, cut the regulations, let people be hardworking and creative, let government encourage success and step out of the way.

"Thank you."

Representative Swain rose to speak in favor of the bill, stating:

"Many, many times, people say, isn't it horrible to be a Republican in the Legislature because they don't get chairmanship, they don't have as much responsibility that they would want, but you know, when it comes down to floor sessions, it's wonderful. It's great to be a Republican because you can criticize without any responsibility. You have no responsibility for any actions. . .

Representative Thielen rose and stated:

"Mr. Speaker, I would like to ask him to stick to the bill. . .

The Chair answered:

"You're out of order. You're out of order."

Representative Thielen continued:

"I would like to ask him to speak to the bill, Mr. Speaker."

The Chair stated:

"You're out of order. I think that the members on your side have been saying that consistently right through. Please proceed."

Representative Swain thanked the Chair and continued, saying:

"I think as a Minority Party, in dealing with issues like the bill that we are talking about, in dealing with the budget, it's absolutely wonderful because you can continue to criticize every aspect of the budget directly to the people that are responsible for it without having any responsibility yourself. You don't have a chairmanship of Human Services like Representative Chun Oakland, where you have to deal with the issues of the human services and the people that are being affected by the economy, by the wars, by the hurricanes, and year after year, have to deal with getting some moneys to these people. You don't have that responsibility. You don't have the responsibility of Chairman Say who has to deal with every single person on this floor's desire to have their constituents taken care of.

"But you can stand up and you can complain and you can criticize constantly. And as a body, one united effort criticizes the efforts of the other party that is in here, that is working just as hard to make those hard cuts because we have the responsibility, and we take the responsibility seriously. It is like the 'Monday morning quarterbacks' that I continually sit with when I watch a football game. They tell you what the quarterback is doing wrong all the time. Put in the game, will they be able to accomplish any better? No. Put in the game, we are the ones that have to make the tough decisions -- constantly, consistently -- to try and do the best we can for the State of Hawaii and the people that we represent. We do that. We make tough decisions and will continue to make those tough decisions in light of the criticisms that have been raised this day.

"Thank you very much, Mr. Speaker."

Representative Thielen then rose and stated;

"After listening to the speaker from. . .

The Chair interrupted and asked:

"Will you please proceed ... are you for, are you against, or you're in between, Representative?"

Representative Thielen responded:

"You know, Mr. Speaker, I was trying to make up my mind as I was sitting and listening to the debate on the floor, and I would like to tell you that the comments from the speaker from Kilauea, Kauai, have made me proud to be a Republican and to stand up and vote against the budget."

The Chair interrupted and said:

"Thank you very much. It makes it complete. It shows the responsibility on your side. Proceed, please."

Representative Thielen thanked the Chair and continued, saying:

"I thought the floor of the House of Representatives was open to free debate, that people could speak their conscience on this floor. I thought that it was important

to do that and to have other members listen and try to learn from the words -- not try to attack the person, but to listen to the ideas and the concepts. I'm not tired of democracy; I'm not tired today, because I think that democracy must flourish here. We must be able to listen to what I believe in, to what Representative Chun Oakland believes in, and to be able to listen to those ideas and draw the good pieces of those ideas, and to say where we disagree and where we agree. But not to attack each other as people.

"It is difficult, Mr. Speaker, being a Republican in this body, and to stand up to speak against. . .

The Chair interrupted and said:

"Representative, will you please speak to the merits or demerits of the budget."

Representative Thielen responded:

"I am. I'm saying it is difficult at times to be a Republican in this body and stand up against a bill, and to realize that we are standing up probably against the other ... how many of there are you -- 44, 46? ... standing up against the rest of you and trying to challenge the bill on the merits. I don't think it's irresponsible to vote against the budget. I strongly support many, many aspects of the budget, but it ultimately comes down to obeying one's conscience, and that is what I must do, Mr. Speaker.

"When we look at \$1.17 billion more in the budget and a 12 percent increase, and we look at the government spending growth rate, or the growth rate of government spending exceeding our revenue growth rate, then we know something is wrong. We haven't dealt with it in a way that is responsible to the citizens of Hawaii.

"The Chairman of the Finance Committee challenged us for creative ideas. I'd like to direct the Chairman to page 10 of the Conference Committee Report which adopts the idea that I have been promoting for a number of years now -- to eliminate the Office of International Relations -- because its actions and its scope of work are being performed by another department -- Business and Economic Development. The Conference Committee Report agreed and said, okay, OIR is out because its functions have been taken over by the Department of Business and Economic Development.

"We have the ideas, Mr. Speaker. One is being implemented in this budget, and we have other ideas that we have been saying today on the floor. For example, HFDC -- why is that still needed? And then we can also look at HCDA, the five million dollar loss that we should have been able to avoid if we had taken a look at the twin residential towers at McKinley High School and voted no to those before. Some of those matters, Mr. Speaker, would have allowed us to save more money for the taxpayer. . .

Representative Amaral then rose on a point of order and stated:

"I believe the good Representative yielded some of her time and that her time presently is up for her second speech."

Representative Thielen retorted:

"I think it isn't, Mr. Speaker. I only gave up two minutes of my time."

The Chair responded:

"No, Representative, you cannot give two minutes of your time. When you yield, you give the whole ten, and that's the way the Chair rules."

Representative Thielen asked:

"Are we letting democracy flow or be shunned on this floor today, Mr. Speaker?"

Representative Amaral then asked for a recess, and at 12:19 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 12:20 o'clock p.m., Representative Marumoto rose and yielded her ten minutes to Representative Thielen.

Representative Thielen thanked the Chair and continued:

"But I do have to preface it. I don't think we should have to fight to be able to speak on the floor of the House of Representatives. I think this is what the whole debate on the budget is about. And I realize that what you're hearing from the Minority members ... I'm sorry I'm going to do as my freshman colleague did and I'm sorry about this. . .

The Chair interrupted and said:

"Will you please proceed on the merits or demerits of the bill."

Representative Thielen responded:

"I'm trying to, Mr. Speaker. . .

At 12:21 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 12:24 o'clock p.m., the Chair recognized Representative Thielen and she stated:

"Thank you, Mr. Speaker.

"It is hard being part of the small Minority, Mr. Speaker, that stands to oppose the budget. I do it proudly; I do it with the hope that the others in this hall will understand our opposition. Our opposition is not to the good programs that are being funded. Our opposition is because we realize that we must -- we must -- cut back; we must find ways to reduce the cost of government. We must help the people out there in the community who are struggling so hard to even get by. I believe that we can do it, Mr. Speaker. And I would hope that with the Minority standing in united opposition to the budget, that we could send the signal that we must, Mr. Speaker, we must cut back, and we must help Hawaii's people by doing this.

"I am sorry that I ended up saying this with tears a few minutes ago, but I guess it's an emotional feeling that I have, that I felt deeply hurt by a few comments, Mr. Speaker, from some members that seem to attack us as people, as if we cared less, and as if we weren't really taking a part in this process, in making hard decisions. I think we are, Mr. Speaker, but I think we must stand with our conscience, and we must say that we cannot, in good conscience, vote for this budget.

"Thank you, Mr. Speaker."

Representative Ward rose in rebuttal and stated:

"Mr. Speaker, I think what we are seeing is vintage checks and balances that the forefathers of democracy put

forth--point, counterpoint, facts, different interpretations, different conclusions. I think this is very healthy, but in all due respect to the Chair of the Human Services Committee, I think in the present role of the Minority, we have to be a consumer protector to say ... truth in advertising. When those charts, when those parole charts came up, Mr. Speaker, what we who haven't seen those don't realize is that government spending went up a hundred percent the last eight years. We doubled the spending of the taxpayers of this state in the last eight years. The last administration literally doubled the cost of each one of those departments which she sadly said, 'is being cut.' Double the spending! Now this is to say, if you're leasing a car and every year you get a Lexus, we're only going to rent a Volvo for you this year. That's what the context of what we're talking about is about.

"To the good Representative from Kauai, the Minority is responsible to all the people of Hawaii like you are. No one owns this seat that we sit in. It belongs to the people. If anything, the role of the Minority -- the seven of us -- is to keep in check, as the forefathers put in checks and balances together, to keep in check 44. When you're only 7, that is a tough job. Our role is to keep you honest, what's good into the hopper of passage, and what's bad, kicked out.

"Some of the things we said today was not to upset you, but to say over forty years of your control, some things have happened that are problematical. We need to solve those. Your lower Minority is simply pointing those out. Mr. Speaker, here's what we're saying ... there's a better way to do things, there's a better way than tax and spend. That's our whole message. It's not in the spirit of meanness; it is in the spirit of objective interpretation of the data ... there is a better way to run the government of Hawaii.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1220, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE BUDGET," having been read throughout, passed Final Reading by a vote of 44 ayes to 7 noes, with Representatives Anderson, Halford, Kawanakoa, Marumoto, Meyer, Thielen and Ward voting no.

The Chair directed the Clerk to note that H.B. No. 1220 had passed Final Reading at 12:28 o'clock p.m.

Conf. Com. Rep. No. 120 and H.B. No. 1262, HD 1, SD 1, CD 1:

On motion by Representative Say, seconded by Representative Kawakami and carried, the report of the Committee was adopted and H.B. No. 1262, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY," having been read throughout, passed Final Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. No. 1262 had passed Final Reading at 12:29 o'clock p.m.

Conf. Com. Rep. No. 121 and H.B. No. 1780, HD 1, SD 1, CD 1:

Representative Say moved that the report of the Committee be adopted and H.B. No. 1780, HD 1, SD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Kawakami.

Representative Kawanakoa rose to speak in favor of the bill, with reservations, stating:

"Mr. Speaker, I find it quite troubling that we found room to expand government spending by 12 percent and yet when we look at OHA's budget, we found only .35 percent, less than one-half of one percent to increase their budget. Is the philosophy the same on both the sState budget and the OHA budget?

"We look at the Committee report and it says: 'In the past, your Committee has expressed concern over OHA's questionable and inconsistent use of trust funds.' I guess they're referring to their spending habits. I wonder if we question our sState's spending habits in the same light.

"This is very difficult for me to understand the policy reasons that changed 180 degrees from a 12 percent increase in spending to basically a zero growth rate for OHA. Does that mean that OHA is not doing good for our communities? Does that mean OHA is not helping the most needy in our communities? I think it is quite evident that the Hawaiian populace, the Hawaiian community, is faced with many of the most difficult problems.

"I find it difficult that we can increase our spending on the sState side 34 times the rate than what we would expect OHA to spend. And yet we have incidents of where we keep looking at OHA to take on more of the burdens of our state government, whether it's in education, whether it's in housing, whether it involves Mahalana Valley, and passing titles to the preps who won't have to worry about the infrastructure the next time around.

"I am very concerned with the notion that OHA can remain at zero percent growth, and yet, the policymakers here have determined that it's inevitable that we have to grow to keep up with greater needs of our populace. There is an inconsistency here, Mr. Speaker, and I hope we can redress it in the interim.

"Thank you."

Representative Amaral then rose to speak in support of the bill, stating:

"I speak in support of the budget albeit that this budget has been cut somewhat, and I note simply for the record that three years ago the Office of Hawaiian Affairs got \$120 million cash. I note that each year, they receive \$40 million from the ceded lands revenue. Neither of those two pockets of money can this Legislature ask information about how that is being spent. We have no jurisdiction over that information, and properly so. That is ceded lands revenue and it goes to OHA to spend with as it will.

"But in the face of difficult times, given all this revenue that continues to pour in each year, I note that the budget, I believe, properly is as it should be with the Office of Hawaiian Affairs.

"Thank you."

Representative Chun Oakland then rose and requested that Representative Amaral's remarks be entered into the Journal as her own, and the Chair "so ordered." (By reference only)

Representative Chun Oakland continued:

"In addition, a point of clarification.

"OHA has been good in servicing those of 50 percent blood quantum or more; however, I know just within our human services budget, if you look at jobs, if you look at child care, if you look at many of the other programs, approximately 40 percent of the beneficiaries of these

programs have Hawaiian ancestry but they do not qualify for OHA assistance.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1780, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS BUDGET," having been read throughout, passed Final Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. No. 1780 had passed Final Reading at 12:34 o'clock p.m.

At 12:35 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 1:21 o'clock p.m.

SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 767 to 787) were read by the Clerk and were placed on file:

Sen. Com. No. 767, returning H.B. No. 283, entitled: "A BILL FOR AN ACT RELATING TO CREDITORS' RIGHTS," which passed Third Reading in the Senate on May 1, 1995.

Sen. Com. No. 768, returning H.B. No. 295, entitled: "A BILL FOR AN ACT RELATING TO THE STUDENT LOAN ASSISTANCE PROGRAM," which passed Third Reading in the Senate on May 1, 1995.

Sen. Com. No. 769, returning H.B. No. 806, entitled: "A BILL FOR AN ACT RELATING TO TORT REFORM," which passed Third Reading in the Senate on May 1, 1995.

Sen. Com. No. 770, returning H.B. No. 1687, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES HEALTH FUND," which passed Third Reading in the Senate on May 1, 1995.

Sen. Com. No. 771, returning H.B. No. 1838, HD 1, entitled: "A BILL FOR AN ACT RELATING TO POULTRY INSPECTION," which passed Third Reading in the Senate on May 1, 1995.

Sen. Com. No. 772, returning H.B. No. 1840, entitled: "A BILL FOR AN ACT RELATING TO ANIMAL QUARANTINE," which passed Third Reading in the Senate on May 1, 1995.

Sen. Com. No. 773, returning H.B. No. 1841, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AQUACULTURE LOANS," which passed Third Reading in the Senate on May 1, 1995.

Sen. Com. No. 774, returning H.B. No. 1842, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL LOANS," which passed Third Reading in the Senate on May 1, 1995.

Sen. Com. No. 775, returning H.B. No. 1844, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL LOANS," which passed Third Reading in the Senate on May 1, 1995.

Sen. Com. No. 776, returning H.B. No. 1846, HD 1, entitled: "A BILL FOR AN ACT RELATING TO

AGRICULTURE," which passed Third Reading in the Senate on May 1, 1995.

Sen. Com. No. 777, returning H.B. No. 1847, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," which passed Third Reading in the Senate on May 1, 1995.

Sen. Com. No. 778, returning H.B. No. 1875, entitled: "A BILL FOR AN ACT RELATING TO FOREIGN-TRADE ZONES," which passed Third Reading in the Senate on May 1, 1995.

Sen. Com. No. 779, returning H.B. No. 1877, entitled: "A BILL FOR AN ACT RELATING TO GUARANTEE OF COMMERCIAL LOANS," which passed Third Reading in the Senate on May 1, 1995.

Sen. Com. No. 780, returning H.B. No. 1923, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BENEFIT SOCIETIES," which was passed Third Reading in the Senate on May 1, 1995.

Sen. Com. No. 781, returning H.B. No. 2008, entitled: "A BILL FOR AN ACT RELATING TO AQUATIC LIFE," which passed Third Reading in the Senate on May 1, 1995.

Sen. Com. No. 782, returning H.B. No. 2021, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COMPENSATION OF CRIMINAL INJURIES," which passed Third Reading in the Senate on May 1, 1995.

Sen. Com. No. 783, returning H.B. No. 2025, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," which passed Third Reading in the Senate on May 1, 1995.

Sen. Com. No. 784, returning H.B. No. 2034, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE TAXATION OF FINANCIAL INSTITUTIONS," which passed Third Reading in the Senate on May 1, 1995.

Sen. Com. No. 785, returning H.B. No. 2053, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION DEMAND MANAGEMENT," which passed Third Reading in the Senate on May 1, 1995.

Sen. Com. No. 786, transmitting S.C.R. No. 237, SD 1, HD 1, CD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE ALA WAI WATERSHED ADVISORY COMMITTEE, THE MAMALA BAY COMMISSION, AND THE KUHIO STORMDRAIN PROJECT TO ADDRESS CONCERNS RELATED TO WATER QUALITY OF WAIKIKI AREA BEACH WATERS," which was adopted by the Senate on May 1, 1995.

Sen. Com. No. 787, transmitting S.C.R. No. 246, SD 1, HD 1, CD 1, entitled: "SENATE CONCURRENT RESOLUTION RELATING TO DRINKING WATER TESTING," which was adopted by the Senate on May 1, 1995.

UNFINISHED BUSINESS

Conf. Com. Rep. No. 2 and H.B. No. 518, HD 1, SD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 518, HD 1, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO

ENERGY CONSERVATION," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 3 and H.B. No. 1878, HD 2, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1878, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE ENTERPRISE ZONES," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 4 and H.B. No. 1431, HD 1, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1431, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 5 and H.B. No. 51, HD 1, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 51, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO NOISE," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 6 and H.B. No. 22, HD 1, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 22, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ENVIRONMENT," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 7 and H.B. No. 2000, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2000, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO WAGES AND HOURS OF EMPLOYEES ON PUBLIC WORKS," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 8 and H.B. No. 149, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 149, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 9 and H.B. No. 2179, HD 1, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2179, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO REAL PROPERTY," having been read throughout, passed Final Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 518, 1878, 1431, 51, 22, 2000, 149 and 2179 had passed Final Reading at 1:23 o'clock p.m.

Conf. Com. Rep. No. 10 and H.B. No. 819, HD 1, SD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 819, HD 1, SD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Kahikina rose to speak against the bill, stating:

"Mr. Speaker, I thank the authors of this bill. I think the issue here is well deserved of its consideration.

"Why I'm voting down on this is because I represent a very economically depressed community, and I find that this type of measure affects the poor people. And basically, holding parents accountable for their children's derelict behavior is part of a solution, but I think we need to address more of the derelict adolescents. Therefore, I'm voting down on this measure.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 819, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO GRAFFITI," having been read throughout, passed Final Reading by a vote of 49 ayes to 2 noes, with Representatives Alcon and Kahikina voting no.

Conf. Com. Rep. No. 11 and H.B. No. 1965, HD 1, SD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 1965, HD 1, SD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Case rose to speak in support of the bill, stating:

"Mr. Speaker, we have accomplished much in this Legislature, but, in the unfinished business category, and as we have heard extensively this morning and I agree, I believe the largest single issue is the operation of our state government. I don't just mean the size and expense of it, and one doesn't have to be a member of the minority party to share those concerns deeply. I mean the whole way it fits together, it operates, it produces, regardless of how big it is or how much it costs.

"We need to improve that operation in many ways. We need better cross-training so that employees can move from one section, one department to another when their areas get cut or when the need arises. We need to get away from this insane micro-job classification system we have. We need to totally abandon a seniority advancement approach and move to merit-based employment and advancement. We need true incentive-based salaries and bonuses. We need to revisit our entire collective bargaining scheme and reclaim our legislative prerogatives and flexibility; our hands cannot be tied in any way when we have a fiscal crisis such as at present. We obviously need to reduce state government ranks at least through normal attrition and a general hiring freeze.

"Mr. Speaker, this bill is one of two or three we are passing today which offer the germ of such reform. It provides the library system with flexibility to move personnel around where needed. Other bills include

Senate Bill 396, which essentially tells the Department of Education to move people out of a bloated mid-level bureaucracy and back into the classroom before we simply hire more teachers. Credit is due to the Chairs of our Education and Finance Committees for these efforts.

"These bills deserve our support because of what they begin. I will be working in the interim on the remainder of these areas, and I very much welcome the opportunity to work with others of you, on both sides of the aisle, who share my deep concerns.

"Thank you, Mr. Speaker."

Representative Tarnas then rose to speak in favor of the bill, stating:

"Mr. Speaker, this bill will continue the initiatives that were started several years ago to improve the cost-effectiveness of the library system, and it gives the library system several tools to make it more cost-effective.

"In these times of austere budgets, this is the sort of example that we need to follow in looking at other parts of our state government. As my colleague just described, these are the efforts that we seek to further in our efforts here at the State Legislature.

"Thank you very much, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1965, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII STATE PUBLIC LIBRARY SYSTEM," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 12 and H.B. No. 898, HD 2, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 898, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST KAPIOLANI HEALTH CARE SYSTEMS," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 13 and H.B. No. 1968, HD 2, SD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 1968, HD 2, SD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Ward rose to speak against the bill, stating:

"It's chronologically rather incorrect in my way of thinking to ask that we eliminate the premarital test for rubella and then wait until a woman is pregnant to say ... you know, we're really going to require that you take this blood test to see if you have rubella. It's really after the fact. It's dangerous and I know there's going to be a brochure that's going to be given out.

"I don't think it's good public health policy, contrary to what some sound medicine people may think. Even if we save one or two fetuses because of this, I think it is worthwhile. I just don't see if we're saving a nickle that we may, in fact, lose a dollar in terms of the safety of our people.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1968, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO RUBELLA TESTING," having been read throughout, passed Final Reading by a vote of 49 ayes to 2 noes, with Representatives Thielen and Ward voting no.

Conf. Com. Rep. No. 14 and H.B. No. 813, HD 1, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 813, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO PARENTAGE," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 15 and H.B. No. 1188, SD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 1188, SD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Case rose to speak in support of the bill, stating:

"Mr. Speaker, this is one of a number of bills up for passage today which, in essence, attempt to restore public trust in government. They do so by strengthening government ethics, campaign spending and campaign finance requirements and administration.

"These bills were supported by many, including your freshmen class on both sides of the aisle. Of these bills, Dan Mollway, Executive Director of our State Ethics Commission, said that he is 'extremely pleased.' And I think the members know that when we satisfy Mr. Mollway, we deserve to pat ourselves on the back.

Mr. Speaker, credit is due to the Chair of your Judiciary Committee, who heard these bills and shepherded them through. I am very hopeful that their result will be our earning greater credibility with the public as we continue to confront the tough issues that lie ahead.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1188, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE ETHICS COMMISSION," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 16 and H.B. No. 1485, HD 2, SD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 1485, HD 2, SD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Yoshinaga rose and stated:

"I rise to speak in strong support of this measure and thank the conferees for working hard in finding a balance to allowing the Liquor Commission the flexibility it needs to address the concerns of my community, as well as other communities, in the revocation or suspension of a liquor license for public welfare consideration such as criminal activities within the premises.

"My district, as you know, includes the Keeaumoku area that includes several bars that may be affected by this bill. We wanted to find a balance between community concerns as well as business needs. It is my hope that this bill points us in that direction to helping my community and other communities that are under similar circumstances with respect to differing needs."

"Basically, I want to thank this legislative body in advance for voting in favor of this measure."

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1485, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR COMMISSION," having been read throughout, passed Final Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 819, 1965, 898, 1968, 813, 1188 and 1485 had passed Final Reading at 1:31 o'clock p.m.

Conf. Com. Rep. No. 17 and H.B. No. 1770, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1770, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF AGRICULTURE," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 18 and H.B. No. 26, HD 2, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 26, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLES," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 19 and H.B. No. 1385, HD 2, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1385, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO DRUG PRODUCT SELECTION," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 20 and H.B. No. 1790, HD 1, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1790, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO GAME MAMMALS," having been read throughout, passed Final Reading by a vote of 49 ayes to 2 noes, with Representatives Morihara and Thielen voting no.

Conf. Com. Rep. No. 21 and H.B. No. 2013, HD 1, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2013, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONSERVATION DISTRICT," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 22 and H.B. No. 715, HD 1, SD 2, CD 1:

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 715, HD 1, SD 2, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Hiraki rose to speak in favor of the bill, stating:

"Mr. Speaker, rarely do I get to work on a bill that will directly result in saving lives. House Bill 715 is one such bill because it strengthens our DUI law and will remove more intoxicated drivers off our roads."

"Basically, this bill will reduce the alcohol concentration required to convict a person driving under the influence from .10 to .08; and number two, establish a felony offense for those who are convicted of habitually driving under the influence of alcohol or drugs."

"When this bill becomes law, Mr. Speaker, Hawaii will become only the twelfth state in the nation to reduce the alcohol concentration to .08. Once again, Hawaii will be in the forefront of responsible legislation."

"I would like to express my sincere thanks to the members of the Transportation Committee, especially my Vice Chair, Representative Nakasone, who always asks me the question: 'How does this affect the counties?'"

"I would also like to express a special thanks to Representative Terrance Tom for his support and hard work in crafting this special legislation."

"Thank you."

Representative Tom then rose to speak in favor of the bill, stating:

"Mr. Speaker, when I became the Chair of the Judiciary Committee in 1993 under your leadership, I was determined that the Committee would do all it could to address the problem of drunken driving in this state. As you will recall, Mr. Speaker, back then the Criminal Justice System seemed helpless to impose any penalties upon drunk drivers. The cases were stacked up in court awaiting jury trials, and the guilty were going unpunished. I guess a ticket for jaywalking carried more consequences than an arrest for driving under the influence because no one was going to trial."

"Well all that has now changed, Mr. Speaker, and the measure before you at least completes the framework for a comprehensive approach to reducing the carnage on our roads. This measure brings our law into harmony with the scientific evidence that driving skills are seriously impaired once the blood alcohol level reaches .08 percent."

"In addition, it provides for severe penalties to be imposed against those who habitually drive while under the influence. Together with the elimination of the backlog in the circuit courts, the statutory scheme now provides all the tools necessary to attack this problem in a comprehensive and effective way. The battle in the Legislature has at least been won."

"The focus must now shift to us as individuals. We must ourselves join in the fight with Mothers Against Drunk Driving to change society's attitudes toward drinking and driving at the same time. We must convince every individual in the state that driving under the influence is socially unacceptable and as dangerous as playing with fire. We are reminded every week of the

pervasiveness of the problem when yet another drunken driver cripples or kills one of our friends or neighbors.

"It is time to end this slaughter once and for all. The tools are in place. It is up to each of us to win this battle on the streets and in our community. It is our lives that are at stake and the lives of our families, our friends, and our fellow citizens.

"I would like to take this opportunity also to thank the conferees and members of the Judiciary Committee and especially thank Chairman Hiraki of the Transportation Committee. Incidentally, my Vice Chair didn't talk about the counties. My Vice Chair just asked me, 'Is that affecting the TAT tax in any way?' I said, 'No way, this is a fine bill,' so he went along with it.

"Thank you, Mr. Speaker."

Representative Yoshinaga then rose and requested that Representative Tom's remarks be entered into the Journal as her own, and the Chair "so ordered." (By reference only)

Representative Yoshinaga continued, saying:

"I have been a personal victim of a drunk driver and there is nothing that you feel more powerless when I saw this car careening up behind me when I was stopped at an intersection. When he got out of his car, he was reeling and, you know, he was a young college student. Again, it wasn't a malicious act, it wasn't intentional -- you might view it as reckless. But I was lucky that I was not injured.

"Again, I want to commend the Chairs for this measure because if you have experienced an accident in that kind of manner, you would be in support of this kind of measure. I think if we save one life, it's done a great thing.

"Thank you very much."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 715, HD 1, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO DRIVING UNDER THE INFLUENCE OF INTOXICATING LIQUOR OR DRUGS," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 23 and H.B. No. 87, HD 1, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 87, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE TRAFFIC CODE," having been read throughout, passed Final Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 1770, 26, 1385, 1790, 2013, 715 and 87 had passed Final Reading at 1:37 o'clock p.m.

Conf. Com. Rep. No. 24 and H.B. No. 181, HD 1, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 181, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO AN AUTOMATIC FINGERPRINT IDENTIFICATION SYSTEM," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 25 and H.B. No. 1499, HD 1, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1499, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL INTERESTS DISCLOSURES," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 26 and H.B. No. 1853, HD 2, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1853, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL HISTORY RECORD INFORMATION," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 27 and H.B. No. 1857, HD 2, SD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1857, HD 2, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD SUPPORT ENFORCEMENT," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 28 and H.B. No. 2023, SD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2023, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL INJURIES COMPENSATION," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 29 and H.B. No. 2038, HD 2, SD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2038, HD 2, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL TAX PENALTIES," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 30 and H.B. No. 1244, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1244, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO ACTIVITY PROVIDERS AND ACTIVITY DESKS," having been read throughout, passed Final Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 181, 1499, 1853, 1857, 2023, 2038 and 1244 had passed Final Reading at 1:38 o'clock p.m.

Conf. Com. Rep. No. 31 and H.B. No. 1977, HD 1, SD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1977, HD 1, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO

THE ENVIRONMENT," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 32 and H.B. No. 112, HD 2, SD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 112, HD 2, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ENFORCEMENT OF THE STATE ETHICS CODE," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 33 and H.B. No. 1311, HD 1, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1311, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 34 and H.B. No. 1763, HD 3, SD 2, CD 1:

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 1763, HD 3, SD 2, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative White rose to speak in favor of the bill, stating:

"Mr. Speaker, as we have discussed many of the ways in which we could improve the operation of state government throughout this session and we've heard a number of comments this morning regarding the budget in that regard, I would just like to point out that the measure before us relating to Hawaiian fishponds is a measure in which we have trimmed down the process through which fishponds have got to go before they can be restored or worked on in any way. I think this shows that, where we have had a process requiring seventeen different permits and sometimes taking approval out to limits of three to five years, this body has moved to reduce that in the case of most fishponds to no more than six months.

"Again, I think as long as all of the members on both sides of the aisle focus on reforming government to the point where we are focused not on the process by which we approve things, but rather the results at the end of that process, I think we will be able to move in a responsible direction. I hope this is just one more sign that we're all working in the same direction, and I appreciate everyone's support on this measure.

"Thank you."

Representative Tarnas then rose to speak in support of the bill, stating:

"This bill is an excellent step forward in streamlining the permitting process for the revitalization of Hawaiian fishponds.

"The proposed reconstruction, restoration, repair, or use of any Hawaiian fishponds shall now be exempt from the requirements of Chapter 343, the state's environmental impact statement law, with specific conditions that ensure protection of our fragile ecosystems. I am a strong advocate of environmental management and of sustainable development. This bill provides a balance that will allow us to pursue these objectives with the Hawaiian fishponds.

"My commendations to the Vice Chair of the Judiciary Committee for his hard work on this matter.

"I encourage my colleagues to support this measure."

"Thank you, Mr. Speaker."

Representative Kawanakoa then rose to speak in support of the bill, stating:

"Mr. Speaker, I just wanted to reiterate what has been said before. I am in strong support of this bill. It is a step forward for us to take these measures under hand by bipartisan support in order to reduce our regulations on something that is probably so environmentally sound, we should not even consider it an environmental impact.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1763, HD 3, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN FISHPONDS," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 35 and H.B. No. 929, HD 2, SD 2, CD 1:

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 929, HD 2, SD 2, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Thielen rose to speak in favor of the bill, stating:

"I want to thank my colleagues for supporting this transfer of the Commission on the Status of Women to the Lieutenant Governor's Office, and the additional support to keep the Commission functioning.

"I think it is especially appropriate that this occurs at a time when our Lieutenant Governor is a woman, and also that the duties and functions in the supervision of elections are going to be removed from the Office of the Lieutenant Governor, and she will have more time to deal with these issues.

"Thank you, Mr. Speaker."

Representative Kawanakoa then rose to state his strong support for the bill and requested that Representative Thielen's remarks be entered into the Journal as his own, and the Chair "so ordered." (By reference only)

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 929, HD 2, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE COMMISSION ON THE STATUS OF WOMEN," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 36 and H.B. No. 1466, HD 2, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1466, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO MAXIMIZING FEDERAL REIMBURSEMENT FOR HAWAII'S VOCATIONAL REHABILITATION PROGRAM," having been read throughout, passed Final Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 1977, 112, 1311, 1763, 929 and 1466 had passed Final Reading at 1:43 o'clock p.m.

Conf. Com. Rep. No. 37 and H.B. No. 1643, HD 1, SD 1, CD 1:

By unanimous consent, action was deferred to the end of the calendar.

At 1:44 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 1:45 o'clock p.m.

Conf. Com. Rep. No. 38 and H.B. No. 1834, HD 2, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1834, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PUBLIC PROCUREMENT CODE," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 39 and H.B. No. 2107, HD 1, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2107, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO COFFEE," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 40 and H.B. No. 298, HD 2, SD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 298, HD 2, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 41 and H.B. No. 123, HD 2, SD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 123, HD 2, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO ALTERNATIVE METHODS OF TRANSPORTATION," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 42 and H.B. No. 1919, HD 1, SD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1919, HD 1, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE INSURANCE CODE," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 43 and H.B. No. 1426, SD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1426, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE

GENERAL EXCISE TAX," having been read throughout, passed Final Reading by a vote of 50 ayes to 1 no, with Representative Shon voting no.

Conf. Com. Rep. No. 44 and H.B. No. 1959, HD 2, SD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1959, HD 2, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO CONCILIATION PANELS," having been read throughout, passed Final Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 1834, 2107, 298, 123, 1919, 1426 and 1959 had passed Final Reading at 1:46 o'clock p.m.

Conf. Com. Rep. No. 45 and H.B. No. 1208, HD 1, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1208, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO DEPOSITS OF PUBLIC FUNDS," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 46 and H.B. No. 1997, HD 3, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1997, HD 3, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO FAMILY LEAVE," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 47 and H.B. No. 2215, HD 2, SD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 2215, HD 2, SD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Cachola rose and requested that his remarks, in favor of the bill, be entered into the Journal and the Chair, noting that there were no objections, "so ordered."

Representative Cachola's remarks are as follows:

"The purpose of House Bill 2215, HD 1, is to find a way for the State to assume \$500 million of risk for hurricane liability of the Hawaii Hurricane Relief Fund in order to stabilize rates. In addition, funds that homeowners would normally pay to the HHRF for hurricane coverage would instead remain in the fund and accumulate.

"Benefits of this proposal include:

- (1) A freeze in homeowner insurance rates.
- (2) When the fund balance reaches \$500 million, rates will be greatly reduced. If the fund level drops below \$400 million, rates will increase to replenish the fund.

"If this proposal is properly executed, the HHRF will save at least \$50 million per year. This estimate is based on my experience with the convention center. For an issue of \$350 million in bonds, the Department of Budget and Finance estimated the P&I, principal and interest, to

total \$33.5 to \$40 million per year if we draw the funds right away.

"If the HHRF issued \$500 million in bonds, the P&I is estimated to be \$50 to \$55 million, saving us \$25- to \$30 million. In addition, the \$500 million will generate \$25 million if invested at a 5 percent return rate.

"Some have raised concerns about risk, but during the establishment of the fund in 1993, the debate on this matter was settled. This bill would take action to reduce the heavy upward pressure on homeowners insurance rates. The administrator of the HHRF and the Insurance Commissioner support House Bill 2215, HD 1, and I urge your support as well."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2215, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 48 and H.B. No. 792, HD 2, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 792, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 49 and H.B. No. 111, HD 2, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 111, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO LOBBYING," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 50 and H.B. No. 471, HD 2, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 471, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO TELECOMMUNICATIONS," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 52 and S.B. No. 15, HD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 15, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," having been read throughout, passed Final Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 1208, 1997, 2215, 792, 111 and 471 and S.B. No. 15 had passed Final Reading at 1:49 o'clock p.m.

Conf. Com. Rep. No. 53 and S.B. No. 500, HD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 500, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO MEASUREMENT STANDARDS," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 54 and S.B. No. 424, SD 1, HD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 424, SD 1, HD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Tarnas rose to speak in favor of the bill, stating:

"This measure establishes an interim study group to develop legislation to permit the Department of Education to enter into lease agreements for the acquisition of public school facilities.

"I submit to you, Mr. Speaker, we must find ways to meet the growing need for classrooms in our State. Paying for it out of general obligation bonds is not going to make all of these facilities get built. Innovative arrangements with the private sector must be pursued, and I think this is a prudent way to do so.

"I submit that this is a very useful bill.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 424, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 55 and S.B. No. 995, SD 1, HD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 995, SD 1, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO PRIVATE SCHOOLS," having been read throughout, passed Final Reading by a vote of 49 ayes to 2 noes, with Representatives Chang and Pepper voting no.

Conf. Com. Rep. No. 56 and S.B. No. 1320, SD 1, HD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 1320, SD 1, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO ROADSIDE HERBICIDE USE," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 57 and S.B. No. 1577, SD 1, HD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 1577, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PAYMENT OF TAXES BY ELECTRONIC FUNDS TRANSFER," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 58 and S.B. No. 807, SD 1, HD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 807, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO PRESCRIPTIONS," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 59 and S.B. No. 1161, HD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 1161, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO SAVINGS BANKS INVESTMENTS," having been read throughout, passed Final Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that S.B. Nos. 500, 424, 995, 1320, 1577, 807 and 1161 had passed Final Reading at 1:50 o'clock p.m.

Conf. Com. Rep. No. 60 and S.B. No. 87, SD 1, HD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 87, SD 1, HD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Thielen rose to speak against the bill, stating:

"I am very pleased that several measures that would have impacted negatively on public safety have died in this session, but I am sorry that this one was not included in that group.

"This bill expands the pool of inmates being held prior to trial which are eligible to be released back into the community, and the only reason for expanding this number is to alleviate the overcrowding in the prisons. I don't think that's a valid reason to make such a decision. Statistics show almost 700 violent crimes will be committed daily, nationwide, by a defendant on pretrial release. I don't know what number this would translate to in Hawaii, but 700 violent crimes nationwide is a number to be concerned about.

"I cast my no vote based on concerns for public safety, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 87, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE RELEASE OF PRETRIAL INMATES," having been read throughout, passed Final Reading by a vote of 43 ayes to 8 noes, with Representatives Anderson, Halford, Kawanakoa, Marumoto, Meyer, Stegmaier, Thielen and Ward voting no.

Conf. Com. Rep. No. 61 and S.B. No. 158, SD 1, HD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 158, SD 1, HD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Kahikina rose and stated:

"For the same reasons of my objection to House Bill 819, I would like to have it inserted into the Journal," and the Chair "so ordered."

Representative Kahikina's remarks are as follows:

"Mr. Speaker, I thank the authors of this bill. I think the issue here is well deserved of its consideration.

"Why I'm voting down on this is because I represent a very economically depressed community, and I find that this type of measure affects the poor people. And

basically, holding parents accountable of their children's derelict behavior is part of a solution, but I think we need to address more of the derelict adolescents.

"Therefore, I'm voting down on this measure.

"Thank you."

Representative Cachola then rose to speak in support of the bill, stating:

"This bill is good for the community. What it does is, it deters defacing public property as well as private property.

"If the concern of some of the members of this body is that parents are going to be penalized together with their minor children, that they should not be, and the reason for that is that the court has given the flexibility to impose fines based on their ability to pay. If they cannot pay, the court will say, let the minor do community service.

"This flexibility safeguards the concerns of some of the members of this body and, therefore, I urge everybody to support this bill.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 158, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO GRAFFITI," having been read throughout, passed Final Reading by a vote of 49 ayes to 2 noes, with Representatives Alcon and Kahikina voting no.

Conf. Com. Rep. No. 62 and S.B. No. 159, HD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 159, HD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Kawanakoa rose to speak in favor of the bill, stating:

"I just wanted to express my gratitude that this body will hopefully be passing out an extension to the sunset provision. Originally, the House bill had eliminated the sunset provision altogether while, in my estimation, the testimony on both sides were compelling, that we weren't sure whether or not this was a prudent program.

"I am happy that in five years, we will be able to come back and address this issue again with perhaps more data and make a more informed decision, so I am very pleased to have it here before us again.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 159, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO SENTENCING," having been read throughout, passed Final Reading by a vote of 46 ayes to 5 noes, with Representatives Anderson, Marumoto, Meyer, Thielen and Ward voting no.

Conf. Com. Rep. No. 63 and S.B. No. 288, SD 1, HD 2, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 288, SD 1, HD 2, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Thielen rose to speak against the bill, stating:

"Mr. Speaker, this is the bill that makes certain activities illegal if, for example, you get in the way of someone that is hunting game or fishing. I have some concerns about it.

"Fishing was taken out of one of the drafts of the bill but it is back in the Conference Committee. It only relates to freshwater fishing now, except I have serious concerns that the language could be used for future legislation that would affect ocean fishing as well. In either case, this bill elevates the rights of one water use over another.

"I would like to ask ... what will happen if children are playing in a boat on a reservoir and intentionally scare the fish, whether to save them from the hook or just to intentionally scare the fish to play? The bill seems to make those actions illegal. I think it's really stretching, Mr. Speaker, and this is one place that government doesn't really need to get involved.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 288, SD 1, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO HUNTERS AND FISHERMEN," having been read throughout, passed Final Reading by a vote of 49 ayes to 2 noes, with Representatives Shon and Thielen voting no.

Conf. Com. Rep. No. 64 and S.B. No. 869, HD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 869, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO A SECTION OF THE HAWAII REVISED STATUTES AMENDED BY ACT 164, SESSION LAWS OF HAWAII 1991," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 65 and S.B. No. 889, SD 2, HD 3, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 889, SD 2, HD 3, CD 1, entitled: "A BILL FOR AN ACT RELATING TO SPORTS," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 66 and S.B. No. 1254, SD 1, HD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 1254, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO NOTARIES PUBLIC," having been read throughout, passed Final Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that S.B. Nos. 87, 158, 159, 288, 869, 889 and 1254 had passed Final Reading at 1:52 o'clock p.m.

Conf. Com. Rep. No. 67 and S.B. No. 1560, SD 1, HD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 1560, SD 1, HD 1,

CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Yoshinaga rose to speak in favor of the bill, stating:

"I just wish to express again a positive step that this body is taking with regard to community concerns that my community faces, again in the Keeaumoku district, in giving the public a chance to basically give input regarding the transfer of certain types of liquor licenses where there were valid citizen concerns.

"This bill would basically require certain types of establishments to be required to notify by mail owners and lessees situated within five hundred feet of the premises with a public hearing regarding the transfer of certain types of licenses such as cabarets and strip bars. I believe that, again, this gives my community the ability to give input into a process in balancing community concerns with these types of establishments.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1560, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO INTOXICATING LIQUOR," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 68 and S.B. No. 1568, SD 2, HD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 1568, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO BULK SALES," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 69 and S.B. No. 1642, SD 1, HD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 1642, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO BOATING," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 70 and S.B. No. 596, SD 1, HD 2, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 596, SD 1, HD 2, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Kawanakoa rose to speak in favor of the bill with reservations, stating:

"Mr. Speaker, within the Maunaloa region of Makiki Heights you will find numerous families of Hawaiian ancestry. These families are true kamaainas -- true children of the land -- who have been living there nearly a century and a half, since the Great Mahele of 1848. These families, by and large, live in substandard homes, and are in desperate need of loans to upgrade or rebuild their homes

"Although Senate Bill 596 has good intentions, I have decided to only vote for it with reservations. My reason for this is twofold. First, Senate Bill 596 attempted to establish a home construction and improvement loan program, but this aspect of the bill was deleted. I still

believe this was a valuable program that should have been funded so that the neediest people living in the Maunaloa region would be able to raise their standard of living by taking it upon themselves to construct and renovate their homes with only the help of the government via low-interest loans.

"Second, I have doubts about allowing the Department of Land and Natural Resources (DLNR) to transfer the Maunaloa subdivision to the Office of Hawaiian Affairs (OHA) in that we now recognize that this area needs infrastructure. I hope we are not just trying to ignore our state's obligation to fund the most basic health and safety requirements such as sewers, roads, and fire hydrants for these citizens, especially since we have done this and much more for their Tantalus neighbors. I hope we are not simply passing the buck -- passing a financial hot potato to OHA. I hope that during our next legislative session, when this issue again comes before us, we will have the money to fund this worthy home construction and renovation loan program as I believe it is our obligation.

"Thank you, Mr. Speaker."

Representative Arakaki then rose to speak in favor of the bill, stating:

"I'm really happy that the previous speaker now recognizes that there are many needs that we would like to take care of. Indeed, we have \$1.7 million that was appropriated in this bill from general funds, but we were told by the money people that the moneys were not available. And so there are some sacrifices that had to be made and I am glad he realizes that we have to make some of these tough decisions. It is easy to say, cut the budget, and then on the other hand say, well, we have needs in this area we should be funding. I think the messages should be straightforward and not just address the needs that we think are important. These people have been waiting for a long time, granted, Mr. Speaker, and I think we should address their needs because we are talking about infrastructure that they need and also their ability to obtain loans which they cannot do right now because they are on a short-term lease. But, hopefully, we will get the ball rolling by having OHA look at some of the needs and seeing what areas that they can help these people. Hopefully, they will do it out of aloha to these people who have been waiting for a long time.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 596, SD 1, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 71 and S.B. No. 385, HD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 385, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO WELFARE FRAUD," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 72 and S.B. No. 887, HD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 887, HD 1, CD 1, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO SECTION 11 OF ARTICLE VII OF

THE CONSTITUTION OF THE STATE OF HAWAII," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 73 and S.B. No. 1521, SD 2, HD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 1521, SD 2, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH CARE DATA DISCOVERY," having been read throughout, passed Final Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that S.B. Nos. 1560, 1568, 1642, 596, 385, 887 and 1521 had passed Final Reading at 1:58 o'clock p.m.

Conf. Com. Rep. No. 74 and S.B. No. 287, HD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 287, HD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Meyer rose to speak against the bill, stating:

"I don't want to repeat many of the comments that I have made on previous incidents on the floor here but this bill, as it was changed in conference, has gone back to what it was originally where there is no protective language for the Waiahole Ditch. As we all know, it's designed to make a transfer of irrigation ditches previously used for sugar cane and not being used at this time.

"My concern was over the Waiahole Ditch because the Waiahole Stream is in my district and there are competing petitions for the allocation of the water with the Water Commission. There has been countless hours spent in committee hearings, public hearings where the various parties that are interested in using the water from the Waiahole Ditch have come with their various arguments. It has come to a point now where there will be contested hearings.

"The problem I have with this bill is that it gives the power to the Department of Agriculture to maintain, to acquire, to use, to actually to sell ... if they get revenue bonds, make it clear that you expect to pay them back with revenue and with the irrigation systems -- that would be the sale of the water from these irrigation systems. Because the Department of Agriculture is part of those contested cases, they are actually a party to them. I feel it's a dangerous precedent for this body to pass a bill that would actually give them a leg up on the other parties.

"I have said before, I feel the passage of this bill is premature. I would hope that we could wait and look at this again next session. That's all, Mr. Speaker."

Representative Thielen then rose and requested that Representative Meyer's remarks be entered into the Journal as her own, and the Chair "so ordered." (By reference only)

Representative Thielen continued, saying:

"Mr. Speaker, I think it is inappropriate to consider another additional departmental discretionary fund that the Legislature has little opportunity to oversee. I think this is an unwise measure to pass.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 287, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO IRRIGATION WATER DEVELOPMENT," having been read throughout, passed Final Reading by a vote of 47 ayes to 4 noes, with Representatives Anderson, Halford, Meyer and Thielen voting no.

Conf. Com. Rep. No. 75 and S.B. No. 1905, SD 2, HD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 1905, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FACILITIES," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 76 and S.B. No. 6, SD 1, HD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 6, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD SUPPORT," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 77 and S.B. No. 431, SD 1, HD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 431, SD 1, HD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Thielen rose to speak in favor of the bill, stating:

"This bill deals with harassment by stalking, and I would like to note that actually it's a Senate bill, but what the Senate bill did was to incorporate the language from the House Women's Caucus bill which would strengthen the stalking law.

"I think it is a very good measure. It recognizes stalking as the initial step in what often leads to becoming a more violent action against the victim, and this will provide the law enforcement community with the opportunity to intervene at an early stage before bodily injury or death occurs. I think this is a very good step, Mr. Speaker, in proactive law enforcement.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 431, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO HARASSMENT," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 78 and S.B. No. 1286, HD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 1286, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO RESTRICTIONS ON POST EMPLOYMENT," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 79 and S.B. No. 84, SD 1, HD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 84, SD 1, HD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Yoshinaga rose and requested that her remarks, in favor of the bill, be entered into the Journal and the Chair, noting that there were no objections, "so ordered."

Representative Yoshinaga's remarks are as follows:

"This is a positive bill which attacks the distribution of illegal drugs on the small dealer level and makes the individuals involved in this area financially liable.

"This bill helps the state and county public agencies which pay for drug treatment and/or illegal drug related medical care, hospitals caring for drug babies, and others who are financially injured as a result of illegal drugs to recover in a civil suit any assets in the hands of drug dealers who have distributed drugs in their community.

"Under current law, this would be difficult if not impossible to recover. Yet, in almost every other aspect of life, we hold those who are negligent liable for recovery of any and all medical treatment cost.

"Therefore, this bill reinforces the belief that already exists in our society and it extends it to the illegal markets within our community."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 84, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO DRUG DEALERS," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 80 and S.B. No. 443, SD 2, HD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 443, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO SEX OFFENDERS," having been read throughout, passed Final Reading by a vote of 48 ayes to 3 noes, with Representatives Hamakawa, Saiki and Takai voting no.

The Chair directed the Clerk to note that S.B. Nos. 287, 1905, 6, 431, 1286, 84 and 443 had passed Final Reading at 2:02 o'clock p.m.

Conf. Com. Rep. No. 81 and S.B. No. 171, SD 1, HD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 171, SD 1, HD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Meyer rose to speak against the bill, stating:

"While the title of this bill is 'A Bill for an Act Relating to Uniform Information Practices,' it would seem to me it might be more appropriate to be named, 'A Bill for an Act Relating to Exemptions to the Uniform Information Practices.'

"The bill exempts police officers from the public disclosure laws applicable to all other public employees. It not only undermines the entirety of Chapter 92F, but leaves the public in the dark about disciplinary actions against police officers. With the authority and power

entrusted to police officers, they should be held to higher, not lower, standards. The ability to arrest individuals and to carry guns allows them to wield control unequaled by other government employees. In return, the public is entitled to know when they have abused that power and trust.

"I respect the police officers and sincerely appreciate the fact that they lay their lives on the line daily. However, when there are officers still on the force who have drawn their gun in an inappropriate manner while off duty, as a member of the public, I have a right to know that. When an officer is repeatedly disciplined for using excessive force, we have the right to know that.

"This law confirms a commonly held belief that police officers protect their own, regardless. I believe it does a great disservice and harm to the public as well as to the police officers.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 171, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO UNIFORM INFORMATION PRACTICES," having been read throughout, passed Final Reading by a vote of 44 ayes to 7 noes, with Representatives Anderson, Case, McMurdo, Meyer, Pepper, Shon and Tarnas voting no.

Conf. Com. Rep. No. 82 and S.B. No. 858, SD 1, HD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 858, SD 1, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYEE BENEFIT PLANS," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 83 and S.B. No. 1022, SD 1, HD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 1022, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS AND THE ISSUANCE THEREOF TO ASSIST NOT-FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES TO THE GENERAL PUBLIC," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 84 and S.B. No. 1028, SD 2, HD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 1028, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO A REPRESENTATIVE PAYEE SYSTEM," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 85 and S.B. No. 1410, SD 2, HD 2, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 1410, SD 2, HD 2, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Kahikina rose to speak against the bill, stating:

"Mr. Speaker, earlier when this measure came forward to us, on January 27, 1995, the **Honolulu Advertiser** editorial stated that the incinerator is needed; however, Pacific Controls, Inc. has testified at the Legislature that after reevaluating the medical waste industry in Hawaii, that there isn't enough medical waste to process for them to make a profit. They are now asking for permission to burn foreign waste.

"The same newspaper on April 28, 1995, just last week Friday, page 6, says that negotiators approved the proposal even though the incinerator's competitors and the state health officials said the state doesn't produce enough medical waste for the company to make any profit to pay back the loan, which will be given to special purpose revenue bonds. 'The incinerator company, Pacific Controls, Inc., is capable of burning four times more medical waste than the amount of waste the state produces,' said Health Department official, John Harder, State Solid Waste Coordinator. Presently, two incinerators are doing this business.

"For those reasons, I am voting against it."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1410, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE AUTHORIZATION OF SPECIAL PURPOSE REVENUE BONDS FOR MEDICAL WASTE FACILITY PROJECT DEVELOPMENT," having been read throughout, passed Final Reading by a vote of 49 ayes to 2 noes, with Representatives Kahikina and Thielen voting no.

Conf. Com. Rep. No. 86 and S.B. No. 1461, SD 2, HD 2, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 1461, SD 2, HD 2, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Kawakami rose and requested that her remarks, in support of the bill, be entered into the Journal and the Chair, noting that there were no objections, "so ordered."

Representative Kawakami's remarks are as follows:

"This measure provides for a less restrictive environment for persons with developmental disabilities or mental retardation. It encourages community based support services in non-institutional settings. It encourages a person-centered approach as well as appropriate case management activities which should be targeted to receive federal reimbursements. It encourages joint public and private partnerships, where possible.

"Mr. Speaker, this bill helps everyone to learn not to hide disabilities. Our generation is learning that people are more than their handicap. Most people with developmental disabilities prefer to live in the community if they are provided sufficient support and services. Ellen Ching, the Executive Director of ARC of Kauai, ended her testimony with a charge to us....and I quote: 'We are spending many, many lifetimes waiting for services, waiting for programs, waiting for funding, and waiting for lives to start; let's put an end to this waiting by supporting this bill!'

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1461, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT

RELATING TO DEVELOPMENTAL DISABILITIES," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 87 and S.B. No. 396, SD 2, HD 2, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 396, SD 2, HD 2, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Stegmaier rose to speak in favor of the bill, stating:

"In this bill, Mr. Speaker, we are strengthening the schools by first, establishing that small schools will be given a full-time teacher for each grade level. It especially will help the rural schools who have disadvantages by their remoteness at the outset and need full-time professionals to provide the kind of education and attention that those students deserve.

"In addition, Mr. Speaker, the conference draft that we are voting on today will do two other things. One is that, a year from now, for the 1996-1997 school year, the Department of Education is ordered to transfer to regular instruction no fewer than 107 resource teachers to the classroom for the purposes of alleviating our very monumental teacher shortage and also additional student enrollment increases that we now project.

"Thirdly, Mr. Speaker, the bill prohibits the Department of Education from creating any new temporary or permanent educational officer positions without legislative authorization during the fiscal biennium 1995 to 1997. The Department shall eliminate no less than 20 percent of educational officer positions that is other than principal, vice principal, athletic director, or business manager positions during that fiscal biennium -- 10 percent in each fiscal year of the biennium.

"All three of these provisions, Mr. Speaker, have the effect of significantly strengthening our schools by moving resources to the classrooms where they are most needed.

"For those reasons, I am very much in support of this bill."

Representative Tarnas then rose to speak in favor of the bill, stating:

"This bill makes sense in this time of tight budgets. Actually what we did was we took the education omnibus bill and we brought it in for a tune-up. Through the measures that the Chair of the Education Committee has already articulated, we're taking a step into the Department of Education and helping them achieve the goals that we identified for them last year.

"This is a well-considered step, one which I support wholeheartedly. In fact, next year, I hope we can do more of the same.

"Thank you, Mr. Speaker."

Representative Meyer then rose to speak in favor of the bill, stating:

"I would like to thank and commend the Committees on Education and Finance for the very fine work they did with this bill. There was a strong grassroots support for this bill in my district, and the improvements that the Finance Committee did with the bill were nothing short of phenomenal.

"I thank you."

Representative Yonamine then rose and requested that his remarks, in favor of the bill, be entered into the Journal and the Chair, noting that there were no objections, "so ordered."

Representative Yonamine's remarks are as follows:

"The purpose of this bill is to set minimum staffing levels in public schools for kindergarten through grade six classes. This bill also requires the Department of Education to allocate funds or resources from its existing budget to meet this requirement, and to transfer no fewer than 110 resource teachers to teacher positions in the classroom.

"This bill requires that all moneys realized as a result of the elimination of positions to be reallocated to the schools on the basis of enrollment to be used at the discretion of the schools for the purposes of augmenting instructional programs.

"I strongly support this measure which strengthens and augments teaching where it counts -- in the classroom with students."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 396, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PERSONNEL OF PUBLIC SCHOOLS," having been read throughout, passed Final Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that S.B. Nos. 171, 858, 1022, 1028, 1410, 1461 and 396 had passed Final Reading at 2:10 o'clock p.m.

Conf. Com. Rep. No. 88 and S.B. No. 942, SD 1, HD 3, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 942, SD 1, HD 3, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Stegmaier rose to speak in favor of the bill, stating:

"The purpose of this bill is to establish a continuous training program for school security attendants conducted jointly by the Department of Education and the Department of Public Safety and the County Police Departments. It also increases the minimum amount of training for these security assistants to no less than 70 hours.

"In the bill also, there is a reference to the need for the Department of Education to develop criteria to secure ten special duty law enforcement officers at selected schools where law enforcement powers may be deemed necessary in ensuring the safety of students and staff at this time. All of these different provisions have the effect of making our schools more safe and thus giving students a better atmosphere in which to learn.

"Thank you."

Representative Yoshinaga then rose to speak in strong support of this bill, stating:

"Just a few words again to reiterate what the previous speaker commented on, that I really believe that this sends out a good message to our communities. Just to remind everyone, this bill was a grass roots action by the

students and faculty of Kaimuki High School which recognized a problem and then took action. They wrote the bill and lobbied for its passage.

"I communicated recently with Mrs. Chee, the teacher, and her 'kids' I should say, after the bill passed and they are very thankful and happy because the bill has achieved everything that they hoped for.

"The bill, in its present form, has the Department of Education, the City and County and the schools all involved, working together cooperatively, to address the problem of school security.

"I believe that this is the first step in addressing a concern of the students and again it sends a good message -- by getting involved, action can be taken. This proves that there is hope for our future through our own efforts as well as those of our children, and that this legislative body, by passing this measure, is sending a great message for proaction from our community.

"Thank you, Mr. Speaker."

Representative Alcon then rose to speak in favor of the bill, stating:

"This is a good bill because of the fact that it gives training to school securities.

"But there is one thing that I am concerned about, Mr. Speaker, and that is that most of your security people are nothing but bullies. They have no compassion, they have no heart in dealing with the people. Now and then, if you walk through school, you see nothing but securities weighing over 200 pounds, and in some instances they have even called some of their wards, monkeys. And this is true, Mr. Speaker, because of the fact that I have heard it. I hope that the Department of Education and all the other agencies that are involved will pick some people who have heart and also compassionate.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 942, SD 1, HD 3, CD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 89 and S.B. No. 336, SD 1, HD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 336, SD 1, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DRIVER EDUCATION AND TRAINING FUND," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 90 and S.B. No. 1683, SD 1, HD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 1683, SD 1, HD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Pepper rose to speak against the bill, stating:

"Mr. Speaker, substance abusers are not very popular people, and I recognize that. But one provision of this bill, contrary to what is in the Committee report, will actually reduce benefits for substance abusers.

"Substance abusers are currently covered like any other disability if the individual is diagnosed as being disabled as a result of substance abuse. We're talking about a medical diagnosis that the person is, in fact, disabled.

"Mr. Speaker, this portion of the bill will limit general assistance benefits to this population to only six months. With at least a 12-month benefit, it would be possible to get those disabled individuals further assistance through the federal SSI program. With only a six month eligibility, I ask those who are going to vote for this measure -- what kind of humane care, what kind of humane assistance, will be available to these individuals who are disabled, who are sick people, after six months?

"I don't think we should be voting on the basis of whether these are popular people or not. I think we should be voting on the basis of what these people need to survive, and I ask my colleagues to vote no on this measure.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1683, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ASSISTANCE," having been read throughout, passed Final Reading by a vote of 49 ayes to 2 noes, with Representatives Pepper and Shon voting no.

Conf. Com. Rep. No. 91 and S.B. No. 1751, HD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 1751, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO PERSONNEL WITHIN THE DIVISION OF CONSUMER ADVOCACY," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 92 and S.B. No. 432, SD 2, HD 3, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 432, SD 2, HD 3, CD 1, entitled: "A BILL FOR AN ACT RELATING TO DRUG DEMAND REDUCTION ASSESSMENTS," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 93 and S.B. No. 68, SD 2, HD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 68, SD 2, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ASSISTANCE," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 94 and S.B. No. 1939, SD 2, HD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 1939, SD 2, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ACCESS," having been read throughout, passed Final Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that S.B. Nos. 942, 336, 1683, 1751, 432, 68 and 1939 had passed Final Reading at 2:17 o'clock p.m.

Conf. Com. Rep. No. 95 and S.B. No. 478, SD 2, HD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 478, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO ACCESSIBILITY OF STATE AND COUNTY BUILDINGS AND FACILITIES," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 96 and S.B. No. 853, SD 1, HD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 853, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAYS," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 97 and S.B. No. 1674, SD 2, HD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 1674, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO COMMUNITY HOSPITALS," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 98 and S.B. No. 937, SD 2, HD 2, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 937, SD 2, HD 2, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Lee rose to speak in favor of the bill, stating:

"The bill is essentially simple. It allows the University of Hawaii to keep its tuition and fees which hitherto have gone into the general fund. But I think it's important for us to recognize the immediate and the long-term significance of the bill.

"First, while the University will keep its tuition and fees, the Legislature has repealed all the tuition waivers it had mandated and has obligated itself not to mandate any new tuition waivers, new or expanded programs without funding. Other departments wishing to use tuition waivers in support of their programs must fund these waivers themselves in exactly the same manner that the Board of Regents, which would now have and did have the power to grant or repeal tuition waivers, will do so on its own in support of its own programs because these waivers will be paid for out of their own tuition.

"Tuition generally generates about \$30 million a year of which about \$10 million are waived. One out of seven students pays no tuition. What tuition that is charged is one of the lowest in the country. Tuition is now \$730 a semester in Manoa. Tuition pays about eleven to fifteen percent of the cost of higher education in the University system.

"Indeed, we think of education only as from K to 12, but education includes the next four, five and six years. Education is the key to personal development and to general development of the society. On a personal note, a

college graduate would earn much more money than his/her high school counterpart. Yet, on the other hand, most of the resources for the University will still come from the general fund.

"In Senate Bill 937, the Legislature will use the operating general fund in the 1994-1995 UH budget as the base in the future. Costs for collective bargaining, new or expanded programs, tuition waivers, increases in enrollment and inflation, will be added to the base. The Governor and the Director of Budget and Finance may not use any increased tuition income as a justification for reducing the University's budget.

"The immediate significance of the bill is to provide tuition income to the University for the 1994-1995 academic year. This is very important because that income will help mitigate the cuts ordered by the Governor. Of greater significance is the Legislature's decision to refrain from micro-managing the University in the future.

"Finally, the University has the opportunity to develop its programs with the income it generates according to the benchmarks in its own master plan which is reaffirmed in this bill.

"I urge my colleagues to vote for this bill before us.

"Thank you, Mr. Speaker."

Representative Alcon then rose to speak in support of the bill, stating:

"The only reason why I am supporting this is because of the fact that it includes all the community colleges, which means that they can operate almost independently of the Manoa campus, and it also includes the University of Hawaii-Hilo, and also the University of Hawaii-West Oahu.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 937, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," having been read throughout, passed Final Reading by a vote of 50 ayes to 1 no, with Representative Shon voting no.

Conf. Com. Rep. No. 99 and S.B. No. 1467, SD 2, HD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 1467, SD 2, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 100 and S.B. No. 1298, SD 2, HD 3, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 1298, SD 2, HD 3, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Stegmaier rose to speak in favor of the bill, stating:

"After seven long years of having the teachers of this state request that the Legislature pass the Teacher Standards Board into law, we are doing that this year, Mr. Speaker.

"The Teacher Standards Board will operate as an independent board, establishing standards for accrediting teachers who will be allowed to practice their profession in this state.

"The composition of the Board will include four teachers out of the nine members; three educational officers; the Chair of the Board of Education; and the Dean of the College of Education at the University of Hawaii-Manoa.

"The Board will set the standards and the Department of Education will continue to be responsible for licensing and credentialing.

"The Board will be operating through a revolving fund that will have some appropriations but will be available for other kinds of money, including fines for those who violate the standards that are established as well as other grants and other moneys.

"The result will be threefold: One, that the teachers will be happy because there will be a greater professionalization of the teaching profession. Certainly, students will benefit by being guaranteed a well-trained professional in the classroom. More immediately, though, we will see the result in terms of a change in focus. There will be much greater attention paid to teacher training. Resources will be shifted to producing more teachers and of a greater variety at the University of Hawaii-Manoa and at UH-Hilo, as well as other islands that are attempting to establish outreach programs that will allow their own to be trained to serve their own communities.

"The setting of the standards by the Board will force all of us to strengthen the Colleges of Education at the two sites mentioned, and to find ways of training students to become teachers on all the islands.

"I am very proud to be in support of this measure, and I thank my colleagues for having supported this measure.

"I do want to recognize someone who was very instrumental in championing the needs and the aspirations of public school teachers in this State, and also championed the enactment of the Teachers Standards Board who passed away a couple of years ago, one of our colleagues -- Michael O'Kieffe -- and I want to say, 'This one's for you, Mike.'

"Thank you."

Representative Pepper then rose to speak in favor of the bill, stating:

"Mr. Speaker, teaching is a profession. Professions have a special and particular body of knowledge, and professionals have and recognize special responsibilities toward those whom they serve.

"This measure moves us toward recognition of that, with respect to teachers, and moves teachers closer to being able to fulfill their special responsibilities toward those they serve.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1298, SD 2, HD 3, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII TEACHER STANDARDS BOARD," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 101 and H.B. No. 1626, HD 1, SD 2, CD 1:

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 1626, HD 1, SD 2, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Stegmaier rose to speak in favor of the bill, stating:

"Mr. Speaker, the process of education reform continues for the sixth year in a row. This year, in this particular bill, we are attacking various additional obstacles and problems that have arisen.

"First, we attempt to assist the formation of student-centered schools which Waiālae Elementary School is the pioneer in by clarifying what its role will be, and by removing some of the obstacles that it now faces in attempting to get started as a student-centered school as of September 1995.

"In the area of school facilities, we are giving the Department of Accounting and General Services the authority to hire temporary positions -- project manager positions -- to manage school facilities construction so that they will run as efficiently and effectively as they can.

"In the area of governance and policymaking, we are trying to address two problems: an unhappiness on the part of the electorate with the way that the Board of Education is elected. A commission will be established to look into the configuration of the Board of Education and also to look at whether the Board might not be elected in a different way so that the people -- the electors -- feel a closer relationship with the Board.

"We are also establishing a commission that will look at the School Advisory Councils that have been in effect for about ten years now. Their role is to advise the Board of Education on what's happening at the school level and there seems to be some problems with the effectiveness of that entity as well. The commission will be coming back to us with a recommendation as to whether there should be some changes made or whether the School Advisory Council should be terminated altogether.

"Perhaps most important, Mr. Speaker, we are addressing the issue of assessment and accountability for our educational system. In order for the public school system to achieve its mission of graduating literate students who are capable of becoming productive citizens, there is a need to infuse curriculum and instruction with an evaluative component that addresses first, the establishment of standards; second, the assessment of progress; and third, an accountability for results.

"The initial steps toward establishing student standards were taken when the Board of Education recently adopted the recommendations submitted by the Hawaii State Commission on Performance Standards, and schools subsequently have embarked on a three-year trial implementation of these standards. Despite these initial steps, appropriate assessments to measure progress on these standards must be identified and developed, and benchmarks representing adequate progression need to be established.

"As authority and decision-making processes are increasingly decentralized and schools are becoming more empowered with the necessary resources and flexibility to improve educational services, there is a concomitant need to assess, monitor, and evaluate systematically the

performance of students, staff, schools, and the overall education system.

"Mr. Speaker, unfortunately, the Department of Education is currently responsible for numerous educational assessment and accountability activities that have evolved over the years under various initiatives and jurisdictions and, as a result, operate outside a well-coordinated, organizational framework. The establishment of a comprehensive, statewide educational assessment and accountability system will help to provide the means through which these functions and activities are integrated and systematically applied.

"In this bill, Mr. Speaker, and as a first step toward building the assessment and accountability system, the Department of Education is authorized to spend \$175,000 from the allotment made to teacher improvement services from the appropriation for instructional support made for the 1995-1996 fiscal year to join the New Standards Project in order to provide teacher training in the development of performance-based assessments for the classroom as part of the comprehensive educational assessment and accountability system to be implemented within the Department of Education.

"I feel, Mr. Speaker, that this bill is a very worthwhile first effort towards establishing this kind of accountability system, and in the pursuit of an excellent educational system, we, by passing this bill, are continuing that effort unabated. The momentum grows each year, no matter what the revenue picture.

"Thank you, Mr. Speaker."

At 2:34 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 2:37 o'clock p.m., the motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1626, HD 1, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Final Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that S.B. Nos. 478, 853, 1674, 937, 1467 and 1298 and H.B. No. 1626 had passed Final Reading at 2:39 o'clock p.m.

Conf. Com. Rep. No. 102 and H.B. No. 1903, SD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 1903, SD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Stegmaier rose to speak in favor of the bill, stating:

"Instead of having one omnibus bill in 1994, we have three smaller education reform bills, and this is the third of those bills. The significance again is that we're putting efforts and monies where it means the most -- in the classroom and at the school.

Some of the features of this bill, of course, we're starting with the authorization of \$90 million per year over the next years for construction of schools. We're stating that the instructional resource augmentation positions -- IRA positions -- be distributed evenly so that all schools can count on a certain number of IRA positions and that they would be distributed in every case by a 250 to 1 ratio.

"We are taking away some flexibility from the District Superintendents and saying that, with regard to the seven percent moneys that they've had in the past to parcel out as they wished, those moneys will no longer be flexibly used by the District Superintendent but rather distributed evenly and equally among all schools.

"We're maintaining the 6.5 percent administrative requirement which means that the Department of Education cannot spend any more than 6.5 percent of the entire budget on administrative purposes. We're doing other things to make certain that the moneys that are allocated and appropriated to the school level stay at the school level under all circumstances. We're also making clear that the retention of the moneys by the individual schools must not be used by the Department of Education unless there is some health or safety reasons for taking them away.

"All of these changes, Mr. Speaker, to the law are indications of how seriously we at the Legislature take our responsibility to the students of the public school system.

"We have set directions for how we wish the education funds to be used; we now expect the Department of Education to implement our directives -- making as much of the funds available to the classroom as we and they can.

"Mr. Speaker, by such legislation as the bills we are passing today, we are once again giving the skeptics, the naysayers -- the people out there who think these changes are only a passing fancy -- we are going to convince them that we are very, very serious and that we will not lose our resolve, that we will continue to move ahead, year after year, making the changes that we must until we provide the best education possible for all of our students from Waiānae to Hawaii Kai, from Kihei to South Point, and we, the Legislature, the Department of Education and the Board of Education finally make believers of everyone.

"Thank you very much for that opportunity, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1903, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 103 and H.B. No. 1409, HD 2, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1409, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE OF HAWAII ENDOWMENT FUND," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 104 and H.B. No. 2094, HD 2, SD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 2094, HD 2, SD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Tom rose to speak in favor of the bill, stating:

"Mr. Speaker, I am very pleased to be able to speak in favor of the final passage of this bill. As you know, it's been a three-year struggle for both houses to finally agree

and to adopt a comprehensive overhaul of our campaign spending law.

"There were many important measures before the Legislature this year which have filled the newspapers and the airwaves with commentary and debate. I guess it would have been really easy for us to avoid campaign spending reform this year because there were so many issues before us. Yet, when the citizens of this state review the measure adopted this year, I am convinced, Mr. Speaker, that they will realize that one of the most important measures to be sent to the Governor was this bill -- to reform the electoral process. Even those who have been the most severe critics of our current campaign spending laws have pronounced this reform measure to be a major step forward.

"The bill before us today seeks to ensure fair election practices by closing the loopholes in the current law and by mandating full disclosure, both by the candidates themselves as well as by those who make large contributions to candidates. It levels the playing field for newcomers to the political process while still permitting them, as well as incumbents, to raise the funds necessary to get their message across to the public.

"The bill encourages candidates to abide by the spending limitations, making public funding more attractive to potential candidates. It makes those who have significant contractual relationships with the government to disclose their interests and their contributions for the scrutiny of the public.

"Another important aspect of the bill is the fact that it increases the effectiveness and the efficiency of the Campaign Spending Commission in the areas of enforcement and disclosure.

"Mr. Speaker, I just want to tell you that you made a promise to us in your opening statement of your commitment and concern about ethics in government, about campaign spending and those issues, and I can tell you this, that when you take this bill -- H.B. No. 2094 along with House Bills 111 and 112 dealing with ethics and lobbyists -- Mr. Speaker, you have produced in your promise, and you have fulfilled your leadership. . .and we have all under your leadership.

"Thank you, Mr. Speaker."

Representative Tarnas then rose to speak in favor of the bill, stating:

"This bill represents one of a series of measures before this body today that seek to further the efforts of campaign reform, and as the previous speaker, the Chair of the Judiciary Committee, just articulated, this is actually the major measure.

"As my colleague from Manoa pointed out earlier in these proceedings, it is our responsibility to work to improve the peoples' trust in government.

"Through this bill, we are showing that we are capable and, in fact, determined to address this public concern and to all of us, I say, 'BRAVO!'"

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2094, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 105 and H.B. No. 1586, HD 2, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1586, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING IN PUBLIC EMPLOYMENT," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 106 and H.B. No. 1425, HD 1, SD 2, CD 1:

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 1425, HD 1, SD 2, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Tarnas rose to speak in support of the bill, stating:

"This bill started out as a measure written by some elementary school students. If I am correct in my memory, they came from the district of the Majority Leader, and they came to the hearings and gave well-articulated testimony in support of recycling.

"The Committee decided to pursue this goal of recycling in a slightly different manner and, in fact, this is the one that has made it to our chamber today for final vote, and that is to establish a recycling coordinator as assistant to the coordinator of solid waste in the Department of Health.

"A recycling coordinator is important to us in this island state, to help us identify the hurdles to successful recycling programs and come up with ways to overcome these hurdles. It will take all of our efforts to be able to achieve a successful recycling program, and to vigorously pursue it we need to have guidance within the Department of Health. Now, we've given them the tools to do that.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1425, HD 1, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO RECYCLING," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 107 and H.B. No. 1909, HD 1, SD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 1909, HD 1, SD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Kanoho rose to speak in favor of the bill, stating:

"In particular, I want to express thanks to leadership for inserting in H.B. 1909 the ability to extend through fiscal year 1995-1996, the authorization to extend approximately \$670,000 of moneys which have been previously appropriated in 1994 for this Hawaiian Sovereignty Election Council.

"This is a clear indication of the commitment of the Legislature and particularly our leadership, to ensure that this movement proceeds forward, and for the extraordinary steps which have been taken to ensure that these moneys would be made available.

"In behalf of the Hawaiian community who wishes to see this movement continue ahead, I just want to say, 'thank you very much.'"

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1909, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FUNDS," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 108 and H.B. No. 1996, HD 1, SD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1996, HD 1, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO OCCUPATIONAL SAFETY AND HEALTH TRAINING AND ASSISTANCE FUND," having been read throughout, passed Final Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 1903, 1409, 2094, 1586, 1425, 1909 and 1996 had passed Final Reading at 2:55 o'clock p.m.

At 2:56 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 2:57 o'clock p.m.

SENATE COMMUNICATION

Sen. Com. No. 788, transmitting Senate Resolution No. 266, entitled: "SENATE RESOLUTION INFORMING THE HOUSE AND GOVERNOR THAT THE SENATE IS READY TO ADJOURN SINE DIE," which was adopted by the Senate on May 1, 1995, was read by the Clerk and was placed on file.

At 2:58 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 3:02 o'clock p.m.

UNFINISHED BUSINESS

Conf. Com. Rep. No. 109 and H.B. No. 386, HD 1, SD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 386, HD 1, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ENVIRONMENT," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 110 and H.B. No. 1785, HD 1, SD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 1785, HD 1, SD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Santiago rose to speak in favor of the bill, stating:

"Mr. Speaker, on Friday I had the opportunity and the pleasure of attending a celebration honoring five former workers of Waiialua Sugar who had completed a retraining program offered by the Department of Labor. You know, we get stuck down here for the months that we're down here -- we lose our sense of reality, I think sometimes, and it was really nice for me to drive back out there and attend this function.

"There were about fifty people in attendance and what I realized from that is, these workers who are facing some of the most difficult times are anxious to get retrained, anxious for the education programs that are being offered, and they are looking forward to starting new careers. House Bill No. 1785 affords us some funds to provide them with those opportunities.

"We oftentimes hear -- too often I think -- people talk about the fact that state programs are often reactionary and creates dependence, and we hear many, many times, criticism in this area -- most of the time, justified. I think what we're trying to do here with 1785 and the other programs, is trying not to be reactionary but to be proactive in our planning efforts for the area.

"We have a few months left. The massive layoffs are beginning and there will be many, many more people looking forward to retraining and the program is being offered.

"So I thank you and I thank the Chairman of the Finance Committee and the other members for the support they have shown to us. We have some rough times ahead, but I think bills like this will help us out a little bit.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1785, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO PROVIDE COUNSELING, TRAINING, AND OTHER SERVICES TO DISLOCATED WAIALUA SUGAR COMPANY WORKERS," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 111 and H.B. No. 2089, HD 1, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2089, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES HEALTH FUND," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 112 and H.B. No. 2133, HD 2, SD 1, CD 1:

By unanimous consent, action was deferred to the end of the calendar.

Conf. Com. Rep. No. 113 and H.B. No. 1472, HD 1, SD 1, CD 1:

By unanimous consent, action was deferred to the end of the calendar.

Conf. Com. Rep. No. 114 and H.B. No. 1828, HD 2, SD 1, CD 1:

By unanimous consent, action was deferred to the end of the calendar.

Conf. Com. Rep. No. 115 and H.B. No. 745, HD 2, SD 2, CD 1:

By unanimous consent, action was deferred to the end of the calendar.

Conf. Com. Rep. No. 116 and H.B. No. 48, HD 2, SD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 48, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FINANCES," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 117 and H.B. No. 1787, HD 1, SD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1787, HD 1, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENTAL ASSISTANCE," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 118 and H.B. No. 1920, HD 2, SD 2, CD 1:

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 1920, HD 2, SD 2, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Cachola rose and requested that his remarks, in support of the bill, be inserted into the Journal and the Chair, noting that there were no objections, "so ordered."

Representative Cachola continued, saying:

"This bill sends a strong message to all homeowners out there that the Legislature is really looking hard to giving them relief or reduction in their premiums on their homeowners' insurance.

"By way of example, on the condition standard authority bonding which is \$350 million, the principal and interest payment on that is about \$33.5 million or up to \$40 million a year. If we make a float of \$500 million, the estimate is about \$50- to \$55 million a year. So if we collect \$80 million by way of premium under the Hawaii Hurricane Relief Fund, \$80 million minus \$50 million is an extra of \$30 million. So if you have the money in hand of \$500 million, you invest the \$500 million and get a return of five percent, that is equivalent to \$25 million.

"That is the impact of the bill which means that we can now stabilize the rates under the Hawaii Hurricane Relief Fund, and there is a great possibility of reducing the premiums of homeowners. We also have the capacity to build reserves -- maybe in the billions -- for as long as there is no hurricane, and that is how important these two bills are.

"House Bill 1920 is the second half of this bill which clarifies the assessment of existing insurance carriers as to how much they are going to be assessed once a hurricane occurs, and the maximum is up to \$500 million.

"Thank you, Mr. Speaker."

Representative Cachola's remarks are as follows:

"This bill is the second of the hurricane relief package. This proposal is a significant step toward reducing the upward pressure on homeowners' insurance rates. To do this, it clarifies the liability on assessment of insurance carriers for up to \$500 million in aggregate hurricane damage and bases the liability on market share.

"The changes proposed in House Bills 1920 and 2215 together will allow Hawaii to regain a greater control of its destiny and free itself from the oppressive cost of distant catastrophes."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1920, HD 2, SD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HURRICANE RELIEF FUND," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 122 and S.B. No. 82, SD 2, HD 2, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 82, SD 2, HD 2, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative McMurdo rose to speak in favor of the bill, stating:

"This bill, coupled with House Bill 149 and Senate Bill 87, pretty much completes the program that the Public Safety and Military Affairs Committee, together with the Judiciary Committee, set out to do for the Public Safety Department this year.

"I won't go into the merits of the bill per se, except to say that I feel very proud to think that we took the work -- the magnificent work -- of the Corrections Population Management Commission and for once, with all the studies that we do in state government, so few are ever implemented, and in this case not everything was, but I think that we have done that Commission proud.

"I want to thank my Committee and the Judiciary Chair and his Committee, and it was also a pleasure to work in conjunction with Judge Bambi Weil from the Commission, and Margery Bronster and Tom Farrell from the Attorney General's Office, and my Committee Clerk, Debbi Glanstein, and Ed's Committee Clerk, Dawn, and also Senator Rey Graulty, my Senate counterpart. Together, we worked and figured out the best way we could do this. Hopefully, the Governor is going to put a little more money, but we'll wait and see.

"Thank you very much."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 82, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO CRIME," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 123 and S.B. No. 201, SD 1, HD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 201, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL EDUCATION," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 124 and S.B. No. 304, HD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 304, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE BONDS," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 125 and S.B. No. 458, SD 1, HD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 458, SD 1, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 126 and S.B. No. 1626, SD 1, HD 2, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 1626, SD 1, HD 2, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Ward rose to speak against the bill, stating:

"Mr. Speaker, this is the revolving fund that is responsible for the empty Manoa housing of which this body had presented \$26.5 or \$27 million for. And my sense is, this bill which gives that revolving fund permanent status means that we're not going to be able to scrutinize it anymore. And like all revolving funds, once they are given over to permanency and turned over to others, we don't have that second look. As I spoke here earlier, a few weeks ago on this floor, I think it was embarrassing to the Executive and the Legislature that such moneys would be spent on housing for the faculty and they remain empty.

"This bill makes permanent that fund of which if we don't really pay attention -- I know we got sharp chairs who do pay attention to the University of Hawaii -- some of the things like that untoward with the financial condition of the State, could possibly happen.

"My other reservations, Mr. Speaker, I have in writing and I request your permission to have them put in the Journal."

The Chair, noting that there were no objections, "so ordered."

Further remarks by Representative Ward are hereby inserted:

"Mr. Speaker, I have two remaining problems with this bill.

"First, it makes no one accountable for these monies to the Legislature or the public. By deleting the sunset date relative to the deposit of overhead funds into the housing assistance revolving fund, legislative review is eliminated.

"We all are very aware of how special and revolving funds circumvent our general funding and thus our constitutionally-mandated expenditure ceiling. If we are in fact going to keep this money from direct legislative purview by virtue of a revolving fund, then I think we should keep the check and balance that comes from the sunset provision.

"My second problem with this bill is that it sends the wrong message. University faculty housing is sitting empty. If there isn't a need for faculty housing, why throw more money toward that objective?

"I understand the importance of attractive faculty housing as an incentive to recruit and retain qualified faculty, but we appear to be missing that objective.

"Thank you, Mr. Speaker."

Representative Shon then rose and stated:

"I would like to join the Minority Leader in speaking against this bill for many of the same reasons, and especially citing the Manoa housing fiasco.

"I do believe that the University needs to be far more attentive in being competent in these areas. At this point, it seems to me they're not even apologetic.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1626, SD 1, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," having been read throughout, passed Final Reading by a vote of 48 ayes to 3 noes, with Representatives Anderson, Shon and Ward voting no.

Conf. Com. Rep. No. 127 and S.B. No. 1336, SD 2, HD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 1336, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN AFFAIRS," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 128 and S.B. No. 487, SD 1, HD 1, CD 1:

By unanimous consent, action was deferred to the end of the calendar.

Conf. Com. Rep. No. 129 and S.B. No. 493, SD 1, HD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 493, SD 1, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE REPORTING OF SCHEDULE II CONTROLLED SUBSTANCES," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 130 and S.B. No. 550, SD 2, HD 2, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 550, SD 2, HD 2, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Halford rose to speak in favor of the bill, with reservations, stating:

"I would like to start off by complimenting my Education Chairman for doing a great job not only as Chairman of the Committee, but also in Conference Committee.

"This bill, hopefully, will expedite the construction of a high school on Oahu. As we all know, we need more educational facilities so, of course, I am in support of that.

"My only reservation is in the area of HFDC and whether that institution is beneficial to the state in general and if they should, in fact, be building high schools. I hope this is an issue that we will visit next January.

"Thank you very much."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 550, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT

RELATING TO THE DEVELOPMENT OF SCHOOLS," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 131 and S.B. No. 944, SD 1, HD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 944, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO MONEY LAUNDERING," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 132 and S.B. No. 1141, SD 2, HD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 1141, SD 2, HD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Alcon rose to speak in favor of the bill, with reservations, stating:

"Mr. Speaker, you know very well, as much as I do, that the sugar industry is going out of business and yet we keep on funding the HSPA research department. The research could be done with the University of Hawaii.

"At the beginning they were asking us for \$2.5 million, Mr. Speaker, and I am glad that the Finance Committee saw to it in reducing it to one million dollars. I think this should be a message to HSPA that they had better get out of the sugar industry.

"Thank you."

Representative Amaral then rose to speak in favor of the bill, stating:

"On House Bill 1141, a brief clarification, and that is that HSPA does research not just in sugar, but in diversified agriculture, and has, in their experimental farm up in Kunia, presented a great deal of information for those of us that are looking at diversified agriculture for the use of the sugar land up there.

"We also are grateful that they have gotten some funding.

"Thank you, Mr. Speaker."

Representative Swain then rose and stated:

"Mr. Speaker, as one who represents a large number of sugar workers as well as agricultural workers, I would like to speak in favor of this bill and say that I'm glad that we have found some money for them.

"They're doing an excellent job. It's matching funds; it is funds that will be used to keep a lot of people at work, and the companies in the areas that I represent are profitable. They're not going to go out of business real soon because they make money and they provide a lot of jobs, a lot of homes for many, many workers, and we're not ready yet to bring these companies into like a Waialua situation or Hamakua situation. If we can find some means of allowing them to continue to prosper, then by all means we should do that.

"And also to reiterate the last speaker ... they also are doing much of the work that UH cannot do at this time in dealing with diversified agriculture which is a growing business for many of our areas -- for those of us who represent rural areas. So I am glad that we found some

money for them; albeit it wasn't everything they asked for, it is something that will go a long ways in promoting our economy.

"Thank you."

Representative Herkes then rose to speak in favor of the bill, stating:

"I am delighted that we found some money to continue research activities at HSPA. These people are goal-oriented, they have been responding to profit-making organizations. They get the job done, they do it right. I would much rather have the money in HSPA to help all of diversified agriculture in the State of Hawaii. I think they do a much better job frankly than the UH does."

Representative Lee then rose to speak in favor of the bill, stating:

"I think one of the problems is when we forget that a word is not really what it means and that it evolves with time.

"The Hawaiian Sugar Planters' Association agricultural research and development station in Aiea is a hundred years old. It had done marvelous research relating specifically to the cultivation of sugar. However, in recent years, it has gone into diversified agriculture, and I have tried to remember what I read very recently. Its scientist has discovered a new use for sugar in a sense of adhesive bonding. It is a sort of plastic material that is very, very cheap, and if it really proves commercial in Hawaii, if we have that patent, it would revolutionize the sugar industry. Above all, it indicates clearly that the HSPA station in Aiea is not sugar alone -- it is high technology.

"Let us always remember that the child is father to man. By that I mean, the older industry begets new industry as long as we remain innovative, imagining, inquiring, and working hard at it. And our commitment to the research station in Aiea is entirely in our drive to go into high technology, research and development, and ultimately, we hope that this adhesive bonding will prove commercial and will bring back a lot of business to Hawaii.

"Thank you."

Representative McMurdo then rose and requested that Representative Lee's words be entered into the Journal as her own, and the Chair "so ordered." (By reference only)

Representative McMurdo continued, saying:

"The lab up there, for those of you who have never been to the HSPA station, I highly recommend that as a field trip, or just go up and knock on their doors. It's a very professional lab. It is well furnished and they have the latest in microbiology. They are working on genomes, and if you want to find out what those are, go up and see them or read about them. But seriously, it is, I think, one of the best labs, and I think they're doing an outstanding job. I think any of you who went up there would be time well spent.

"Thank you."

Representative Halford then rose to speak in favor of the bill, stating:

"A lot of great things were said about HSPA; I would like to reiterate them. I know it's getting late so I won't

go on and on about how wonderful I think this program is.

"Earlier today, we increased state spending by \$1.2 billion -- a 12 percent increase. In this one area, we cut them 60 percent -- from \$2.5 million to one million dollars. That is one area I feel we should have stayed at par.

"Thank you."

Representative Morihara then rose to speak in favor of the bill, stating:

"HSPA is certainly a complementary part to the University, and it's an organization that's largely sponsored by private industry ... more than 60 percent and probably now, more like 80 percent, and we hope that it will continue to do a wonderful job."

Representative Meyer then rose and stated:

"I'm also rising to give my accolades to HSPA, and I would like the Clerk to insert my colleague from Puna/Kau's remarks in the Journal as if they were my own, and the Chair "so ordered." (By reference only)

Representative Alcon then rose and stated:

"Mr. Speaker, if you noticed, we had more support on this bill than any other bills that we had. That means that we have awakened everybody because they were half asleep. I think we should make more controversial remarks so that they will all get up.

"Let me also say, Mr. Speaker, that if the sugar industry is making money, I think they should be able to support the whole research program. We were supporting HSPA in the past, Mr. Speaker, to the tune of \$3 million, and they promised that they will produce ethanol ... we're still waiting for it.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1141, SD 2, HD 1, CD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR AGRICULTURAL RESEARCH AND DEVELOPMENT," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 133 and S.B. No. 1331, SD 1, HD 2, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 1331, SD 1, HD 2, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Ward rose to speak in favor of the bill, stating:

"I would be historically amiss if I didn't speak in favor of this bill, Mr. Speaker. This is the Office of Elections which, for this historic moment, is freeing the Lieutenant Governor's position from not only being an elected official but also running the election. I think it's historic, it's momentous; it removes the taint -- real, imagined or perceived -- of equivocation of being one who runs the elections and also being an elected official.

"I add, Mr. Speaker, one historical footnote, that I believe it's been the Minority Party, over the last fifteen years, that has introduced this bill and we really commend you for getting behind it.

"Thank you very much."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1331, SD 1, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 134 and S.B. No. 1559, SD 2, HD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 1559, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE REGISTRATION," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 135 and S.B. No. 1701, SD 1, HD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 1701, SD 1, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING REVOLVING FUNDS," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 136 and S.B. No. 1739, SD 2, HD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 1739, SD 2, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CLEAN HAWAII CENTER," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 137 and S.B. No. 1762, SD 1, HD 2, CD 1:

By unanimous consent, action was deferred to the end of the calendar.

Conf. Com. Rep. No. 138 and S.B. No. 1804, SD 1, HD 2, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.B. No. 1804, SD 1, HD 2, CD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT," having been read throughout, passed Final Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 386, 1785, 2089, 48, 1787 and 1920 and S.B. Nos. 82, 201, 304, 458, 1626, 1336, 493, 550, 944, 1141, 1331, 1559, 1701, 1739 and 1804 had passed Final Reading at 3:25 o'clock p.m.

Conf. Com. Rep. No. 139 and S.C.R. No. 237, SD 1, HD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.C.R. No. 237, SD 1, HD 1, CD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE ALA WAI WATERSHED ADVISORY COMMITTEE, THE MAMALA BAY COMMISSION, AND THE KUHIO STORM DRAIN PROJECT TO ADDRESS CONCERNS RELATED TO WATER QUALITY OF WAIKIKI AREA BEACH WATERS," was Finally adopted.

Conf. Com. Rep. No. 140 and S.C.R. No. 246, SD 1, HD 1, CD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and S.C.R. No. 246, SD 1, HD 1, CD 1, entitled: "SENATE CONCURRENT RESOLUTION RELATING TO DRINKING WATER TESTING," was Finally adopted.

THIRD READING

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

S.B. No. 1593:

On motion by Representative Amaral, seconded by Representative Thielen and carried, S.B. No. 1593, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLED SUBSTANCES," passed Third Reading by a vote of 51 ayes.

S.B. No. 1770:

On motion by Representative Amaral, seconded by Representative Thielen and carried, S.B. No. 1770, entitled: "A BILL FOR AN ACT RELATING TO ADMINISTRATIVE PROCESS FOR CHILD SUPPORT ENFORCEMENT," passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that S.B. Nos. 1593 and 1770 had passed Third Reading at 3:26 o'clock p.m.

At 3:27 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 3:29 o'clock p.m.

MATTERS DEFERRED FROM EARLIER ON THE CALENDAR

Conf. Com. Rep. No. 37 and H.B. No. 1643, HD 1, SD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 1643, HD 1, SD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Pepper rose to speak against the bill, stating:

"Mr. Speaker, I rise in sadness. Although I was co-chair of the Conference Committee, I must ask my colleagues to vote no on this bill.

"Mr. Speaker, the issue involved in my opposition is both complex and simple. Let me give you and my colleagues the simple version -- it's late and we're tired.

"The passage of this bill and House Bill 1472 will have the effect of adding approximately three thousand dollars per year to the tax burden of individuals who are paying for their care or those of their loved ones in nursing homes. This is based on the fact that the annual cost for nursing home care is approaching \$50,000 per year in Hawaii, and the tax extended by this bill is six percent. Current law allows a tax credit to offset this cost but House Bill 1472, which we will consider soon, will wipe out that credit.

"Therefore, this bill -- House Bill 1643, HD 1, SD 1, CD 1 -- means that we will continue the tax, and House Bill 1472 means that the credit will be abolished, resulting in the additional tax burden that I have discussed previously. Anyone paying for their own nursing home care or paying for the nursing home care of their loved one will, by this act, as of today, going back to in fact January 1st of this year, have this additional tax burden placed on them. We are meting the responsibilities of the entire community on the backs of approximately five hundred people.

"I think that that kind of tax increase is grossly unfair, and I urge my colleagues to vote no on this measure.

"Thank you."

Representative Shon then rose to speak against the bill, stating:

"Mr. Speaker, about eight years ago the previous speaker said to me that the cost of health care was too high; we had to find ways to lower it. And since then we have struggled in many ways to not put government coffers first at the expense of consumers, but to generally try to lower health care costs. It struck me as extremely ironic, across the nation and in Hawaii, as Medicaid deficits mounted, that states were willing to impose higher taxes on their consumers in order to fix an ever increasing Medicaid budget. We also bit for that one, Mr. Speaker, and I remember very distinctly the discussions that were had. I remember very distinctly the representations, the promises that most of us in this room made, the promises that most of the civil servants in the Department of Human Services made. They're still there and we're still here. Where are the promises? It was argued unsuccessfully that this would be seen as a bait and switch scheme that the federal government -- HCFA -- would never buy the notion, that by imposing the tax and having an equivalent tax credit that somehow this was not just another way to get Medicaid money. It was -- that's exactly what it was. We wanted higher Medicaid reimbursements. We were anxious for this, Mr. Speaker, because for years and years, when we had the right to bill Medicaid for additional reimbursements, we declined to do so. And for years and years, we declined to even build into our budget incentives for DHS and for the Department of Health to bill for Medicaid. And so we found ourselves at a lower standard of Medicaid reimbursement and we thought ... well, maybe we can work a deal here. I'll tell you what we'll do. You folks in the nursing home, we'll tax you but don't worry -- guaranteed, we will return that money to you. We did this both for the hospitals and for those in nursing homes. But the hospitals have better lobbyists -- more powerful. Last year, we took them off the hook. We eliminated the provider tax for the hospitals. Let's reiterate that thought. Those who are weakest among us, we kept it. Those who were strongest, we removed it.

"In the last several years, particularly this year and last year, we have found that the public does not trust us if we say we will impose a tax and then remove it. In fact, it was that lack of faith, I believe, that made it impossible to seriously consider any further a one percent increase for the Hawaiian Homes claim. I'm glad we didn't. But the reason why we could not politically is because our community has said to us ... we're not really sure that you can commit future legislators to the deal, even yourselves, for one more year. And now we are in a situation where we are indeed saying, we will unilaterally withdraw from this deal the good faith and trust that was extended to that group of folks who spend endless hours in the hearings, worried an awful lot that they would not be made whole. Well, they were right, we are renegeing on the deal. And for how much money? I do not believe

it is impossible or would have been impossible for us to have met our obligations, our public obligations, to the overall community in general and to those specific individuals and their families who are now faced, unless we do something very quick next year, with an enormous jolt. They will not be made whole.

"Mr. Speaker, there may be a misimpression that folks who have used their savings so far to provide for long-term care that are not yet on Medicaid, that somehow these folks are perpetually rich and that their families are just a very, very deep pocket. Well, I can tell you, Mr. Speaker, that is not true. There are many families who have mortgaged themselves to the hilt to keep Mom or Dad in the nursing home with proper care, taking to the fullest extent their personal responsibility not to get on public assistance. And so what have we said to those who have chosen not to just bend down and go on Medicaid? We said, well, too bad. Maybe you should have. Maybe that was unwise of you to save your money and try to take care of your own family member. Here's another three thousand dollar bill. Let's see how many of you we might push over the edge on to Medicaid anyway.

"Mr. Speaker, when this proposal was first enacted into law, it was not done so with consensus of subject matter committees, and I remember someone who was in leadership simply saying, 'You just don't know what you're doing in opposing this.' Well, maybe we did.

"This is not a moment of high honor for this Legislature to withdraw our commitment to these people. We should have found a way. It should have not been a policy decision on the part of the House and Senate to withdraw that commitment and indeed, most of us did not even know it was a policy decision until yesterday. That does not strike me as a full and free discussion of how this fit in with our financial dilemmas this year.

"I urge all of you to think seriously about the relationship that our honorable body has with the public and what that relationship will be if we should choose to pass this, and I will tell you, it's still in court. I am still not convinced that this provider tax will be proved in any case -- in any case -- and the attorneys that said that this will work, oh, they were so confident, Mr. Speaker, they were so confident. Well, I am not so confident.

"I would like to urge all of you to seriously consider voting this down. Should this bill pass, I would like to urge those who have the power to make a public commitment that at the beginning of the next legislative session, this House and the Senate will pass a fast track bill that will correct this injustice that will wipe out retroactively any tax, and that they will work with as much vigor as possible, within the law, with the administration to see that the impact of any imposed tax is not felt by those whose trust we have betrayed.

"Thank you."

Representative McMurdo then rose to speak against the bill vicariously, and asked that the remarks of the two previous speakers be entered into the Journal as her own, and the Chair "so ordered." (By reference only)

Representative Kanoho then rose to speak in favor of the bill, stating:

"At the same time, indicating my total agreement with the comments of the previous speakers and for that reason, will exert every effort during the interim and in the beginning of the next session, including in the participation and introduction of the bill to assure that the tax credit will continue without interruption.

"Thank you, Mr. Speaker."

Representative Ward then rose to speak against the bill, stating:

"Mr. Speaker, this bill is going to make a lot of gray panthers out of our old population, and I hope what the previous speaker just said is true because there's nothing like an older person who, when they make up their mind to do something, they will do it, and those 500 and their families are not only livid but they are saying ... how can we, how dare you do what you are doing. Not only because in the beginning it was a Rube Goldberg machine of which had this kind of a one thing drops causes another lever to kick up and suddenly money comes out of the sky from the federal government. They didn't believe that it worked and they got challenged but then as aameleon, it became a loan to the state which said ... now wait, we'll pay you back when you file your income tax so the three thousand dollars that was spoken of ... well, you're going to get it back. We just have to use your money for the first twelve or fourteen months. Now, it's become a spade is a spade, a tax is a tax, which says three thousand dollars will be taken out of the pockets of those who are old and frail.

"Mr. Speaker, these are the people who didn't go on the dole; these are the ones who we should be rewarding and not punishing. These are the ones, as you know, going through their assets can just turn around and get Medicare, go on to the public trough and say ... well, look, it's not my responsibility. These people should be rewarded. They are not the deep pocket people. They are the type of Americans and the people in Hawaii we need to build and make strong. I don't want to belabor the fact of what we said this morning about kinds of fiscal policies and tax policies but, Mr. Speaker, this is an example of fiscal policy that says we can do much better than we have.

"In conclusion, I would request and even though unorthodox as it may be, I would request that the Chair of the Health Committee's remarks in this particular subject be those as if my own because he very eloquently said ... this clearly is a tax on the backs of the old people of this State.

"Thank you, Mr. Speaker."

The Chair "so ordered." (By reference only)

Representative Thielen then rose and requested that the remarks of the Chair of the Health Committee and the Chair of the Energy and Environmental Committee be inserted into the Journal as her own, and the Chair "so ordered." (By reference only)

Representative Say then rose to speak in favor of the bill, stating:

"The debate here this afternoon is absolutely correct, Mr. Speaker, and I, as the Finance Chair take all responsibility as far as shirking my responsibilities in addressing this particular tax.

"Like I said in my speech earlier this morning, we came in here not knowing what was our projected deficit. Looking at the projected deficit, I really did not consider, Mr. Speaker, coming up with another alternative to this nursing home provider tax. It is generating about \$6 million per year. The tax credit is back to those particular individuals -- 500 -- throughout the state. It's about \$1.5 million, and I wish and I pray to all of you, I take full responsibility for this continuation which is for another two years, which is the House draft which the subject matter chairs both agreed upon. When it left this

House, the suspension was permanently indefinite, Mr. Speaker, and now this particular conference draft comes back to us with a two year extension.

"I personally hope that all of you who are aware of the nursing home problems that we have throughout the State of Hawaii will come up with the answers to the problem that we have.

"Mr. Speaker and members of this House, this is just one problem out of many thousands of problems that came before the House Finance Committee, and I am very sorry that I did not address this particular tax, and I take full responsibility.

"Thank you, Mr. Speaker."

Representative Marumoto then rose to speak against the bill, stating:

"As you know, I did write to you yesterday requesting that this bill be recommitted since there is no reason to have it now since the tax credit measure -- House Bill 1472 -- will wipe out the tax credit for this provider tax also. It becomes extremely cruel and unusual punishment for the middle class people who are paying their share of the monthly fees. I have been a long-time critic of this bill, as you well know. It's horrendously expensive and a terrible hardship, and now private-pay patients will pay this tax and not get any money back as a result.

"At present, non-Medicaid patients are required to pay six percent of the monthly bill of about \$3,500 to \$6,000 a month. They could receive the money back by filing for a tax credit on next year's income tax form, but now the tax credit elimination bill will also remove the provider tax credits. The facts are that the provider tax was instituted as a temporary tax to try and get extra federal funds. Those funds never came through and I believe that they never will.

"The Health Care Financing Administration of the federal government disapproved of this scheme last December. No money has ever materialized from the federal government. On the other hand, the feds are now asking for money from Hawaii. The state is appealing this adverse ruling. Since the scheme has been under question since its inception, taxes from nursing homes have been placed in an escrow account. In other words, they are just frozen. Nursing homes were promised extra money for their capital improvements and have been threatened that this money will not come through unless they lobbied for the continuation of this bill. That is pure fabrication. One has nothing to do with the other. It's time to pack this contraption away. It hasn't worked before and it's even more nonfunctional now.

"I hope that the Department of Human Services will get their act together. I was really hopeful that the new administration would be functioning in a more efficient manner. I am really disappointed that they are continuing this bill and I think it's only because to drop it now would hurt their appeal. I think there's no reason for it now and we will never realize any extra federal funding. We really should drop it now. We should kill it, recommit it, or vote it down.

"Thank you very much."

Representative Kawakami then rose to speak in favor of the bill, stating:

"My feeling is that it was truly a misunderstanding between the Chairs. It was never the intent of the Finance Committee to deceive any Committee Chair or any of the Committees. And I would like to say,

members, that the budget was always in a fluid state. We didn't know from day to day what was going to occur in terms of what the Senate would agree with as the House.

"And so with that, I would like to say that, certainly things that were said by the Health Committee Chair may be true, but we are compassionate; we have a feeling for it and, hopefully, down the road, we can fix it.

"Thank you."

Representative Arakaki then rose to speak in favor of the bill, with serious reservations, stating:

"Mr. Speaker, I favor this bill only in respect to the need to address the revenue shortfall and that it will continue the funding levels for our nursing homes. I also understand and feel for our Finance Chair who I understand had to probably give away a chip which was the medical care tax credit which was linked to this bill. Basically, I have opposed this tax measures for the past two years. I've always felt that this was a very ugly bill and it's still ugly. It kind of reminds me of that beer commercial where we have that ugly dog and he kind of points over to the beer cans and they are ready to give him the prize. They end up giving it to an uglier dog. We have been trying to make it more appealing with the tax credit but now that we've done that, we still ended up with an ugly dog.

"I guess my concerns, three years running, is that the safety net that we had will be removed, and for many of our self-sufficient elderly and their families, they would suffer a hard fall. At this point, I take little pleasure in saying, 'I told you so.' We know that a typical private-pay patient pays up to five thousand dollars a month for nursing home care and actually what they end up paying is not only the six percent but an additional four percent, so they are paying ten percent, or an additional five thousand dollars a year in taxes. In effect, we will be removing any incentives they have for private-pay patients to remain self-sufficient, and I think the net effect is that we may end up with more of these private-pays on the public assistance which will mean little gain.

"Even though the private-pay patients represent fifteen to twenty percent of the total number of nursing home beds, which right now is \$3,900, they still represent between 500-600 of our elderly who have opted not to burden other taxpayers. We definitely shouldn't be placing the burden of the high cost of nursing home care on the backs of the elderly.

"I just wanted to make one point. This issue illustrates that we are avoiding the real issue, which is the need for a system of long-term care. The cost of long-term care has a far-reaching impact on our state because we have one of the longest life expectancy and one of the highest ratio of elderly of all the states. And we are going to be in serious trouble if we expect the elderly and their families to bear the burden of funding long-term care.

"The fact that we have the fewest number of nursing home beds for the number of patients who are eligible -- the highest in the nation -- and it should be a warning to all of us that if we don't do some planning, if we don't respond to this need, it's like knowing that a tsunami is coming and not doing anything until the waves hit the shore. Well, we know that wave is coming, especially for people in my age group, or the baby boomers, and when that wave hits, it is going to create some real disasters.

"So I hope for the short term, we pledge to pass a retroactive tax credit and I talked to the Tax Director, or one of his people, and he said it may be difficult for them to do a retroactive tax but it is possible, and so I think we

should pledge to do that. I also hope we can all make a firmer commitment to seriously look at how we finance long-term care.

"Thank you, Mr. Speaker."

Representative Kawanakoa then rose in opposition to this bill and requested that all the words of the previous speakers opposed to this bill be entered into the Journal as his own, and the Chair "so ordered." (By reference only)

Representative Kawanakoa continued, saying:

"And with regard to the concerns or the promises that we can retroactively go back and implement a tax credit, I understand is a retroactive tax credit as suggested by previous speakers. Even if we were to do that, Mr. Speaker, this particular bill is unfair because the whole notion, and we sold it the first time ... I wasn't here, but I understand that this bill was sold -- this tax increase on the elderly -- by reassuring them that we would give them a credit at the end of the year for the amount of money they spent.

"The problem with that is that under the federal tax laws, that credit in the following year is considered income, so if we do have a three thousand dollar tax, we get a credit of three thousand dollars. That's fine -- we're even on the state level. But now we have to consider that \$3,000 as income for the next year on our federal returns. Therefore, these elderly people are out a thousand dollars.

"I think the initial concept was flawed in that respect from the get go. So even if we had reassurances, even if we were all to promise today to come back and enact next session a retroactive tax credit, we still are placing this extra burden on our elderly.

"For those reasons, I certainly would be voting against this measure.

"Thank you, Mr. Speaker."

Representative Pepper then rose and stated:

"Mr. Speaker, I rise again with some additional remarks.

"A previous speaker has said that the honor of this honorable body is at stake. I believe that to be true and, therefore, I would like to go over some of the remarks that have been made and make a plea to my colleagues.

"It has been suggested that we have perhaps done something that maybe we didn't intend to do and that we cannot fix it now. But there are those who have said, we will try to fix it, and I think that they realize that our honor is at stake. I think that they really deeply and sincerely indicate that they will try to help fix it next time. But we are sensitive to words and I think that we need the help of leadership to say -- we pledge, we shall fix this, we will fix this -- and I think if we get that kind of a pledge, Mr. Speaker, it will make it easier for me to support this measure which I think is necessary as part of our financial plan.

"Mr. Speaker, I would add, in addition to that, in terms of my sensitivity to words at this moment, that one of the previous speakers has said that what the Health Committee Chair says may be true. Mr. Speaker, what the Health Committee Chair has said in this honorable body is, in fact, true.

"Thank you, Mr. Speaker."

Representative Meyer then rose to speak against the bill and requested that the remarks of the Chair of the Energy and Environmental Protection Committee be entered into the Journal as her own, and the Chair "so ordered." (By reference only)

Representative Meyer continued, saying:

"In listening to the various remarks going around the room, somehow it had escaped me that the tax was not six percent -- this tax is six percent, but I was not aware that the additional four percent is charged as well. With the average nursing home bill of \$5,000 a month, that comes up to \$60,000 a year, which is \$6,000. With the removal of the tax credits, these persons will get no money back.

"Perhaps I am naive since I'm a freshman and this is the first go-around for me, but the remarks of the Chairman of the Health Committee make perfect sense and it would seem, with the feelings of regret in this room, I would not think it impossible for us to take a floor vote and vote this down now. Why would we want to wait and bring it back next year? Perhaps, Mr. Speaker, because I am not as well versed in the workings here, that's not possible, but I would hope that it would be.

"Thank you."

Representative Chun Oakland then rose to speak against the bill, stating:

"The nursing facility tax bill as we had introduced it, I guess two years ago and now again this year, was to help address a problem where the nursing care facilities had approached the Legislature, indicating that if they did not get the reimbursement that they are receiving now as the result of this tax, hundreds of long-term care beds will be closed in the state. Faced with that, I was willing to support this measure, but also supportive of this measure with the understanding that we would have a tax credit for patients who this tax would then transfer to.

"I wanted to clarify some of the previous speakers who have indicated that patients are directly taxed. They are not. Nursing facilities are taxed. The majority of the nursing facilities do not pass on this tax -- the majority. There are a few facilities -- two or three -- who have done this because financially they are not able to carry the burden on their own. As a result, some of the patients -- the private-pay patients -- are paying for this indirect tax.

"If this measure passes, and I assume it does pass, I am hoping that the word of our colleagues and, hopefully, with my involvement as well, we will be able to do something to retroactively institute the tax credit again. I think that's the fairest thing we can do.

"Thank you."

Representative Cachola then rose and requested that his remarks, in favor of the bill with strong reservations be entered into the Journal and the Chair, noting that there were no objections, "so ordered."

Representative Cachola's remarks are as follows:

"Mr. Speaker, by eliminating the nursing facility tax credit, the proposal would create tremendous hardship for the elderly. Many of these people not only have limited means, often a fixed income, but also have spent their lives as hardworking, productive citizens, making great sacrifices for their families.

"As a society, we owe a debt to our older citizens, and not the other way around.

"We recognize that this proposal is brought forward only as a last resort. I urge House leadership to consider, in the future, measures to restore the tax credit and make it retroactive to this year."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1643, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO NURSING FACILITY TAX," having been read throughout, passed Final Reading by a vote of 29 ayes to 22 noes, with Representatives Alcon, Anderson, Chun Oakland, Garcia, Halford, Hamakawa, Hiraki, Kawanakoa, Marumoto, McMurdo, Menor, Meyer, Morihara, Pepper, Saiki, Shon, Stegmaier, Takai, Takumi, Tarnas, Thielen and Ward voting no. (Representatives Nekoba and M. Oshiro voted aye with reservations)

Conf. Com. Rep. No. 112 and H.B. No. 2133, HD 2, SD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 2133, HD 2, SD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Yonamine rose to speak in favor of the bill, stating:

"I wanted to keep it short because we've been sitting here for a long time and I didn't want any of you to file claims for lower back injury and workers' compensation. The bottom line for workers' compensation is to bring down costs and to bring down the premiums as well.

"I think we need to recognize that this is our bill but this is also the people's bill, and this is certainly everybody's bill and let me explain. We realized last year the crises that we were facing. Small businesses, big businesses cut back on operations -- some going out of business, jobs being lost -- so the the whole economy was being affected by the increasing premiums in workers' compensation. And so last year we said, hey, let's be fair and equitable and let's be just and look at just and unjust issues that will occur in workers' compensation. Well, I am convinced after one year, as many of you are, that the players in workers' comp cannot police themselves, and we just simply need to regulate the workers' compensation system.

"One and a half years ago, friends, December of 1993, the insurance industry came in and asked for a thirty percent increase in its insurance premiums. The Insurance Commissioner at that time approved a twenty percent increase in the premiums. Seven months later, July 31, 1994, the same insurance industries came in and asked for a nine percent increase in the voluntary market in workers' compensation, and an 82 percent increase over three years -- 27 percent, 27 percent and 27 percent for the next three years -- and that was when the crisis occurred. The Insurance Commissioner has held, and he will be looking at the premiums -- the rating -- for more information, and we needed to show the public and to show the insurance industry that we need to review the market and look at the Assigned Risk Pool, and by doing that we can put a hold on it and be able to hold back the increases that they were seeking.

"I'll give you an example. All of these companies who are paying one hundred thousand dollars in premiums and fifty thousand dollars and less were being put into the Assigned Risk Pool -- the high risk pool. In reaching thirty percent and on to forty percent those in the business

know that when you reach the forty percent market, you're going to take a vertical jump -- 50 percent, 70 percent and 90 percent of the market.

"What does it mean?"

"It means that there's one company, for twenty years with no record of accidents or injuries being put arbitrarily into the Assigned Risk Pool, and there's more than one example. We had a larger company paying \$250,000 and in two years, the premium increased to \$850,000, and that's the kind of crises we are faced with today, and we needed to do something about it.

"In one particular case, a company that is classified as a sole proprietorship changed to a corporation and that corporation, after twenty years of being injury free -- no injuries -- was put in an Assigned Risk Pool, and that is what's happening. But the insurance industries are not the only ones that we can point our fingers to -- right?"

"This workers' compensation is very complicated, as you all know, and other states have taken more and more years to initiate and institute any workers' compensation reforms.

"In the process, what have we done? We have looked at the insurance industry and its carriers. We have looked at the medical doctors and other health providers. We have looked at defense attorneys and claimant attorneys. We have looked at the role of the Insurance Commissioner. We have looked at the role of the administrator in the Department of Labor. We have looked at safety and prevention programs. We have looked at the concerns of organized unions and workers' concerns plus many, many individuals and organizations we've talked to and met. We have been lobbied by every vested interest and special interest groups concerned with workers' compensation.

"Okay, what have we done? When we say this is a people's bill, this is exactly true. During the process, we have talked to many, many organizations who were meeting voluntarily during the interim, the proactive workers task force, the Haku Alliance, small business caucuses, organized labor, Governor's task force, the present administration, the Office of the Insurance Commissioner, the Disability Compensation Division of the Department of Labor, plus significant inputs from you -- my colleagues -- plus our hardworking Labor and Public Employment Committee, and that also includes the Consumer Protection Committee and the Judiciary Committee. This workers' comp bill is the product of everybody's collective effort. And that is why it is very significant that we pass this bill because this will be the first step in workers' comp reform one.

"What does it do? Let me go over it very quickly. It will reduce medical fee schedule to 110 percent above Medicare level. That would mean approximately 11 percent to 12 percent savings. Retain the definition of health providers -- up to fifteen visits. But after five visits, you need an approval by the Department of Labor. We need to tighten and we have tightened the utilization review so they can evaluate and see if the medical visits should be controlled or extended. Thereafter, one IME (independent medical examination), but appeals can be made for more than one, certainly in many, many cases of injuries.

"Managed care -- this is the benchmark. We want to have managed care put in place by July 1, 1996. By January 1, 1996, rules and regulations and option plans will be submitted to the Legislature, to us, so we can look at the standards -- the performance standards -- and make some adjustments, if necessary, and this is before us by

January 1, 1996. This will be a significant savings in the long run.

"Another benchmark. The Insurance Commissioner will conduct an audit created by special fund of \$150,000 which is a startup fee, an assessment of all carriers in workers' comp for the next five years. And what do these auditors do? Well, I'll tell you what they'll do. They'll bring some openness, in terms of the kinds of transactions and documents, in terms of the revenue and expenditures -- where are the administrative costs of \$124 million? Where are the incurred costs not reported? Where does it actually reflect the actual cost of workers' comp as against the projected future costs? We need to look at reserves, the investment of \$64 million and where are they deployed or placed in the rate filing? We need to do something about job classification and job pricing so that not all occupations are classified the same way and assessed the same way in terms of the premiums. We're looking at Assigned Risk Pools ... take back credits, provide incentives for the insurance carriers to take businesses with experience rating, with excellent and outstanding injury-free records, and put them back into the voluntary market where they belong to begin with. We're going to license the claims adjusters.

"Along with House Bill 1996, we have put together a special fund of \$500,000 for the next five years. This comes out of the fines and violations of the health and safety programs. And the Department of Labor will be working very actively with the employees for the policy and implementation of work practices. That will also lead to the certification which leads to deductibles which is in House Bill 2133, and we will be certifying health and safety professionals to do their work in the workplace.

"Prevention is the key to it all, and so this is a very significant beginning. We've dealt with part-time workers so they get benefits for the actual number of hours they have worked, and we have taken care of the part-time worker as well as the full-time worker, part-time/part-time, the seasonal and the casual workers. We've done something with double-dipping. You're getting paid for one injury.

"These are the issues of equity and fairness. We have done something about workers' fraud but it's more than workers' fraud. It's for everyone who violates the statutes and rules and regulations of workers' compensation. It is a severe penalty -- something that the House initiated.

"Now, there are over 35 amendments to this workers' compensation system. So I believe you have a very comprehensive to begin with.

"Now, having said all the good things about this bill, let me just say that this is not a perfect bill. . .

At this point, the Chair interrupted and informed Representative Yonamine that he had exceeded his ten minutes, whereupon Representative Suzuki rose and yielded his ten minutes.

Representative Yonamine thanked the Chair and continued his remarks, saying:

"It merely means we need to work at it again and so like I said before, we have set the foundations for immediate and long-term reforms; we need to work on them, refine them, re-tune -- do whatever we need. So this is workers' compensation one, and we're already working and looking forward to workers' compensation two, and who knows, workers' compensation reform three, so we cannot let up at all.

"So take notice, friends, by October 30, 1995, with your permission of course, Mr. Speaker, we would like to have informational meetings, briefings on managed care -- rules and regulations and option plans, the status on medical fee schedule and how these are being implemented; the utilization review that we have incorporated in House Bill 2133, and also get to the status of auditing that is being done by the Insurance Commissioner. We need to look at independent medical examinations, examiners' certifications, and other kinds of rules and regulations that we need to do in order to perfect the system and make it even better. So, this is a collaborative, total effort on the part of many people.

"I just want to thank you, Mr. Speaker, and the leadership team for your help, to our Co-Chair Ron Menor, for your wise counsel and constant pressure for me to do something about it; to Co-Chair Say and Co-Chair Tom and their committees -- Consumer Protection Committee, Finance Committee and the Judiciary Committee -- for the many hours that they have put into this bill.

"I also want to thank the conferees for their part. I also want to thank the Labor Committee, the hardworking Labor Committee, with Vice Chair Suzuki, Representative Alcon, Representative Case, Representative Isbell, Representative Ito, Representative Nakasone, Representative Takumi, Representative Marumoto and Representative Ward.

"I think that this is a good beginning but we cannot, like I've said, let up, and it's because of the total effort of everybody in this state that we are able to forge ahead with this bill. I urge you, friends, to support this bill.

"Thank you."

Representative P. Oshiro then rose to speak in favor of the bill, stating:

"Mr. Speaker, as noted by the previous speaker, this bill provides a very comprehensive and bold step in effectuating true reform in the area of workers' compensation insurance. This measure, Mr. Speaker, is very broad based, and touches upon everyone who is part of our workers' compensation industry. Whether it be an employer, an employee, health care provider, an insurer, an attorney, the Department of Labor, or the Insurance Commissioner, all are a part of this major reform proposal. Although, Mr. Speaker, some may be somewhat disappointed that one issue or another may not have made it as part of this final conference draft, I am certain, Mr. Speaker, that we are all aware of the dynamics of our bicameral Legislature and the need for deliberation and compromise in the drafting of legislation. The bottom line, Mr. Speaker, is that the components that are a part of this measure are substantial, and will result in a significant reduction in premiums and in the overall cost for businesses and residents in the State of Hawaii.

"I would like to, Mr. Speaker, commend our hardworking Labor Chairperson who has worked long and hard over the years in his effort to effectuate significant and meaningful reform within this very complex and far-reaching system. Your dedication and hard work has truly paid off, Mr. Chairman, and on behalf of Speaker Souki and our House Leadership team, we commend you.

"In addition, Mr. Speaker, we would be remiss if we did not also acknowledge the lead negotiator from the Senate, their esteemed Consumer Protection Chairperson, for his hard work and for his sincere commitment towards the implementation of significant reform and premium reduction in the area of workers' compensation insurance.

To you, Milton, and to you, Nobu, our sincere thanks and congratulations on a job well done.

"Thank you."

Representative Isbell then rose to speak in favor of the bill, with reservations, stating:

"First of all, I would like to commend the Chairman for bringing out such a strong fraud bill because that is something that's been really needed for a long time.

"But I would like to bring your attention to the fact that one of the problems with reducing the reimbursement to 50 percent of what you got plus 10 percent, which means that if you were doing a medical reimbursement for one hundred dollars, you are now going to get fifty dollars plus ten percent, or fifty-five dollars.

"Other states have dealt with workmen's compensation and found that it isn't the reimbursement that's the problem. It's the utilization and the frequency of treatments that have been the real problem. So what I would like to suggest to you is that we gave them a double whammy this time. We not only reduced the utilization to five the first time and another ten after the Commissioner approves it, but we've also reduced the reimbursement.

"My concern is that we might find ourselves without physicians and medical care people willing to take care of workers' compensation. I hope I am wrong, but if I am correct, we would have to come back for a special session if we found out that the people weren't going to take care of them.

"The date that this all takes place ... well, it's different dates, but July 19, 1996, the Department of Labor is supposed to come up with rules. So that would seem to me that we have some time to correct this if it is wrong but if not, I am not sure what the ramifications are.

"I'd also like to tell the Chairman of the Committee that I appreciate him coming to Kona and working one of our meetings with the Kona Coalition because we had a group of people over there totally dedicated to working on workers' compensation and they were from all the disciplines and we, for the first time, had lawyers talking to unions, with physicians talking to chiropractors, and physical therapists talking to acupuncturists -- all sitting around the table, and we got fourteen of them. And that was where we came up with a lot of things that we would have liked to see in here and some of which are in this bill.

"So I would like to suggest to you, Mr. Speaker, and as the Chairman has suggested, this is workers' compensation number one, next year it will be workers' compensation number two, and perhaps number three after that.

"I would like to extend my appreciation that we are at least addressing workers' compensation and the tremendous pressure that business is under right now to solve this. We must resolve the problems. The premiums have gotten outrageous and we've got to have reimbursements, and the most important thing is, we must take care of those who are truly injured.

"Thank you very much, Mr. Speaker."

Representative Ward then rose to speak in favor of the bill, stating:

"Mr. Speaker, Shakespeare said that the one-eyed among the blind is King, and last year we went blind

because we had no results whatsoever. This year, we've got one eye or, as some have said ... maybe a half a loaf? We've got 15- to 20 percent savings and there's a few things that may be the leaven to even increase it to being 25 percent.

"I think all credits to Nobu and his staff are well taken and I join in kudos to the Labor Chair, and especially the Vice Chair for his persistence in keeping everybody and everyone in their process moving. And also to all of those of you in the Small Business Caucus that listed those eight common ground points to dive to the common center to find out what are the overlaps rather than what are the arguments between them.

"Mr. Speaker, just for the quantitative record, I would like to go through what the Chairman has done on those highlights of which we have a quantifiable savings rate -- just for the record.

"The medical fee schedule is the biggest pay ground -- the pay dirt is between eight to thirteen percent savings. The other is the double-dipping which would be between one and one and one-half percent savings; part-timers, .01 to .03 -- for those part-time workers getting only part-time benefits; deductibles between one and three percent; and savings because of safety measures in place, three to five percent; and that total is somewhere between fifteen and twenty percent with three riders or three hookers, if you will, which I think are very positive, and one speaker already alluded to them.

"If and when the fraud statutes are in enforced, there is a possibility of savings in that area. I even believe California said that twenty percent of premiums have gone to fraud and in no way will they come near probably to that, but that's an area of possible savings. After the study and the managed care kicks in, there is a possibility of even more savings. And lastly, when the Assigned Risk Pool has people out of it, that should be premium savings on the individual business level.

"Having said that, Mr. Speaker, I think we have again, a half a loaf with leaven -- it may rise up. I hear workers' comp two, workers' comp three ... you know, you don't bake bread in serials; you usually bake the loaf at one shot. Unfortunately, we can't expect perhaps beyond what the flour and the water are capable of doing. But having said that, I have two concerns and this is in no way a reservation, but it is saying that in the wicket right now -- in the basket, in the pipeline -- is for those in the high risk pool, an 87 percent increase. I am very concerned about that small business group as even the Chair said, some went twenty years without even a claim and they are in the high risk pool, paying thousands of dollars which they feel are for nothing.

"My concern is, Mr. Speaker, that those insurance companies with due haste, with vim and vigor, grab those people out of the high risk pool, use the incentives that they have in this particular bill, and pull them out and they get double credit for that. There's a real incentive for the insurance companies. They get credit against their billing on that high risk pool donation -- 200 percent for the first year and 100 percent in the following years. So I would encourage the insurance companies to be sure to pull those guys out of the high risk pool.

"Secondly, Mr. Speaker, for those 'normal' workers' compensation businesses, they are facing a possible 25 percent increase that is at the door of the Insurance Commissioner. To those I would say, if we can get the half a loaf to grow up to about twenty or twenty-five percent, they will break even. It will be a wash and then workers' compensation two will hopefully come in and give them a bit of pay dirt. So, in effect, while we've

walked five steps forward, there are some things that may even push us further on this, but I think some of those pending rate increases is a possibility of slipping backwards. But given all the circumstances, I think what we've done is well done.

"Again, commendations to those who worked hard and I know that Chair Yonamine was almost at the verge of filing a worker's comp claim himself, Mr. Speaker. But he's made it, and we've all made it through.

"Thank you."

Representative Halford then rose to speak in favor of the bill, stating:

"The first speaker, Chairman Yonamine, made many good points and I don't see any reason to reiterate them except that I wanted to emphasize one of them.

"One of his earlier points was that this is everybody's bill, that it's not just our bill or just labor's bill, or that it is just a bill for people that work. It's also a consumers' bill and it's a bill that affects our state budget since we, as a government, pay workers' compensation.

"Earlier today, in a previous discussion, the Finance Chair made a very good point. I agree with it completely: that there is a lot of stress in trying to balance our budget (with the budget's increase of \$1.2 billion) that it is difficult because of mandatory payments. And one of those payments that we're committed to pay (if the costs go up, we are the tail following it) is workers' compensation. For the sake of our budget, we need to take control of workers' compensation costs.

"I support this bill wholeheartedly.

"Thank you, Mr. Speaker."

Representative McMurdo then rose and stated:

"I will be voting up on this bill, but I would ask that the Chair of the Labor Committee take seriously Representative Isbell's concerns on the medical providers, to be sure that the workers will be able to get the kind of help they will need, and that we don't bankrupt some of the people in the medical providing world -- not all of them.

"I know there's always the look that doctors are so rich, but there are an awful lot of other people, and they aren't all rich either, but there are a lot of other people who are providers. For instance, the physical therapist can be very valuable, but you will be finding that some of them will be going out of business. So I think this is an area that we must be really careful with.

"Thank you very much."

Representative Thielen then rose to speak in favor of the bill, stating:

"I know that the Chair of the Labor Committee has looked into Oregon's workers' compensation reform, and I know that I gave him a multitude of materials from Oregon. What I have now received is their analyses showing that their reforms have worked, and one of those reforms does address the concern of the Representative from Kona about utilization.

"Under Oregon's workers' compensation reform, the number of accepted disabling claims has decreased by over 30 percent, and fatalities by over 22 percent, while employment has grown by 10 percent.

"Another interesting thing from the Oregon experience is that their premium rates have decreased by over 30 percent from 1991 to 1993, saving Oregon employers over \$200 million. That money, obviously, was available then to go back into the businesses, which furthered the economy of Oregon.

"And Oregon has become a national model for workers' compensation reform, and improved workplace safety and health. Their changes have led to progressively lower costs to employers and increasing benefits to workers. While workers' compensation premiums continue to escalate in most states, including I know, Hawaii, Oregon has significantly reduced premiums. Moreover, Oregon's on-the-job injury, illness and fatality incidents continue to drop, even though the state's workforce continues to increase.

"I will share this report with members in the House of Representatives and would hope that we would take a look at it as we continue to move forward on workers' compensation reform. I think the bill before us is a very good step. I think we still have a way to go.

"Mr. Speaker, I have some other remarks. If I may, I would like to ask that it be inserted in the Journal. (The Chair 'so ordered'.)

"Thank you, Mr. Speaker."

Further remarks by Representative Thielen are hereby inserted:

"Mr. Speaker, I rise to speak in favor of House Bill 2133 but with some reservations. I have been flooded with letters from businesses crying out for workers' compensation reform. Businesses are in urgent need of true reform so they can stay open and keep jobs for employees. I am concerned however that in reality, there may be no meaningful reduction in **premiums**.

"We should look at the Oregon experience. Since its reform in 1987, Oregon's workers' compensation system has experienced a decrease in premium rates by over 30 percent from 1991 to 1993, saving Oregon employers over \$200 million. Oregon's average workers' compensation rate substantially improved from 6th highest in the nation in 1986 to 22nd highest based on 1992 premium rates.

"Several features of Oregon's reform should seriously be considered next year for Hawaii's workers' compensation system, if we are to achieve true premium savings. Some of these measures include provisions this Legislature has rejected.

"For example, our bill only excludes compensation for injuries resulting from assault or combat that has no relation to the job assignment and is a deviation from the employee's customary duties. However, under Oregon reform, compensation is limited only to work-related claims. Injuries from recreational and social activities and from the use of alcohol or drugs have been excluded. Mental stress claims have been restricted. The definitions of compensability for both injuries and diseases were changed in Oregon to require that the employment be the major contributing cause and proven by medical evidence.

"These redefinition of compensability are at least in part responsible for the dramatic decrease in injury and disease claims in Oregon. Accepted stress claims in 1991 were down nearly 62 percent from the number of claims in 1987.

"In the area of return-work assistance: Oregon instituted the Preferred Worker program to provide employers incentives to hire disabled workers.

"Under the program, workers who are permanently partially disabled, have not refused suitable employment with their employer at injury, and have not returned to work, automatically receive a Preferred Worker card. An employer who hires a Preferred Worker is eligible to receive assistance consisting of wage subsidies, worksite modification, or exemption from workers' compensation premiums for the worker for a period of three years. If the worker sustains a new injury, the claims costs are reimbursed to the insurer.

"During the first two years of the program, nearly 2,300 Preferred Workers were hired using the card. From 1987 to 1992, Preferred Workers contracts increased over 59 percent. For those who received a card, over one-third were expected to use the card to find a job. Our bill does not contain any significant return-to-work incentives.

"The results of the Oregon workers' compensation program have been proven. By instituting similar measures in Hawaii, our small businesses could experience similar premium reductions and a similar return to work by injured workers.

"Lastly, I am concerned that the current medical fee schedule provisions in our bill could deter doctors, particularly specialists, from providing medical services under workers' compensation. Further, the first 72 hours after an injury are often critical to the successful recovery of an injured worker. Insuring the quality of critical emergency medical care by creating a 72-hour exception to the medical fee schedule, is the practical way to ensure that specialists will be available to treat injured workers.

"Mr. Speaker, our businesses can no longer afford to do business and provide jobs under the weight of workers' compensation. If we do not enact reform that will result in a substantial reduction in premiums, we will be sentencing our business to failure. We need to continue to address workers' compensation reform in the sessions to come until we get the system working properly."

Representative Chun Oakland then rose to speak in support of the bill, stating:

"First of all, I know how hard the Chairman of the Labor Committee has worked and I really appreciate his personal efforts as well as everyone else that have shared their concerns and ideas with him. I hope that during the interim, both the Chairman and others will be working closely with the Insurance Commissioner.

"Now that there is something in place here, I hope that the Commissioner will be able to hold the line, not approve any more increases and, in fact, possibly work towards reducing the workers' compensation costs that the small businesses are experiencing.

"And particularly I think, with regards to small businesses that have been put into the Assigned Risk Pool, I hope that our Legislature, as well as the Commissioner, will closely monitor that. I think the small businesses, if you talk to most of them, that's their main concern.

"Thank you."

Representative Swain then rose to speak in favor of the bill, stating:

"When we started off the session, I had a number of meetings with small business advocates and they were pretty disheartened as to what took place last year and the possibilities of true reform coming out this year.

"It is a tribute to the members that sit in this body and the body below us that have brought this together, and especially to the small business people out in the community as well as large business. They have brought this together. We have listened, we have spent hours and hours of time, especially the Chairs who have been involved in this, and the work that they have done is a great start and I look forward to the sequels.

"Thank you."

Representative Kawanakoa then rose and requested that his remarks, in favor of the bill, be entered into the Journal and the Chair, noting that there were no objections, "so ordered."

Representative Kawanakoa's remarks are as follows:

"Workers' compensation reform has been a long time in the coming. This bill appears to be a start and I applaud this Legislature for taking this step. But we cannot stop here. Our businesses, the core of our economy, cannot survive much longer without substantial relief.

"I am glad to see that this bill includes the eight minimum proposals advocated by the Small Business Caucus. I hope that the projected savings of 21.4 percent will become a reality in the very near future.

"But I believe we can do better. Our businesses need greater reductions both in costs and in premiums. I would like to see other measures that will make the workers' compensation system operate much more efficiently.

"This is a first step to restoring the health of our businesses, but we have a long way to go. I hope we will strive for further reform in upcoming sessions."

Representative Meyer then rose to speak in favor of the bill with some reservations, stating:

"I am voting for this measure even though it is not everything that I would have hoped for, but it is the only workers' compensation reform left in the Legislature. The question is ... is it enough?

"Businesses, particularly small businesses, are drowning under the weight of high workers' compensation premiums and costs. Our businesses need relief and they need it immediately. Despite its projected savings of 21.4 percent, I wonder if it is real. I don't think so. Does this bill do all that it should for reducing premiums? I hope so.

"This bill falls short of bringing the kind of cost savings small businesses hoped for. Without the repeal of Act 67 and its premium adjustment provision, and with the incorporation of collective bargaining negotiation for workers' compensation benefits, and the lack of better control of mental stress claims, and without restricting compensation for injuries occurring during voluntary or social activities, or while under the influence of alcohol or drugs, we have ensured that premiums will not go down as significantly as we hoped.

"Businesses have been asking for meaningful reform for over five years. They can no longer survive in Hawaii. If business closings continue, and I believe they will, our economy will only worsen.

"It is no accident that I am wearing black today. I am mourning the loss of all the hardworking entrepreneurs and business owners who have closed their doors in the last year. They were so hopeful, they were so needy ... they needed immediate relief.

"While this bill is a good first step. I am afraid that it may be too late. I pray that there will not be large numbers of employers who will be forced to close their doors in the next twelve months because we passed a bill that was too little too late.

"Thank you, Mr. Speaker."

Representative Yonamine, in rebuttal, stated:

"First, I don't think you can set the high workers' compensation premium as one of the major reasons why a small business or businesses goes out of business. We have never conducted an exit polling like location, commodity or the product, the parking situation, financial transaction, capitalization of a business, et cetera, et cetera; many factors that go into building up a business.

"So taking that aside, let me just say this. For the first time, we've actually had, in my experiences as Chair, real communication and dialogue take place between organized groups of large businesses and small businesses, and I think this is what we have to look at. The fact is that communication is taking place, has taken place, with all people in the private and public sector and that has never been done before. But, we can't get everything we want in our workers' reform package.

"Oregon has always been used as a prototype. They started their reform moving in 1986. They are in nine years now of reforms.

"What we are doing right now is doing something that we can do right now, knowing that it is going to take more than one time, as there is no quick fix to this complicated and complex system. We need first to put the insurance industry under some type of control with openness in terms of their financial disclosures. Then savings will take place. Let's look at that rate filing and other kinds of documentation, and then we can take a look, too, at compensables and other indemnities later on.

"I think, friends, we've come a long way and let's start right now -- go for the bill.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2133, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION REFORM," having been read throughout, passed Final Reading by a vote of 51 ayes.

At 4:40 o'clock p.m., Representative Okamura asked for a recess and the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 4:51 o'clock p.m., the Vice Speaker assumed the rostrum.

Conf. Com. Rep. No. 113 and H.B. No. 1472, HD 1, SD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 1472, HD 1, SD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Pepper rose to speak against the bill, stating:

"Mr. Speaker, if House Bill 1643 is passed, defeating this bill is the only way we can keep our word to the

private-pay nursing home patients and their families because under those circumstances, defeating this bill will at least continue the nursing facility tax credit. I understand the need to adjust the other tax credits as this bill proposes and I want to support this bill.

"Again, at this late date, I plead with leadership to say, we will correct the inadvertent injustice created by the combination of House Bill 1643 and this bill.

"Mr. Speaker, our respect in the community is fragile and damaged. Please, leadership, do not allow it to be damaged further. Give the community our collective word, as some of us in good faith have given our word individually earlier. Please make it possible for me and others to support Chairman Say and what he has been trying to do with respect to controlling the budget, and please make it possible for me to support this measure, but as things stand now, I will be voting against this measure.

"Thank you."

Representative Ward then rose to speak against the bill, stating:

"Mr. Speaker, this bill is the cornerstone of this body's budget unfortunately. It's the \$65 million worth of tax credits or by any other term, tax increases.

"And this is the hit, Mr. Speaker, that I would contend we could have avoided because this hit is harnessed and strapped to the backs of the poor. And I will not say it as eloquently because it's been spoken of already by my colleague from Maui, and that was the words of the Democratic Chair who so aptly said in his speech that the best way to do and make right this bill is to give more to the poor and cut out the middle and the upper classes who, in effect, are taking their piece of the action in these cuts.

"That would have been a wiser social and economic policy. It would have been something that otherwise would not have been what I see is the poison pill in the state budget. Balancing the budget on the most vulnerable is not the best social policy. There's a better way we could have done it but we haven't done it, and the Chair of the Democratic Party has already spoken of that solution.

"Thank you, Mr. Speaker."

Representative Halford then rose to speak against the bill, stating:

"To reiterate, with House Bill 1220 we increased government spending -- our government spending -- \$1.2 billion or 12 percent. We increased it more than the increase in revenues that we expect. We are in a situation that our growing needs exceed our ability to pay for them. And in order to fulfill the last marginal spending, we went to the poorest and most fragile part of our community to take their money.

"Thank you."

Representative Chun Oakland then rose in opposition to the bill and requested that Representative Pepper's remarks be entered into the Journal as her own, and the Chair "so ordered." (By reference only)

Representative Thielen then rose to speak against the bill, stating:

"It's interesting that on the mainland, tax freedom day or the day in which you have worked to pay your taxes

comes May 6th. From then on, you're able to retain your earnings. For the taxpayers in Hawaii, we don't reach tax freedom day until May 17th. Our local people have to work longer to pay their federal, state and local taxes than most everyone else in the nation.

"And now the Legislature, this body, is taking away tax credits from this overworked and overtaxed population. And as we all know, it hits upon the most vulnerable the hardest, and for those reasons and those others expressed previously, I am voting no on this measure.

"Thank you."

Representative Kawanakoa then rose to speak against the bill, stating:

"I need to vote no on this particular measure. I believe we discussed it earlier when we discussed the budget with regards to the increase. I would only mention another notion ... government has increased 12 percent.

"If we took it upon ourselves to increase government by 11 percent, 10 percent, perhaps 9 percent, then we would not need to go after this food tax credit, the low-income rent tax credit, and the medical excise tax credit, not to mention the repeal of the tax credit we were giving the nursing homes. All of these tax credits are really unfair. They are unfair because they put an extra burden on probably the most needy people in our population.

"As I have mentioned, and I guess we're stating it again and again, because I'm still amazed at the fact that we can grow government by so much and expect our poorest to help, if not to fund these increases in government.

"Thank you, Mr. Speaker."

Representative Say then rose to speak in favor of the bill, stating:

"Mr. Speaker, in giving my speech earlier this morning in regards to the budget, this particular measure was part of a four or five measures as a package in trying to address our projected deficit.

"All of us who are here today realize that we are making a very courageous decision on this particular repeal of the respective credits and I must say, I would rather repeal the credits than cut programs statewide that are very beneficial to the people of the State of Hawaii.

"I had to swallow, Mr. Speaker, earlier this session, in regards to the increase in the GE tax of one percent to resolve a Hawaiian Home Lands settlement. And I reiterated to the general public and to the media that that one percent increase was not -- it was not -- for public service but a moral obligation to the Hawaiian community.

"What we have here, Mr. Speaker, is the Conference draft of the House bill that we sent over to the Senate. In regards to the House draft, which was a savings in credits of \$48 million, we have increased it to a total of \$65 million.

"I have to apologize to all of you that if I miscommunicated or misconstrued my obligations to the members in regards to the provider tax credit, that it was based, Mr. Speaker, on a two percent reduction in the medical credit area. The Senate position was for a total repeal and because of the deadlines that we had this past Friday evening, Mr. Speaker, I blame myself as far as the oversight in regards to the provider tax credit.

"This particular measure, Mr. Speaker, is a cornerstone in balancing our budget. I've heard all of the accolades this afternoon, Mr. Speaker, on all of the appropriation measures that we have all supported. It is this particular measure -- the tax credits -- that allowed the members of this House to get their appropriation measures passed or adopted before this House.

"Mr. Speaker, it is not very easy because when I said on the first pass of our House budget that we tried very hard to look at all the different options and alternatives, there really wasn't much in regards to really trying to address this projected deficit, Mr. Speaker. As I've stated to the members, you are saving right now for the biennium with this \$65 million tax credit measure, \$130 million. We reduced general fund appropriations for our programs throughout the State of Hawaii by \$140 million to \$148 million, and you add these two up, about \$150 million, that is equivalent to \$280 million whereby we still have a shortfall in this projected \$350 million. For those of you who were on the Finance Committee, you heard how we converted general fund moneys into special funds, in regards to the community hospitals into the University system, and also the other measure dealing with state funds -- the draining of our special funds that we have presently in existence to the tune of \$21 million, Mr. Speaker.

"The Finance Committee, myself and the staff, tried very, very hard and diligently in trying to address the \$350 million projected deficit. I am not one for raising taxes, Mr. Speaker, and I can recall that some of the comments made by members of the Majority Caucus are correct. When funds were bountiful, we gave these credits, not realizing that we would come to the day of famine, and we are now addressing a famine.

"Mr. Speaker, we have cut so many positions and subject committee chairs have made the request to restore them. All of you have made requests that we restore different programs -- transition centers, jobs, OCY, DOE -- where does it end?

"Members of the opposite side have made requests for purchase of service grants-in-aid for their respective organizations, capital improvement projects, and the Chair and the Finance Committee have been very fair and equitable, that we have incorporated them into the biennium budget, Mr. Speaker. I realize, yes, we are taking credits away from the general public at large, but I also realize that this is a fair and equitable one because I don't feel that we just discriminate against the middle class. It's the middle class who are paying the brunt of the taxes. To say that we have put more pressure and more burden upon the poor -- what about the middle class, which is all of us here?

"I tried to be very fair in trying to come up with a package that was convenient and supportive of both houses -- the House and the Senate -- and this is the measure that we have before us, Mr. Speaker and members of this House. And I ask and I plead that all of you do support it, in trying to balance our biennium budget with a cash carryover balance by 1997 of \$50 million plus. That's all I ask. This is one package of maybe three or four or five that we have tried to develop in balancing our overall biennium budget.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1472, HD 1, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO TAX CREDITS," having been read throughout, passed Final Reading by a vote of 36 ayes to 15 noes, with Representatives Anderson, Chun Oakland,

Halford, Hiraki, Kawanankoa, Marumoto, Meyer, Pepper, Saiki, Shon, Takai, Takumi, Tarnas, Thielen and Ward voting no.

Conf. Com. Rep. No. 114 and H.B. No. 1828, HD 2, SD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 1828, HD 2, SD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Arakaki rose to speak in favor of the bill, stating:

"When we passed this measure on Third Reading, Mr. Speaker, I asked our colleagues to remember our state motto: 'UA MAU KE EA O KA AINA IKA PONO' -- 'The life of the land is preserved in righteousness.' Unfortunately, the wrongful taking or use of their aina, or land, has meant a loss of pono or righteousness. For the keiki o ka aina, to separate their heart and soul from their homeland is like cutting a plant and putting it in a vase. It will not flourish and it will eventually wither and die. We now have the opportunity to bring pono, to heal, to right some of the wrongs that were committed in the past against the Kanaka maoli.

"However, our zeal to bring a long awaited justice to native Hawaiians was tempered by our fiduciary responsibility to all citizens and to future generations. Because we were going to ask our colleagues to make the largest single funding commitment in the history of Hawaii, we sought to provide a document that would satisfy and justify the debt that is owed. Your House conferees stood fast by two pillars of principles that help up the House position; one was certainty and the other was finality. We had to be sure that we were not only providing with all certainty, a just and legal compensation to native Hawaiians, but also a fair and lasting settlement for all citizens of Hawaii.

"Mr. Speaker, House Bill 1828 represents a culmination of a process that began in response to the Native Hawaiian Judicial Relief Act 395 of 1988, which was to provide native Hawaiians the right to sue to enforce the provisions of the public trust created by the Admissions Act of 1959.

"We feel certain now that this bill settles the claims on 36,574 acres of lands that according to the Department of Hawaiian Home Lands' records and maps, were designated as Hawaiian home lands by Congress in 1921. Approximately a third or 12,000 acres of these were sold or granted to individuals by the Territory or the state, which meant there were both questions of title and alienation for 2500 private landowners.

"Based on these claims, the appraisal company of John Child and Company estimated the compensation to be paid to the Department of Hawaiian Home Lands, valued at \$970 million to \$1.2 billion, with 73 to 76 percent of that valuation credited to the lands now in private ownership. We are now certain that this is what we are settling through the establishment of a trust fund and annual payments of \$30 million into the trust fund over a period of twenty years.

"The settlement also includes: The acquisition of 420 acres of state land for Hawaiian home lands in Anahola, Kamalomalo and Moloaa; selection of up to 200 acres of land returned by the federal government at Bellows Air Force Station; \$2.3 million for rent due for use of Nanaikapono Elementary School through the year 2002; \$2.4 million for uncompensated state use of Hawaiian home lands; a land exchange to remedy uncompensated

use of Hawaiian home lands for state roads and highways; and payment of \$1.5 million owed to the Department of Hawaiian Home Lands as its 30 percent entitlement for sugarcane cultivation.

"We feel, Mr. Speaker, that we have established a firm legal, ethical and moral ground for the claims of wrongful taking and use of lands meant for the benefit of the Kanaka maoli. This is not meant to be an apology to ease the collective conscience of those who have allowed this injustice to our native people. It is just compensation, a debt that we have clearly stated, that the federal government must now also take responsibility for their share of wrongful use and taking.

"Mr. Speaker, I wish to dedicate this bill to the many residents and farmers on Hawaiian home lands at Panaewa, Pu'ukapu, Maku'u, and Kawaihae on the Big Island that your Committee visited in February, and others on Kauai, Molokai, Maui and Oahu who I visited and spoke with last year, and to the thousands who have waited for an award, some who have died with their names still on the list. We hope this bill brings you renewed hope and a message that we have heard your cries. This is our pledge to make good on a promise that was never fulfilled to our native Hawaiians.

"We now have the opportunity and the means to make pono, to heal, to express our desire to right some of the wrongs and to bring truth to our state motto: UA MAU KE EA O KA AINA IKA PONO.

"In closing, Mr. Speaker, please allow me to thank you and my colleagues on leadership, especially Representatives Amaral and Okamura, for your collective wisdom and guidance. Mahalo nui to my co-chairs, Chairman Tom and Chairman Say, and especially to conferee, Representative Ed Case, who provided expert legal opinions, direction and discussion on issues, along with our Majority Staff Attorneys -- Mr. Jim Funaki, Mr. Bob Morris -- and my staff.

"I would also like to acknowledge the Senate conferees and especially Chair Grauly, for his patience and guidance. A special Mahalo to Attorney General Bronster and her staff, and the Director of the Department of Hawaiian Home Lands, Mr. Kali Watson, and his staff for their diligence and cooperation.

"Finally, Mr. Speaker, a large debt of gratitude and recognition to the Native Hawaiian Legal Corporation, the independent representatives and members of the task force, who worked tirelessly to produce a document that served as a strong foundation upon which we constructed what I feel is an excellent bill that we can all proudly present to the native Hawaiian people of Hawaii.

"I end with a quote from the Committee report which is based on a Hawaiian proverb: 'E lawe nui ana kakou no loko a'e o keia mau kanawai' -- Let us all draw greatly from within these laws.

"Mahalo nui loa."

Representative Kahikina then rose to speak in favor of the bill, stating:

"Mr. Speaker, this bill represents the epitome of my pride, serving here in the Eighteenth Legislature.

"The purpose of this bill is to resolve alleged breaches of the Hawaiian Home Lands Trust by:

- (1) Settling disputed issues of land titles with finality and certainty;

- (2) Provide a Hawaiian Home Lands Trust fund for the payment of funds to the Department of Hawaiian Home Lands over a period of twenty years; and
- (3) Provide for the culmination and closure of various activities and goals initiated by past Legislatures.

"Mr. Speaker, as a native Hawaiian myself, a beneficiary of the Department of Hawaiian Home Lands, third generation on the Aina Pulapula of Nanakuli, and having the hope of one day my son and my daughters to be the fourth generation to be blessed with this God-given heirship of land use.

"I thank you, as the Speaker of this legislative body and also as a past legislator, who took the responsibility in seeing that this grave misuse of Trust responsibilities and actions be reconciled; to all of my colleagues who have been a part of this movement in righting a wrong; to Chairman Arakaki for your hard work with Representative Amaral and all the many other Representatives, in addressing the finality and certainty of what we are settling for; to Chairman Say for his diligence and prudence in reaching a responsible solution in not increasing the general excise tax; and to all the legislative staff, Mr. Funaki and his staff, and also to Representative Case who I know personally gave so much of himself in reaching the final agreement.

"We are all a part of history, so let us look back into history to know where we came from and what we are doing here now so that, with this information or precept, we can plot the course of our future.

"Mr. Speaker, on July 9, 1921, the United States Congress enacted the Hawaiian Homes Commission Act of 1920. That legislation established a land trust of approximately 200,000 acres for homesteading by the native Hawaiians, defined as persons with 50 percent or more Hawaiian blood. The major purposes of the Act, included placing Hawaiians on the land, preventing alienation of this land trust, providing adequate amounts of water for homestead lands, and assisting Hawaiians in establishing farming operations, and I might add, Mr. Speaker, of which the purpose of this bill addresses only a portion of the failure to enact this legislation to the letter of the law.

"I would like to read from a book in Trust, the testimony of Mahealani Kamu'u, dated September 6, 1988, which stated: 'The Hawaiian Homes Commission Act passed almost thirty years after the U.S. took over Hawaii, held out a promise of land to mitigate the injustice done to our people. You and I are here today because the Hawaiian Homes program with its 67 year history of neglect, has failed in its mission. If Hawaiians show any vitality as a people today, it is in spite of this program, not because of it. The long history of abuse, mismanagement and uninspired leadership have brought our people to the point where we are no longer willing to put up with more of the same in the future.'

"It goes on and the testimony by Trust Director, Hoaliku Drake, Chair of the Department of Hawaiian Home Lands, said and I quote: 'Securing adequate financing has always been an obstacle to native Hawaiian homesteading.' She goes on and states that the deputy director at that time, John Rohr stated: 'The estimated cost of approximately \$80,000 to \$90,000 per unit for infrastructure and home is needed.' Mrs. Drake also stated that her goal was to deliver more than 14,000 lots and homes at an estimated cost of \$2.4 billion.

"So this so-called making right the wrong is very short from what we see there, but nonetheless, for 75 years native Hawaiians suffer the highest in every social, physical, spiritual, economical and educational dysfunctions in this society, while under the Trust management of first, the territorial government of Hawaii for the federal government and since statehood, by the State of Hawaii.

"Isn't that cruel and unusual punishment? But in spite of that, in 1979, 25,000 acres of the 200,000 acres available, or 12.5 percent of these lands, were leased to eligible beneficiaries; while at the same time, 61 percent of these lands, or 122,000 acres, were used by non-Hawaiians, while 6,310 Hawaiians or beneficiaries wait on the waiting list.

"In 1989, 5,778 leases were awarded, of which 79 percent were for residences, and 2,500 of these leases were awarded during the 1984 to 1987 acceleration program, of which many of those leases still await infrastructure improvements, and the needed assistance to rehabilitate those Hawaiians on their lands with the proper assistance that the law requires we have available for the Hawaiians, and some of these leases were taken back by the Department of Hawaiian Home Lands.

"In 69 years, in 1989, this program settled fewer than 3,700 Hawaiians on fewer than 32,000 acres, or 17.5 percent of the total lands available, now reduced to 187,413 acres, while 62 percent of these lands were used by non-Hawaiians.

"Mr. Speaker, this Legislature has the power to enforce the laws set forth by the prestigious body of the government. The laws already on the books set forth an Act that has had very little attention for such an important purpose.

"Some of the same missionaries that came here to Hawaii to preach the gospel had other agendas of the Department of Hawaiian Home Lands uses. History writes that many of the plantation owners had already plotted the ability to use the Department of Hawaiian Home Lands for their purpose for merely nothing.

"Mr. Speaker, I am told by some of my colleagues in the legal profession that all the laws of the land stem from an important climb onto the Mount of Sinai by Moses, which we refer today as the Ten Commandments or the Moses Gloss. Mr. Speaker, reading this story in the Holy Books of the Bible, it says that God really didn't want to set forth these laws, that the people had insisted that Moses go up and get these laws. While he was receiving these laws, the people, at the same time, were sinning or being disobedient to God's principles. God told Moses, 'My laws are simple. Love thy God with all thy heart and with all thy soul, and to love thy neighbor as thyself. If you've done this, you have fulfilled the law.' But because of the plea of the people, Moses pleaded for the Ten Commandments.

"Mr. Speaker, we heed to some of these laws with diligence. For instance, 'Thou shall not kill.' We all agree this is a law that we should take. And by the way, all these laws are in the Second Book of the Old Testament in the 20th chapter of Exodus, the Second Book of the Old Testament, 66 books in all. It also goes on and says, 'Thou shall not steal; Thou shall not bare false witness of thy neighbor.' We turn our heads at times to 'Thou shall not commit adultery' . . .

At this point, the Chair interrupted and informed Representative Kahikina that he has exceeded his ten minutes, whereupon Representative Okamura rose and yielded his ten minutes.

Representative Kahikina thanked the Chair and continued, saying:

"We turn our heads at adultery, and we even try to consider same sex practices as freedom of choice and not an abomination of God's law.

"Mr. Speaker, the very last Commandment reads, 'Thou shall not covet thy neighbors possessions.' Covet is defined in Websters Collegiate Dictionary as (1) to wish for enviously; or (2) to desire what belongs to another inordinately or culpably.

"Mr. Speaker, the Bible says that to know to do right and not do it is a sin. In this legislation, we will settle in finality and certainty of lands that were supposed to be used for native Hawaiians, while at present the Hawaiians continue to suffer the same ramifications already spoken of. I won't give this body the update status because I hope that we will all take the responsibility to reach out to Director Watson and to his staff not to micro manage, but to show that we care and we will do what needs to be done to see that this Trust be fulfilled and to be whole.

"As I close, Mr. Speaker, we will be giving land titles for lands that was set aside for the use by native Hawaiians who will never, and I repeat, will never, realize these land titles of their own.

"Is this cruel and unusual punishment? In the Holy Scriptures, 2 Chronicles, Chapter 7, Verse 14, says, 'If my people who will call me by my name would humble thyself and pray, and seek my face and turn from the wicked way, then shall I hear from Heaven and will forgive their sins and heal their lands.' This is the first step towards pono, and I urge my colleagues to support this measure.

"Thank you."

Representative Halford then rose to speak in favor of the bill, stating:

With statehood, some of us are old enough to have been born before then, our relationship to the Hawaiian Homes Commission Act changed from citizens of the United States government to fulfill the Hawaiian Homes Commission Act to citizens of the state responsible to fulfill that Act. For 35 years, we have waited for substantial movement to fulfill this.

"I am honored to be a member of the Legislature that made substantial movement to fulfill the Hawaiian Homes Commission Act. I think this might possibly be the most significant event that would happen in my legislative career. I cannot say how strongly I approve of this bill and how honored I am that the people of Hawaii are moving forward to fulfill the Hawaiian Homes Commission Act.

"Thank you."

Representative Kawanakoa then rose to speak in favor of the bill, stating:

"Mr. Speaker, there is one thing I would like to mention -- this is truly a momentous occasion. We've heard about how long and outstanding this breach of Trust has been ongoing and we finally, as the Eighteenth Legislature, are here to rectify that wrong. With the passage of this bill, Hawaiians will finally be returned to their land.

"Mr. Speaker, it is a time to rejoice; it is a time to be jubilant. We all have much to be proud of, and I thank this legislative body for making right what was wrong.

"Thank you."

Representative Swain then rose to speak in support of the bill, stating:

"I agree with my Republican colleague, both Republican colleagues, as well as my brother and colleague from Nanakuli. It is truly a day to rejoice.

"As one who grew up on Hawaiian home lands, I remember a few weeks ago, I mentioned ... you know what this is about? This is about putting people on the land and we have done that. We have taken the first step, extraordinary as it might be, because it was through this bill that I truly learned the frustration of being a member of this Legislature. As we went through the process and the different options that were presented to us and then the frustration of watching the Conference Committee work, and the ups and downs of that procedure, and I learned patience. Today, maybe I didn't learn as much patience as I thought I had, but I did learn some patience through the process.

"The people that I represent are truly grateful this day because as I drive through my area on Kauai, I see thousands of acres of land that nothing could be done with because there was no money to do anything with that. I see homesites that have already been prepared that sit empty ... there is infrastructure in but there are no homes because there is no water. Now they have money to build a pump -- to put it in and to provide water. Now they have money to start building the homes. It is truly an exciting day.

"I look forward to seeing those people that will now have home ownership they will take pride in. I look forward to seeing the smiles on children's faces as they hopefully will go to schools that are right down the street from their houses, not having to catch buses half an hour away, forty-five minutes away, but elementary schools, middle schools, that they can go to.

"On this day, though, I ask our Department of Hawaiian Home Lands to really take into account what is happening here. They have not won the lottery. This is not a time to look at this money as a one-time windfall. This money must be used correctly, and I see a great deal of ability in our Director of the Hawaiian Home Lands and in those commissioners that are now on the Commission, and the responsibility now is in their laps. We have done our part and we have done it well. The responsibility now sits with them. They have many years to come of managing these funds for the betterment of the Hawaiian people. I truly hope that it is done insightfully and using good common sense which we sometimes forget. But if they do that, I know that we the beneficiaries -- the Hawaiian people -- will be truly grateful.

"Thank you."

Representative Amaral then rose to speak in support of the bill, stating:

"As has been noted, House Bill 1828 is an attempt by the Legislature to resolve controversies for the period from August 21, 1959 to July 1988. The genesis of this most immediately is in Act 395 where we sent members of the task force from the Attorney General's Office, the Department of Hawaiian Home Lands, Department of Land and Natural Resources, as well as the Independent Representatives, and one other person that I can't think of

right now, to go into and identify the lands in controversy and to bring a report back to us. Right from the very beginning, in moving in this, I believe that the House has taken the position of exercising leadership and vision, and for that leadership we got a great deal of criticism.

"I think the hallmark of this mechanism is that the House wanted finality. We define finality as pay a debt owed, whether it's \$600 million or a one-time payment of \$320 million -- pay the debt owed so that everyone can move on. Our vehicle was the general excise tax. Finish it once and for all. Clearly, we could not convince our brothers and sisters down below that it was to move that, but we go on from there.

"The other thing that was clear to us as we started to proceed through this was, in finality, we had to identify what we were paying for and so we gave some of you members I know some few nervous moments when we said, then let's delay the settlement for one year until we can identify the land we are paying for. And that's when we got documents with tax map keys and patent numbers and we sat down with the people who evaluated the worth of this land, and all of those documents now sit, both in the Department of Hawaiian Home Lands for anyone to go and to review what it is we are paying for as well as in the Archives, so that we are being diligent and responsible with our tax money to assure we know what it is we are paying for when this debt is settled.

"And we were not satisfied with just that. The third thing we moved to do was to maintain justice, that rights that were long fought for, hard earned, were maintained by the native people and that we didn't remove anything that was due native people in their right to make claims while we still did settle the controversies that were brought to our attention now.

"I hope now that this is settled and now that our debt is paid that we are moving towards a twenty-year payoff of \$600 million for 36,000 acres of land. Now that the debt is settled, that the Department of Hawaiian Home Lands and their beneficiaries can finally put the hurt behind them and can begin to move forward.

"I hope that we will soon see the Department of Hawaiian Home Lands not only working to place the beneficiaries on the land, but to modernize the data that they have there and to be responsible stewards of the land and of the beneficiaries of the Trust. And I cannot -- I cannot -- end this without noting to all of you members the deep appreciation I have for your fairness and your tolerance, and your willingness to stand on the side of justice. And I know that some of us have caused some nervous moments for all of you, and we apologize for that -- Representative Arakaki and I do. But we appreciate your patience with us and I believe now we can move forward in righteousness.

"Thank you."

Representative Ward then rose to speak in favor of the bill, stating:

"Mr. Speaker, this historic moment, I think, has been well stated but I can only say, maybe in street language, that this bill really puts our money where our mouth is. It puts our money where our heart is, where our minds are, and where the future of the Hawaiian community is. And I flash back as a freshman ... my very first floor speech was on this very issue. As a freshman, I couldn't imagine all the rhetoric that I heard with so little delivery that have taken place. And I asked, Representative, what are we doing? We promise this, we give that since 1920 -- this is what happened, this is what has not happened. And today, we're meeting that. That's exciting, that's

keeping one's word, and that's putting one's money where one's mouth is.

"The second floor speech I had as a freshman was with the predecessor of the young man from Waianae who just spoke. It was an argument about lease to fee conversion and somehow, as a freshman, you always remember those things and how I would like to commemorate this historic moment is to ask that the new Representative of Mr. Peters be entered into the Journal as my own remarks, commemorating this day for what it means to the Hawaiian people and for one who took seven years of his life at the University, getting a Ph.D. in economics/sociology, studying the Hawaiian community, mentioning what stewardship is about. The Hawaiians in business are really good stewards. I've seen them, I've measured them, and I've observed them for seven years. So reaching out at this point is what we all know is deserving and what we all know is finally coming to pass for a day that will be recorded, so with your permission, I would be greatly honored to have Representative Kahikina's remarks as my own.

"Thank you, Mr. Speaker."

The Chair "so ordered." (By reference only)

Representative Morihara then rose and requested that his comments, in favor of the bill, be entered into the Journal and the Chair, noting that there were no objections, "so ordered."

Representative Morihara's remarks are as follows:

"Mr. Speaker, as a child, I grew up in a community with thousands of acres of Hawaiian home lands nearby. To finally see these lands being developed into home lots would be a dream come true. Those who have waited for years will finally see their rights fulfilled. The future of these lands will include schools, businesses and homes. It will benefit all of the people of the State by providing needed affordable housing.

"It is certainly a historic occasion that will move us towards fulfilling our long-held Trust obligation. I commend all those that have worked so hard to make this happen and look to the future with great anticipation."

Representative Okamura then rose to speak in favor of the bill, stating:

"Today and this moment is truly a momentous and historic occasion and as others have said, this is really rectifying the wrongs of the past. And in addition to the many, many people -- dozens of people -- that are responsible for bringing forth this issue, including the support of the Speaker and the outstanding work of Chairman Arakaki, I think we would be remiss at this time if we did not truly acknowledge the person I feel, the leader with vision that began the process for the healing of the Hawaiian community, and that is our former governor -- John Waihee.

"Thank you."

Representative Tarnas then rose to speak in favor of the bill, stating:

"On behalf of the beneficiaries and the homesteaders on Hawaiian home lands today and in the future that live in North Kona and South Kohala, we say, 'Thank you very much' to all of the members here.

"Mr. Speaker, I think the emotion is ... this is wonderful, this is great; now, let's get moving because we want to get on the land.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1828, HD 2, SD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN HOME LANDS," having been read throughout, passed Final Reading by a vote of 51 ayes.

Conf. Com. Rep. No. 115 and H.B. No. 745, HD 2, SD 2, CD 1:

By unanimous consent, action was deferred to the end of the calendar.

Conf. Com. Rep. No. 128 and S.B. No. 487, SD 1, HD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 487, SD 1, HD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Meyer rose to speak against the bill, stating:

"When I went to bed on Thursday night, I heard on the radio that the divorcement bill was dead and I said, 'Hallelujah,' some reason has broken through there and the right thing has been done. I felt good about it. At 11:00 o'clock on Friday night, I talked to a few people and one representative from Chevron and I said, you must be feeling kind of good that that divorcement bill has finally died as it should have. He said, 'No, you're wrong.' I could not believe it. Again, I'm a freshman -- pretty naive I guess. Don't know the inner workings of the Legislature.

"Like a Phoenix rising from the ashes, this bill came back. I guess it's a credit to the lobbying efforts of the independent dealers. I kept seeing one particular lobbyist who was here after I'd heard that it was dead. I couldn't understand why he hadn't gone home and I guess that's something to be said for persistence -- don't give up.

"The problem I have with this is the consumer is the person who has lost on this issue. We've had a form of divorcement for four years. During that time, the price of gas has not gone down, it has gone up. This is an anti-business measure. Beyond the fact that it dictates what business can do, and my personal feeling is that the consumer in Hawaii is hurt, a larger concern is the message that this kind of legislation sends to the other 49 states as well as the rest of the world. We are in kind of a critical, tough economic time. We hear much conversation about what can we do to encourage other businesses to come to Hawaii; we spend \$30 million a year at DBEDT trying to promote business, trying to get other places, people with capital, to risk capital to invest, to come to Hawaii, start businesses -- this is a wonderful place to do business. But this kind of legislation broadcasts so loud and clear that Hawaii is not open to competition. We would hope to attract these new businesses but it is difficult when we pass this kind of legislation.

"I feel that the passage of this bill is like shooting ourselves in the foot. The bill is protectionist, anti-business, and anti-consumer. I would hope that we would not pass this bill.

"Thank you, Mr. Speaker."

Representative Thielen then rose to speak in favor of the bill, with grave reservations, stating:

"The reason I can go along with this is that it does have some provisions, including a drop dead date, and I think once that drop dead date is reached, I think we ought to get out of this field entirely and stop trying to regulate business.

"The provisions that make it at least marginally acceptable are that for each dealer-operated retail station owned by a manufacturer/jobber, that manufacturer/jobber may open one company-operated retail station up to a maximum of two company-owned/operated retail stations.

"As I understand it, it's a procedure where if they have it dealer-operated, they can open a company-operated, and I think that's a bit of a level playing field for a period of time. But the other provision that's in here I think that helps is that if a dealer loses a location and a replacement dealer can't be found, the facility can be company-operated for up to 180 days. Then, if you have a situation where a lease is unable to be renewed, then the facility can be company-operated until the termination of that lease, so up to a period of, I believe, three years or less remaining on the lease. So there are some safeguards in here.

"I must also recognize, as the former speaker said, the ones that we're hurting the most with this government control are the consumers. Gasoline prices have not dropped while we've had this protectionist legislation in place. The consumers are the ones that are hurting and the consumers in certain areas that are fast growing with new residential projects, such as Kapolei, aren't getting the service stations in place that they need to service those residents. I think that this is an example of government regulation that is inappropriate.

"The bill does sunset, and by that time I hope we will have had our fill of what is called divorcement, and I hope it sunsets and disappears.

"Thank you."

Representative Alcon then rose to speak in support of the bill, stating:

"Mr. Speaker, a lot of the previous speakers have spoken that this is an anti-business bill. It is not, Mr. Speaker. We're trying to protect small business. The type of businesses that they're trying to protect are the big businesses. What we are trying to protect are the small businessmen.

"As far as the price of gasoline is concerned, it is a fact, Mr. Speaker, that we send our gasoline to California. They sell this gasoline at the list price, then they sell the gasoline here in the State of Hawaii, and I think the people across the aisle should go over and check their facts.

"Thank you, Mr. Speaker."

Representative Kawanakoa then rose to speak against the bill, stating:

"I would like to thank the previous speaker for his note with regard to the cost of gasoline and that it is cheaper to, I guess, refine it here and send it to the continental United States. I certainly will go to the oil companies' refineries and inquire as to how they can ship their refined gasoline from here to the mainland and have it sold at a reduced price.

"Mr. Speaker, Senate Bill 487 is a moratorium on competition and we say that it is against competition, it is

against the small business. We're talking about the concerns of the consumers in this instance. That's who we're referring to as keeping the market free of government regulation.

"This particular moratorium on competition has no economic gain for anyone. It does not serve to protect the very people it was designed to protect. Originally, the goal of this legislation was to keep a small group of Mom and Pop service stations struggling to compete with the multi-billion dollar corporations who would have liked to do business in Hawaii. Unfortunately, divorcement was not able to do that. I think it was stated again and again in the Committee hearings that the divorcement bill truly isn't stopping the smaller gas stations from going out of business as other factors such as environmental regulations and the cost of leases that are otherwise causing these businesses to go under.

"Now we come to a time when we could do away with the divorcement issue altogether. But this Legislature chooses not to do that. Instead, we choose to deny everything reported by the LRB that, in fact, divorcement has had no benefits. Yet, it does in fact damage our economy in several ways.

"One way divorcement has damaged our economy is that it has halted competition in the gas industry. Our gas prices reflect a lack of competition. We must foster competition. Divorcement benefits no one, least of all, our constituents.

"Another way it has damaged our economy is that it has micro-managed yet another industry in the private sector. Mr. Speaker, we cannot expect businesses to expand, grow and thrive in a state which is so riddled with regulatory bureaucracies.

"I am against divorcement. I am against anti-competition bills. I am for consumer protection and economic growth; therefore, I will be voting no on this particular measure.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 487, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO GASOLINE DEALERS," having been read throughout, passed Final Reading by a vote of 41 ayes to 10 noes, with Representatives Anderson, Case, Chun Oakland, Garcia, Hiraki, Kawanakoa, McMurdo, Meyer, Swain and Tarnas voting no. (Representative Thielen voted aye with reservations)

Conf. Com. Rep. No. 137 and S.B. No. 1762, SD 1, HD 1, CD 1:

Representative Amaral moved that the report of the Committee be adopted and S.B. No. 1762, SD 1, HD 1, CD 1, having been read throughout, pass Final Reading, seconded by Representative Thielen.

Representative Menor rose to speak in favor of the bill, stating:

"Mr. Speaker, this bill represents a substantial attempt by the Legislature to enact major and sweeping changes to the no-fault law in Hawaii. As we know, the public has been desirous of reasonable and fair legislative action to make no-fault insurance more affordable. Moreover, prior to the beginning of conference meetings on this measure, your House conferees were sensitive to the wishes of House leadership and House members that a bill move out of the Legislature this session. In this regard,

the approval of this bill by your House conferees was an attempt to be responsive to these concerns.

"It is the hope of your conferees that the enactment of this bill into law will result in a substantial reduction of costs to consumers. There are several reasons why we hope for this:

"First of all, consumers will no longer be required to carry bodily injury liability coverage which should result in a 29 percent savings to policyholders. Moreover, prepaid or private health insurance coverage will be primary and P.I.P. coverage will be secondary in regards to the payment of medical costs resulting from motor vehicle accidents. Therefore, the cost of P.I.P. coverage will become more affordable. Furthermore, this bill mandates an eventual forty-five percent rollback of existing no-fault premium rates. Most significantly, this bill attempts to reduce tort costs by completely barring lawsuits except for intentional or criminal acts.

"Now, in addition to reducing costs, Senate Bill 1762, CD 1, attempts to provide fair and adequate compensation and benefits to persons who are injured in automobile accidents through first-party insurance coverages. The key provisions that attempt to do this include:

- (1) Section 1, subsection (a) page 1 of the bill which requires no-fault carriers to offer consumers first-party pain and suffering coverage in limits from \$25,000 to \$1,000,000 in increments approved by the Commissioner 'for compensation for pain and suffering for a no-fault insured who suffers accidental harm resulting in: (a) loss of life; (b) permanent and serious impairment of body function; or (c) permanent and serious disfigurement.'
- (2) Moreover, with respect to pain and suffering compensation, under Section 1, subsection (b), pages 2 and 3 of the bill, the bill provides that 'subject to approval by the commissioner, a no-fault insurer may also offer optional personal injury protection benefits as a first-party coverage for compensation for pain and suffering for a no-fault insured who suffers accidental harm resulting in damages not covered by the previous described subsection (a).' The clear legislative intent behind this provision is to ensure that policyholders or consumers can be covered for non-economic losses for additional injuries, such as non-permanent disc or muscle injuries for example, sustained in automobile accidents that are not specifically included under the verbal threshold limitation contained in Section 1, subsection (a), page 1, lines 9-11, of the bill.
- (3) In order to discourage the untimely payment of no-fault benefits or the mishandling of claims by no-fault insurance carriers, it is also the clear legislative intent behind this bill that any insurer who wrongfully fails to pay a valid claim pursuant to this Article or violates any provision of Article 13 in connection with benefits provided pursuant to this Article shall be subject to civil liability for insurance bad faith, including general, special and exemplary damages, in addition to any other penalty or liability allowed by law.
- (4) Section 4, page 10 of this bill would require a no-fault carrier to offer P.I.P. coverage to cover accident-related losses, such as wage loss and medical expenses, in an amount of

\$250,000 up to a maximum of \$1,000,000 'in increments approved by the Insurance Commissioner and as selected by the insured.' In addition, an insured may exercise an option in writing to purchase coverage amounts lower than \$250,000, but not lower than \$100,000.

- (5) Under Section 8, page 20 of the bill, no-fault carriers must also offer vehicular damage coverage of not less than \$10,000 as a required no-fault coverage.

"Mr. Speaker, the enactment of this bill into law would make Hawaii the first state in the nation to adopt a pure no-fault system that would virtually wipe out the ability of injured victims to initiate tort lawsuits. Some would describe this legislation as far-reaching. Others would describe this bill as radical and drastic, to put the matter mildly. Nevertheless, your House conferees were asked to pass out a no-fault bill this session and in this regard, your conferees have fulfilled their mandate.

"Before I close, I would like to thank all of the House conferees, especially my co-chairs, Representative Terrance Tom and Representative Calvin Say, for all of their hard work and patience on this bill.

"In closing, I would ask my colleagues to support the passage of Senate Bill 1762, CD 1, and to send this bill to the Governor for his careful consideration.

"Thank you."

Representative Shon then rose to speak against the bill, stating:

"Mr. Speaker, I applaud the goals of the bill, and I have great respect for the efforts and the intentions of the Chair of Consumer Protection who has had to endure my daily whispers of rollback, rollback, since Third Reading of the bill. I do appreciate that there are many aspects of this bill that are worthy of consideration.

"My reasons for opposing this, I think, go back to a fairly recent event on the arrival of a rather well-known individual, Mr. Ralph Nader, who many might disagree with philosophically, but who has an impeccable reputation, an impeccable reputation for sticking to the facts and doing his homework.

"It was pointed out a few weeks ago that in all the states that have flirted with no-fault partially, the premiums have soared. And in the one instance, the one instance where there has been a real serious cut -- I mean checks in the mail to consumers -- was Proposition 103 in California where people literally received checks of hundreds of dollars that were mailed to them. That is what I would call a rollback. You know, the interesting thing is that the evidence is now in that California, which was like fourth in the nation of the fastest rising rates in auto, is now 48 -- something way down, leveled off, stopped in its tracks.

"The rollback that we have before us here is one of the primary sources of my concern. Number one, it is delayed a good year or so to give everybody a chance to come in for a very, very hefty rate increase. And we must note that the standards in the law for denying this are not terribly strong. The burden of proof is not terribly challenging to the insurance companies, and it was pointed out to me very recently that the standards for this rollback, which will not happen for a year or so, are the same standards for any rate increase today, and it was predicted by an individual whose expertise in the area I respect, that indeed there would be massive applications for exemption to the rollback and that most of these would

be successful. If this is the case, then we are perhaps deluding ourselves in the fervent hope that we have reduced rates significantly for our consumers which we all want to do.

"The second major area of concern is that we have set in place the principle that pain and suffering is related to income. How is that? Because if you can afford to purchase pain and suffering coverage under this bill, then if you are seriously disabled, you might very well receive pain and suffering. But if you cannot afford to purchase it, then your pain and suffering is not recognized. In other words, an individual who is seeking to go to college on an athletic scholarship, whose whole future is tied to their physical prowess, and that individual is injured through negligence, we have said to them ... too bad, if you have not, young man or woman, purchased pain and suffering coverage. It seems to me that for paraplegics -- permanently disfigured and disabled -- we have set an income test ... can you afford it? If you can afford it, then anything beyond medical compensation might be yours, but if you can't afford it, it's not there. I realize that under the current system, there is much dissatisfaction, that there is essentially a threshold so low that it is encouraging the kind of steam engine to hit that threshold and throw any particular case into court. But the elimination of pain and suffering for those who cannot afford it, I think, is a basic philosophical idea that I cannot support.

"We also have an issue of someone who does not have health insurance and what they might do. We are caught with the dilemma they might join the QUEST program, in which case we will pay for them in another way. What of those who have several part-time jobs, none of which is twenty hours or more? Our tenacity in refusing to deal even with public workers who are emergency hires in their health care over the years, not even having public hearings on the bills, that tenacity may come back to haunt us because this particular bill was not able to address it.

"It was an interesting thought posed to us the other day of what happens to a tourist who is hit by a car here and whether they have recourse, or senior citizens who are non-drivers. And I have asked this question to several people since then and there really is no answer ... Gee, I hope there's something they can find out there.

"I am also disappointed that the action we took a few years ago which said that any insurance company, for virtually no reason, may wipe off 12,000 people from their rolls -- elimination of take-all-comers -- with no conditional requirement that that is still retained in our law. And this is a source of great anxiety for many people in this community. We are allowing people to go without insurance which shrinks the pool which everyone knows, when the pool gets smaller, everyone else's premiums go higher. At a time when no-fault is becoming increasingly discredited as a way of controlling costs, we are embracing it. I am reminded of the time, many years ago, when the Pentagon completely abandoned the PPBS budget system and immediately, the State of Hawaii adopted it.

"I'm not sure that our intentions to cut auto rates and to be fair to all are indeed reflected. I do not necessarily think this is only the responsibility of our House. I know there was a tough negotiation. I was hoping that we would have spent a little more time next year on no-fault, and I will urge the Governor to reject this proposal because, indeed, you know the rollbacks would not start for another year or more anyway. We have time. Even under this proposal, we have time to sort out justice, to determine whether or not income will place a value on your education, life, pain and suffering.

"I am not arguing that we should have a no-holds barred, free-for-all in the courts. I am arguing that for those major catastrophic results of negligence, that we can hold people accountable and that we do not ask a person's life be valued by their ability to purchase whatever the insurance companies may determine to be a fair market price for their pain and suffering.

"For these reasons, Mr. Speaker, I respectfully ask that you cast a no vote, and re-emphasize that I do appreciate all the hard work and the efforts and the goals of those who worked on this, but I think we need some more work because justice, equality, and real savings are checks in the mail. It is not forthcoming yet.

"Thank you."

Representative Thielen then rose to speak against the bill, stating:

"Professor O'Connell, the father of no-fault insurance, came to town like the music man, blowing his trombone and State Farm blew the piccolo in delight, following along after him, and now 76 legislators are being asked to dance to the music and pass this bill. It's an anti-consumer bill and I would ask all of you who don't know what this bill does, to use caution and to just vote no.

"I really think it's a difficult bill to understand. We've had a partial explanation by the Chair of the Consumer Protection Committee and I appreciate his words. But basically, you've got a lot of scenarios where our consumers will not be protected.

"I will give you an example from Professor Richard Miller who is very experienced in the field of tort litigation. And I should acknowledge to you, Mr. Speaker, I do not do tort litigation; it's not my field. Professor Miller calls the bill, the motor vehicle owners' financial irresponsibility law, and he states: 'The principal feature of the bill is to relieve car owners and drivers of liability to accident victims for injuries and death, however serious, if caused by their own negligent behavior or that of their employees. The bill then leaves it to the wealth of individual auto owners to determine how well protected they and their families will be in the event they suffer seriously disabling injuries in auto accidents. If you're wealthy, you'll be covered; if you're not, middle class or poor, you won't.'

"There an example: A driver employed by Joe's Pizza, rushing to deliver a load of pizzas, exceeds the speed limit and carelessly runs into a child on a bike who permanently loses the loss of her legs. Neither the driver nor Joe's Pizza is liable under the new law for money damages to the child or her parents. Over the remainder of her lifetime, the child may require several million dollars of medical care and income in order to survive. Under current law, the child can recover from Joe's Pizza. Under the new bill, Joe's Pizza will have satisfied its obligations by carrying a minimum of \$100,000 of no-fault benefits, not payable until after the injured victim exhausts her own medical benefits.

"There are a lot of confusing areas in this bill, Mr. Speaker. It's talking about the premium for no-fault will vary with the income of the owner. It will be up to \$45,000 in wage loss. What does this mean about the young people who maybe should wait before they buy the junker car and get out on the road?

"The premiums for the young people are going to be very low because they will be based upon wage loss and most young people do not have significant wage earnings. Low premiums coupled with cheap cars can bring many

more teenage drivers onto Hawaii's highways and, unfortunately, as we all know, the age group of fifteen to twenty account for a percentage of accidents far in excess of their numbers. Accidents, and possibly highway congestion, are likely to increase with this bill.

"Take a look at that. Do you really understand the legislation before us, or are you just voting for it because it comes out of the Majority Caucus, and it's a bill that is supposed to pass? Take a look at what this could do!

"We also talk about the 45 percent rollback. Well, frankly, I've known of all the constituents in the state that are still waiting for the 15 percent rollback that we promised a couple of years ago. No one has gotten it that I know of, or if they have it's been a token amount, and still we've had the arbitrary cancellations of insurance coverage from companies that are trying to cherry-pick just the select few that aren't going to be involved in accidents, whether caused by the individual driver or by someone else.

"This is the most pro-insurance company legislation that I could imagine, and I frankly think that we have not fully addressed its ramifications. It is irresponsible to pass this.

"One thing I ought to mention ... that we do take care of it -- it's wonderful! We keep tort liability in place for property damage. That's great. People and their bodies are not protected; we're going to protect property damage and tort liability remains in place for that.

"We also have a provision that is rather interesting. It says that 'any person who is the owner of an uninsured vehicle shall be considered a self-insurer.' Do any of you know how that interrelates with the rest of our insurance code? Do any of you know the ramifications of what that means and the different scenarios that could occur? If you don't, I think you're casting an irresponsible vote. I think we need to regroup. I believe that everyone recognizes that we need to have a reduction in our cost of insurance, that we need to provide relief for the consumers. The insurance companies didn't do it when we mandated the rollback. On this one, it's going to mean the amount of coverage you will have will be totally tied to wealth.

"When I asked Ralph Nader if the bill that was proposed which is quite similar to this, if that bill would protect the consumer, he said 'no,' and I know there were people in that committee hearing that were very disturbed about that answer. But if we're looking out for the consumer, then there's only one way to vote on this bill, and that's no, and I hope that the rest of you will consider doing that.

"Thank you."

Representative Takumi then rose to speak against the bill, stating:

"First off, of course, I would like to offer my congratulations to all those involved in the crafting of this bill. I know it was a complicated effort and I think they put in a good faith effort in trying to come up with something that would be something we could pass out and say we tried to do a good job on it.

"However, I see a number of serious problems with it and I am hoping that my colleagues had a chance to really look at the bill, and if you're going to vote on it. . . well, we're all going to vote on it, obviously we're here, but does your vote reflect the understanding of the bill? It's easier to vote yes when you don't understand something, quite frankly, but I hope that as you look at

the bill and if you really think it's a bill that's worthy of passing, then of course, vote yes, but if you have some problems with it, I would ask you to reconsider your perspective. As I said, I have a number of serious problems with it.

"First off is the question of rate reduction. For example, the benefits are reduced even though consumers may not benefit from the rollback for over a year later. In fact, in the bill it is a year and 120 days later that the rollback supposedly will take effect. I would remind my colleagues who were here in 1992 that we passed a 15 percent rollback which I don't know how many of your constituents actually saw that. The 45 percent rollback being touted in this bill may be as squishy as that 15 percent was.

"Secondly, I see policy problems. For example, this bill does not hold negligent drivers accountable for the damage that they cause and penalizes the innocent injured victim. I don't think this is good public policy.

"Thirdly, I see some legal problems. For example, this bill may conflict with the federal law ERISA, making it ineffectual. Under federal law, prepaid health insurers may not be able to extend their benefits to auto accidents without a waiver from the federal government. This bill does not provide for a mechanism to obtain this waiver.

"But more important than these problems, Mr. Speaker, I think we should all look at any kind of reform of our auto insurance law from the perspective of the consumers. What does this bill do to them? Does it benefit them? Do they get a fair tradeoff for what they are giving up? I have four particular concerns regarding this.

"First, consumers are required to purchase no-fault coverage, the PIP portion, that they rarely, if ever, will collect. This is because all pre-paid health, temporary disability, workers' compensation and any other benefits for injuries the consumer has, is primary before no-fault coverage.

"Secondly, the bill limits non-economic damages to pain and suffering and does not allow compensation for other non-economic losses such as loss of enjoyment of life, loss of parental care, mental anguish, and so on.

"Thirdly, the insurance companies can cancel coverage for a violation of any safety statute or ordinance. For example, one speeding ticket could mean the termination of a consumer's policy, and as we all know, as a previous speaker noted, we did repeal the 'take-all-comers' provision in 1992.

"Fourthly, pain and suffering is an optional coverage that the consumer has to pay for. Furthermore, it is extremely limited and difficult to qualify for.

"If an accident victim does qualify to collect for pain and suffering, their benefits are limited to an objective schedule that determines how much a particular injury is worth. For example, take a construction worker who loses a leg, or an airline pilot who loses an eye.

"These victims will collect pain and suffering benefits only if (1) they opted to purchase the coverage and (2) only to the extent the schedule says a leg or an eye is worth for the average person. There is no compensation for the fact that these victims can never go back to their line of work.

"Furthermore, these victims can only collect \$45,000 in wage losses to cover a lifetime career which they no

longer will be able to do unless they purchase optional wage loss coverage.

"Mr. Speaker, I could go on and on about how the bill hurts serious but not permanently injured victims relating to pain and suffering and wage loss, or how it will hurt injured victims who are temporarily out of work such as a pregnant woman or a student, or how it will force catastrophically injured victims to eventually go on the public dole, but I am mindful that the hour is late.

"Let me conclude by saying that the true essence of our work here is not merely to count votes but to weigh the voices of the people. For me, it means weighing the voices of those whose voices are rarely heard here. In this case and for this bill, it needs the voices of victims of negligent drivers, the voices of the catastrophically injured, the voices of the average person out there. It is the collective weight of these voices that compel me to vote no.

"Thank you."

Representative Halford then rose to speak in favor of the bill, with reservations, stating:

"First of all, I would like to express how honored I am to have worked with everyone in this room, including the members of the Clerk and Sergeant-at-Arms staff.

"I believe I am speaking with reservations because I think that we are not done working on auto insurance. Indeed, we're not done working on all of the major insurance issues that have been before us, that we're a step in the process. We're not done dealing with the problems caused by mandatory payments, et cetera, and I am voting up on this bill.

"I am looking forward to working with all of you again through the interim and in January to continue the process of improving our economy and our state as a whole.

"Thank you very much."

Representative Tom then rose to speak in favor of the bill, stating:

"First of all, I want to tell you that this was a very tough bill, very tough decisions had to be made, and I personally want to thank Chairman Menor and Chairman Say because I think very tough decisions had to be made.

"First of all, I resent being characterized as one of 76 legislators being depicted as puppets. I don't think that's fair -- I really don't think that's fair. During our daily times here, we are asked to make very tough decisions and if the innuendo is that we vote and we make decisions like puppets do, like 76 trombonists in a parade, I really respectfully resent that.

"You know, I'm a lawyer too. I don't do P.I. work but I know many lawyers who do, and they're scared right now. They're scared because of businesses and what have you, and I don't blame them. But I think when we really look at it, we wear different hats here -- okay? We wear hats here to try to do what's best and what's fair, not for any one group. Let's be honest about it. In many respects, much of what is happening today is due to the abuses that have been occurring in the system -- lawyers, yes; doctors, chiropractors, insurers, even victims -- all of us have played a part in what is happening today. And I think one of the things that I'm sure was occurring is not only in this area but in a lot of areas in the law.

"We are trying to get away from this whole business of adversarial, fighting, bickering, playing with words. We're heading in many areas away from lawsuits, away from the courtroom, away from the smart-talking lawyers, and we're heading towards arbitration, and when that doesn't work we try to work something where we can take away the adversarial system completely. What we're saying is that we're not going to just look at fault, but with the elimination of the tort system and I think that the feeling is, with the elimination of the tort system, your duty and the breach and the fighting and the approximate cause of all of these, what we come to is an accident, and to give that person as much as we can to bring that person back as much as whole as we can without fighting and the lawsuits and all of the anxieties that go along with that so that the person can heal in the most affordable way, painlessly.

"We have in here pain and suffering of over a million dollars that you can get. We have wage losses of, I believe, \$45,000. We have health through our health insurance. We have tried to, in this bill, cover a lot of the areas that we think people are going to need help on without the reality of going to court and fighting and raising your threshold up to ten thousand, or fifteen thousand, or twenty thousand so that you can file suit. Who is going to get hurt? I keep hearing this is an anti-consumer bill. Well I think everyone is going to be of the opinion that time will tell. I don't think we can just make that judgment yet. I guess it's an anti-consumer bill if you want to go to court. If you want to have your day in court, yes, I guess this is an anti-consumer bill, but I think that if you get hurt, you want relief as quickly as possible, that you can bring rates down at least a minimum of 45 percent. Let's put our money where our mouth is. If we can do all of that -- bring instant relief to the victims -- I question whether it's really an anti-consumer bill.

"I think time will tell. I think there are the elements. The way we have been heading in tort law is not inconsistent with what we have been doing in the past year or two. So at this time, I'm asking my colleagues, as Chairman Menor has, to vote up on this measure.

"Thank you very much."

Representative Yamane then rose to speak in favor of the bill, stating:

"There have been several speakers before me who have mentioned the things about knowing the bill. I have yet to find any one of them to come up to me and say they know more about bill than I do.

"I have some concerns as far as people saying this is not a pro-consumer bill. The illustrious Mr. Nader himself mentioned the figures like less than 1,600 lawsuits last year. We have over 1,200,000 residents and we have to take care of the majority of them. Are we going to disregard this bill for less than 1,600 lawsuits or 1,600 potential individuals?

"Mr. Speaker, when I came here, my constituents told me we have a problem with auto insurance, we have a problem with workers' compensation. Now to shoot holes at a system that haven't even tried yet, but one thing I do know and I think everyone here knows also, is that our current system is not working. And our current system and what we have in our bill are not the same no-fault. They're not the same system. We have two completely different systems.

"I believe that this is a potential solution; I'm not sure. We haven't tried it yet, but I do know that the current system doesn't work. There are a lot of holes in our

system and what I would like to see is that our Legislature try something, and this is the best solution we've seen so far.

"Thank you to Chair Menor, Chair Say and Chair Tom who have tried to negotiate this bill for us. This is a large step -- it's a real extreme step -- and I hope it works.

"Thank you, Mr. Speaker."

Representative Amaral then rose to speak in favor of the bill, stating:

"Quite simply, I'm not a lawyer and I don't purport to know a great deal about law. I have read through this measure and I believe this is a good measure.

"I come from a district that said we need some relief in no-fault. I have talked with constituents who have paid into their insurance company, who continue to see their premiums rise year after year, having not had any accidents, who have come to me to say ... what are you people doing to help us out, to help the little guy out? The perception is that we don't give a rip over here.

"I believe that this is a good step forward. I believe we have given the consumer choices. There is an opportunity for people to cover themselves for the value of their assets, for the situations that they incur, to buy the insurance that meets their needs or to not buy insurance if that's their choice, too. We just pretend we don't know that 30 percent of our population here in Hawaii drives without insurance. We pretend that that child who is going to be hit on the sidewalk is going to be hit by a person who has insurance, not the uninsured motorist. We can't just ignore that problem. There are people that we now have made into criminals with our mandatory insurance and we haven't done anything to fix that.

"This is an attempt to create an insurance package that meets the needs of the consumer, not the needs of plaintiff attorneys, not the needs of the insurance companies, but the needs of the consumer. And perhaps it is bold and perhaps it is frightening, but this is why we were sent here -- to make the hard decisions and the hard choices.

"And I believe that I can take this bill back to my constituents and show it to them and have them know that, in fact, we finally began to take the task on to do the hard work, so I support this measure.

"Thank you."

Representative Kawanakoa then rose to speak in favor of the bill, with reservations, stating:

"It has been mentioned before, and I have a lot of respect for a prior speaker who has actually spent much of his time and energy and has a lot of expertise in this area, and I agree that this is a challenge. We all know that the current system is broken, it does not work.

"The one aspect I came away with from all the Committee hearings was simply that you cannot mix the tort system and the no-fault system together. They don't work together -- they are like oil and water. In essence, what we are trying to do is to try a pure no-fault system, and I commend the Legislature for at least taking a movement away from something we know has failed.

"I express my reservations because I will be looking closely at this in the ensuing year or years and keeping an eye on it. I am an attorney; I will track it. And if it proves to be a failure, then we can come back to this Legislature and perhaps come up with a pure tort system.

Other states have done it. They've gone back to what they know works because at least it is a starting ground; it is something to start with.

"So with those reservations, I will vote yes, and I hope that this will be a solution.

"Thank you, Mr. Speaker."

Representative Thielen then rose and stated:

"I again look at the injured person -- the person who is seriously injured and who was not at fault. And I look at it as anti-consumer to those people because they won't be adequately covered. There's a minimum insurance of \$100,000, the \$45,000 of earning losses, and how many of you think that that would really cover truly serious and permanent injury? It won't. So while we may be lowering premium rates which is yet to be seen, we're not protecting the people that can't afford to buy that additional optional coverage.

"Then you look at the situation of people who are not employed outside the home, whether that's a man that chooses to stay at home and raise children or a woman that chooses to stay at home and raise children, there won't be any wage loss. So if either of them suffer serious injury or disfigurement as a result of another's careless or even reckless acts, the compensation would be woefully inadequate. At least it would be woefully inadequate for those that aren't wealthy enough to buy the added insurance.

"I know that lawyers often are the brunt of many, many jokes. Again, as I said, I don't do tort litigation but for anyone that knows someone that has been seriously injured and has been unfairly treated by an insurance company, I would think that person would be grateful for someone to represent her or him.

"This should not be viewed as a 'get the lawyers' or an anti-lawyer bill. It should be examined to say ... is it truly going to protect the people that need insurance for those times when there is a catastrophic loss or a serious injury where they are going to need some compensation until they can get back on their feet and get rehabilitated? I don't think this bill does it.

"I'm really concerned about what we would be doing to our people, and I don't feel that it's a knowledgeable decision that we're making, frankly. I would see that this would be something that is much better to look at during the interim, and look at ways that we really can provide relief to our people, both in their premium rates as well as ensuring that they are adequately covered.

"Thank you."

Representative Chun Oakland then rose to speak against the bill, stating:

"It's with much reluctance. I know that the Chairman of our Consumer Protection Committee has worked very hard on this bill, and I know if this bill passed into law that our families would benefit. We had to make a conscious choice of parking one of our cars because we cannot afford the premium.

"However, I represent an area where there are a lot of individuals -- elders -- that live by themselves and knowing the statistics given by the Executive Office on Aging, 50 percent of all pedestrian fatalities being those senior in age.

"I have concerns with this bill going forward without the proper protection of those individuals. I know that if

an older person is hit and she/he lives by themselves, under this bill they would not have any remedy except their health plan. They will not have that option of suing. I hope that if this bill becomes law, that somehow we can amend this to at least give that kind of different options for individuals who are pedestrians that get into accidents with negligent drivers some kind of remedy.

"Thank you, Mr. Speaker."

Representative White then rose to speak in favor of the bill, stating:

"Mr. Speaker, we had the wisdom over sixty years ago to take the tort liability portion out of the workers' compensation. We just tuned up workers' compensation today, but I think all of us have to stop and think about the ramifications of us not stepping forward.

"I realize this is some uncharted ground, that we are taking some risks of exposing some individuals to loss that are not currently exposed. But we have that in nearly everything we do in life. We are exposed when we walk on trails in the mountains; we are exposed when we walk on the beach or go swimming; we are exposed with everything that we do.

"And I have a difficult time myself, justifying the continuation of the level of premiums and level of costs that we are placing on everyone in order to keep individuals who are injured from suffering any loss. That's not to say that I'd like to see them lose something, but we have other safety nets that we have already established in other parts of our laws to take care of it.

"I think we have to, as we consider this measure, look at this cost of auto insurance which now reaches into the neighborhood of \$670 million as a tax on our constituents. We heard a number of complaints earlier about taking away \$65 million from our constituents. Well, let's look at this as a measure that can give back two to three hundred million dollars. I recognize that it's a major change, but I think this is a change that every one of our constituents is due; it's what they're expecting of us. I know I've got many constituents that can't afford it and are going bare.

"So what are we really saying when we pass this measure? We're saying that we are taking a bold step. Yes, we're stepping into some situations that we do not totally understand, but we're doing so with the intent of moving forward, and maybe making corrections as we come into session next time around. We do that with nearly every law that we passed. This is not a perfect bill in every sense of the word, but it's a bill that is going to move us in the direction that we should have taken quite some time ago.

"Again, I would just like to reiterate that if we had the wisdom sixty years ago to remove the tort system from workers' compensation where there is no real intent to harm, when you have a car accident, there's no intent -- it's not like walking up and pushing somebody off a building. If we can take the tort system out of workers' compensation, let's have the same wisdom that people sixty years ago had.

"Thank you, Mr. Speaker."

Representative Herkes then rose to speak in favor of the bill, stating:

"I won't repeat the arguments that have been made by other proponents of the bill but to touch on one thing that has not been said. I am intrigued by the argument that without the right to sue that the reckless drivers will go

unpunished. I see nothing in this bill that changes criminal laws about reckless driving.

"I'm much more concerned about criminal penalties than I am facing some lawyer in a lawsuit. I think the criminal penalties are what keep our society from being reckless drivers.

"Thank you."

Representative Morihara then rose to speak in favor of the bill, with reservations, stating:

"While I applaud the chairmen for their hard work and the direction they have put into this bill, and I also acknowledge the great need for change, I just had some questions regarding some of the optional benefits -- the strength of the rollback provisions, and the level of medical care -- that I would like answered in the next year.

"Thank you."

Representative McMurdo then rose to speak against the bill, stating:

"Although I realize how hard the Chairs worked on this and the Committees, the majority of letters and telephone calls which I have had from my constituents have been against this particular bill.

"I am hoping that we will all be proved wrong, those of us who speak against it, but at this point I cannot support it.

"Thank you."

Representative Stegmaier then rose to speak in favor of the bill, with reservations, stating:

"Mr. Speaker, just to echo the concerns and express my appreciation for the kinds of concerns that have been raised by my colleagues; however, I don't find the concerns so far to be so compelling to cause me to vote against this bill at this time.

"Thank you."

Representative Yoshinaga then rose to speak in favor of the bill, with reservations, stating:

"First of all, I would like to thank my Chair, Ron Menor, and the other co-chairs that worked so hard and diligently in basically making sweeping reform with respect to the number one issue as I walk my district with respect to revisions on our auto insurance program in the state which makes it mandatory.

"There are many people out there who expressed to me their suffering in terms of what the current scheme requires. I believe that again, you know, I find many provisions in this bill less than comfortable in terms of its boldness, but nevertheless, the pain out there is real in terms of what we need to address. I think this is a bold and, hopefully, brave and wise move in a direction.

"However, the concern that I have, and this really gets back to a philosophical base with respect to personal accountability in many of our societal values, and that's the real concern that I have with respect to no-fault as it were. But nonetheless, I am in favor of this measure because, again, I am assuming and basically going to be monitoring this. I am not a tort attorney, but I am an attorney, in terms of ensuring that premium costs are lowered because that was a number one concern of many

of my constituents who basically are going bare, and in my view, that's a danger to society.

"Hopefully, this will allow them to become responsible. It will control medical costs and, hopefully, preserve premium coverage for those people who are willing to pay a little more for basically preserving additional rights under the system.

"For these reasons, I do support this as a bold move, and I will vote in favor of it.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1762, SD 1, HD 1, CD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE," having been read throughout, passed Final Reading by a vote of 37 ayes to 14 noes, with Representatives Anderson, Chun Oakland, Hamakawa, Hiraki, McMurdo, Nekoba, M. Oshiro, Pepper, Saiki, Shon, Takai, Takamine, Takumi and Thielen voting no.

The Chair directed the Clerk to note that H.B. Nos. 1643, 2133, 1472 and 1828 and S.B. Nos. 487 and 1762 had passed Final Reading at 6:46 o'clock p.m.

At 6:47 o'clock p.m., Representative Cachola asked for a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 6:51 o'clock p.m.

Conf. Com. Rep. No. 115 and H.B. No. 745, HD 2, SD 2, CD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, Conf. Com. Rep. No. 115 and H.B. No. 745, HD 2, SD 2, CD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO IMPROVE EFFECTIVENESS OF THE NONPOINT SOURCE POLLUTION CONTROL PROGRAM," were recommitted to the Committee on Conference.

STANDING COMMITTEE REPORTS

Representative Kanoho, for the Committee on Legislative Management, presented a report (Stand. Com. Rep. No. 1936) recommending that H.R. No. 174, HD 1, as amended in HD 2, be adopted.

Representative Thielen rose to speak in favor of the resolution with serious reservations, stating:

"What this resolution does is rescue or resurrect the study that was going to accompany the divorcement bill. It's been watered down a bit but it still is going to really task the Legislative Reference Bureau.

"There are eight staff members in LRB that do these kinds of studies during the interim. The estimate from one of the members of LRB today in the Committee hearing on this was that it would take one out of the eight the whole interim to complete the task that's called for in this resolution.

"Frankly, I don't think it's a good use of our resources. I think there are a lot of other issues that we would prefer to have studied more than this, and they have a lot on their plate. I'd rather that this divorcement study would not be one of the things.

"Thank you."

Representative Kanoho then rose to speak in favor of the resolution, stating:

"We do appreciate the Minority Floor Leader's concern for the workload imposed on the Legislative Reference Bureau, and because of it we've indicated in the Committee report that should resources not be available to the full extent of completing all seventeen items, then they should concentrate only on items 15 and 16 which makes it a very doable task in obtaining information necessary for this Legislature to render a decision on this very critical problem, and the dilemma of determining which way we should render our decision. But it is information that is most necessary to help us in rendering that decision because we cannot continue to postpone rendering a policy decision on this item.

"Thank you very much."

Representative Menor then rose to speak in favor of the resolution, stating:

"I really wanted to take this opportunity to thank and to commend the Chair of Legislative Management for allowing this resolution to be considered and to be passed out because as the previous speaker, my colleague from Kailua, had indicated, the passage of this resolution was a part of the effort to get Senate Bill 487 passed out of conference.

"One of the reasons why Senate Bill 487 was getting bogged down and was almost killed on Friday evening was because the Senate had raised a strong concern about a study, given the fact that they have taken a hard and fast position that the only real solution to improving the retailing of gasoline and assuring the availability of competitive reasonably priced gasoline in the future was permanent divorcement, a position that the House conferees just simply could not accept at this point in time.

"Nevertheless, in our efforts to reach a compromise, the House conferees, and myself in particular, decided to come up with an approach whereby we could delete the provision in Senate Bill 487 that has called for this study and instead for us to proceed by way of a resolution.

"However, again, this resolution would not have been possible had it not been for the last minute cooperation and assistance that we got from Representative Kanoho. So thank you very much Representative, for all of your help.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.R. No. 174, HD 2, entitled: "HOUSE RESOLUTION REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO CONDUCT A STUDY TO OBTAIN USEFUL DATA AND VIEWS OF PARTICIPANTS IN THE PETROLEUM INDUSTRY IN HAWAII TO ASSIST THE LEGISLATURE IN FORMULATING POLICIES THAT PROTECT THE SHORT-TERM AND LONG-TERM INTERESTS OF HAWAII'S GASOLINE CONSUMERS," was adopted.

THIRD READING

S.B. No. 1699, SD 2:

On motion by Representative Say, seconded by Representative Kawakami and carried, S.B. No. 1699, SD 2, entitled: "A BILL FOR AN ACT RELATING TO

HOUSING LOAN AND MORTGAGE PROGRAM," having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that S.B. No. 1699 had passed Third Reading at 6:57 o'clock p.m.

INTRODUCTION OF RESOLUTIONS

The following resolutions (H.R. Nos. 337 to 340) were read by the Clerk and were disposed of as follows:

H.R. No. 337, AUTHORIZING THE SPEAKER OF THE HOUSE TO APPROVE THE JOURNAL OF THIS HOUSE OF ANY LEGISLATIVE DAY BEING COMPILED AS OF THE 60TH DAY," was jointly offered by Representatives Souki, P. Oshiro, Okamura and Ward.

On motion by Representative Okamura, seconded by Representative Ward and carried, H.R. No. 337 was adopted.

H.R. No. 338, AUTHORIZING AND DIRECTING THE COMMITTEE ON THE JOURNAL TO COMPILE AND PRINT THE JOURNAL OF THE HOUSE OF REPRESENTATIVES, REGULAR SESSION OF 1995, PURSUANT TO RULE 18 OF THE RULES OF THE HOUSE OF REPRESENTATIVES," was jointly offered by Representatives Souki, P. Oshiro, Okamura and Ward.

On motion by Representative Okamura, seconded by Representative Ward and carried, H.R. No. 338 was adopted.

H.R. No. 339, AUTHORIZING THE SPEAKER OF THE HOUSE TO DESIGNATE WHICH OF THE EMPLOYEES AND OFFICERS OF THE HOUSE SHALL BE GIVEN ADDITIONAL EMPLOYMENT TO MEET THE WORK AFTER THE SESSION AND IS FURTHER AUTHORIZED TO DETERMINE THE PERIOD OF EMPLOYMENT FOR EACH," was jointly offered by Representatives Souki, P. Oshiro, Okamura and Ward.

On motion by Representative Okamura, seconded by Representative Ward and carried, H.R. No. 339 was adopted.

H.R. No. 340, AUTHORIZING AND EMPOWERING THE SPEAKER TO EXPEND SUCH SUMS TO COMPLETE THE WORK OF THE EIGHTEENTH LEGISLATURE, REGULAR SESSION OF 1995, INCLUDING THE CARRYING OUT OF ANY OFFICIAL LEGISLATIVE BUSINESS IN THE INTERIM BETWEEN THE 1995 AND 1996 SESSIONS, was jointly offered by Representatives Souki, P. Oshiro, Okamura and Ward.

On motion by Representative Okamura, seconded by Representative Ward and carried, H.R. No. 340 was adopted.

At 7:00 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 7:01 o'clock p.m., the Chair resumed the rostrum.

FINAL READING

The following bills were taken from the Clerk's desk and the following actions taken:

H.B. No. 331, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 331, and H.B. No. 331, SD 1, entitled: A BILL FOR AN ACT MAKING AN APPROPRIATION FOR HOUSING THE HOMELESS," having been read throughout, passed Final Reading by a vote of 51 ayes.

H.B. No. 357, HD 1, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 357, HD 1, and H.B. No. 357, HD 1, SD 1, entitled: A BILL FOR AN ACT RELATING TO ADULT PROBATION RECORDS," having been read throughout, passed Final Reading by a vote of 51 ayes.

H.B. No. 756, HD 1, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 756, HD 1, and H.B. No. 756, HD 1, SD 1, entitled: A BILL FOR AN ACT RELATING TO THE HAWAII PENAL CODE," having been read throughout, passed Final Reading by a vote of 51 ayes.

H.B. No. 814, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 814, and H.B. No. 814, SD 1, entitled: A BILL FOR AN ACT RELATING TO PARENTAGE," having been read throughout, passed Final Reading by a vote of 51 ayes.

H.B. No. 1133, HD 2, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 1133, HD 2, and H.B. No. 1133, HD 2, SD 1, entitled: A BILL FOR AN ACT RELATING TO AGRICULTURE," having been read throughout, passed Final Reading by a vote of 51 ayes.

H.B. No. 1833, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 1833, and H.B. No. 1833, SD 1, entitled: A BILL FOR AN ACT RELATING TO CHANGE OF NAME," having been read throughout, passed Final Reading by a vote of 51 ayes.

H.B. No. 1884, HD 1, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 1884, HD 1, and H.B. No. 1884, HD 1, SD 1, entitled: A BILL FOR AN ACT RELATING TO HOUSING," having been read throughout, passed Final Reading by a vote of 51 ayes.

H.B. No. 1980, HD 1, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 1980, HD 1, and H.B. No. 1980, HD 1, SD 1, entitled: A BILL FOR AN ACT RELATING TO MENTAL HEALTH," having been read throughout, passed Final Reading by a vote of 51 ayes.

H.B. No. 1988, HD 1, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 1988, HD 1, and H.B. No. 1988, HD 1, SD 1, entitled: A BILL FOR AN ACT RELATING TO HOMELESS," having been read throughout, passed Final Reading by a vote of 51 ayes.

H.B. No. 2022, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 2022, and H.B. No. 2022, SD 1, entitled: A BILL FOR AN ACT RELATING TO DISPOSITION OF DEFENDENTS," having been read throughout, passed Final Reading by a vote of 51 ayes.

H.B. No. 2031, HD 1, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 2031, HD 1, and H.B. No. 2031, HD 1, SD 1, entitled: A BILL FOR AN ACT RELATING TO EMINENT DOMAIN," having been read throughout, passed Final Reading by a vote of 51 ayes.

H.B. No. 2324, HD 1, SD 2:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 2324, HD 1, and H.B. No. 2324, HD 1, SD 1, entitled: A BILL FOR AN ACT RELATING TO MOTOR VEHICLE SAFETY RESPONSIBILITY," having been read throughout, passed Final Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 331, 357, 756, 814, 1133, 1833, 1884, 1980, 1988, 2022, 2031 and 2324 had passed Final Reading at 7:05 o'clock p.m.

SUSPENSION OF RULES

On motion by Representative Okamura, seconded by Representative Ward and carried, the rules were suspended for the purpose of reconsidering action previously taken.

RECONSIDERATION OF ACTION TAKEN

On motion by Representative Okamura, seconded by Representative Ward and carried, the House reconsidered its action taken on April 13, 1995, in disagreeing to the amendments proposed by the Senate to House Bill Nos. 745, HD 2 (SD 2); 873, HD 1 (SD 1); 994, HD 1 (SD 1); 1686 (SD 2); 1918, HD 1 (SD 1); 1927, HD 1 (SD 1); and 1998, HD 1 (SD 2).

FINAL READING

The following bills were taken from the Clerk's desk and the following actions taken:

H.B. No. 745, HD 2, SD 2:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the

amendments proposed by the Senate to H.B. No. 745, HD 2, and H.B. No. 745, HD 2, SD 2, entitled: A BILL FOR AN ACT MAKING AN APPROPRIATION TO IMPROVE EFFECTIVENESS OF THE NONPOINT SOURCE POLLUTION CONTROL PROGRAM," having been read throughout, passed Final Reading by a vote of 51 ayes.

H.B. No. 873, HD 1, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 873, HD 1, and H.B. No. 873, HD 1, SD 1, entitled: A BILL FOR AN ACT RELATING TO DISCLOSURES IN REAL ESTATE TRANSACTIONS," having been read throughout, passed Final Reading by a vote of 51 ayes.

H.B. No. 994, HD 1, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 994, HD 1, and H.B. No. 994, HD 1, SD 1, entitled: A BILL FOR AN ACT RELATING TO DISCLOSURES IN REAL ESTATE TRANSACTIONS," having been read throughout, passed Final Reading by a vote of 51 ayes.

H.B. No. 1686, SD 2:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 1686, and H.B. No. 1686, SD 2, entitled: A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES HEALTH FUND," having been read throughout, passed Final Reading by a vote of 51 ayes.

H.B. No. 1918, HD 2, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 1918, HD 2, and H.B. No. 1918, HD 2, SD 1, entitled: A BILL FOR AN ACT RELATING TO HEALTH MAINTENANCE ORGANIZATIONS," having been read throughout, passed Final Reading by a vote of 51 ayes.

H.B. No. 1927, HD 1, SD 1:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 1927, HD 1, and H.B. No. 1927, HD 1, SD 1, entitled: A BILL FOR AN ACT RELATING TO BUSINESS REGISTRATION," having been read throughout, passed Final Reading by a vote of 51 ayes.

H.B. No. 1998, HD 1, SD 2:

On motion by Representative Okamura, seconded by Representative Ward and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 1998, HD 1, and H.B. No. 1998, HD 1, SD 2, entitled: A BILL FOR AN ACT RELATING TO OCCUPATIONAL SAFETY AND HEALTH PROGRAMS FOR STATE CONSTRUCTION CONTRACTS," having been read throughout, passed Final Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 745, 873, 994, 1686, 1918, 1927 and 1998 had passed Final Reading at 7:09 o'clock p.m.

The following communications from the Senate (Sen. Com. Nos. 789 and 790) were read by the Clerk and were placed on file:

Sen. Com. No. 789, informing the House that the following bills have passed Final Reading in the Senate on May 1, 1995:

H.B. No. 1220, HD 1, SD 1, CD 1; S.B. Nos. 1846, SD 1, HD 1; 337, HD 1; 647, SD 2, HD 2; 722, HD 1; 867, HD 1; 873, HD 1; 945, SD 1, HD 1; 1200, SD 1, HD 1; 1367, HD 1; 1670, SD 1, HD 1; 1732, HD 1; 1743, SD 1, HD 2; 1746, HD 1; 1749, HD 2; 1771, HD 1; H.B. Nos. 1800, HD 1, SD 2, CD 1; 518, HD 1, SD 2, CD 1; 1878, HD 2, SD 1, CD 1; 51, HD 1, SD 1, CD 1; 22, HD 1, SD 1, CD 1; 2000, SD 1, CD 1; 149, SD 1, CD 1; 2179, HD 1, SD 1, CD 1; 819, HD 1, SD 1, CD 1; 1965, HD 1, SD 1, CD 1; 1968, HD 2, SD 1, CD 1; 813, HD 1, SD 1, CD 1; 1188, SD 1, CD 1; 1770, SD 1, CD 1; 26, HD 2, SD 1, CD 1; 1385, HD 2, SD 1, CD 1; 1790, HD 1, SD 1, CD 1; 87, HD 1, SD 1, CD 1; 181, HD 1, SD 1, CD 1; 1499, HD 1, SD 1, CD 1; 1857, HD 2, SD 2, CD 1; 2023, SD 2, CD 1; 2038, HD 2, SD 2, CD 1; 1977, HD 1, SD 2, CD 1; 1311, HD 1, SD 1, CD 1; 1763, HD 3, SD 2, CD 1; 929, HD 2, SD 2, CD 1; 1466, HD 2, SD 1, CD 1; 298, HD 2, SD 2, CD 1; 123, HD 2, SD 2, CD 1; 1919, HD 1, SD 2, CD 1; 1426, SD 2, CD 1; 1208, HD 1, SD 1, CD 1; 1997, HD 3, SD 1, CD 1; 792, HD 2, SD 1, CD 1; 111, HD 2, SD 1, CD 1; S.B. Nos. 15, HD 1, CD 1; 500, HD 1, CD 1; 424, SD 1, HD 1, CD 1; 995, SD 1, HD 2, CD 1; 1577, SD 1, HD 1, CD 1; 1161, HD 1, CD 1; 159, HD 1, CD 1; 288, SD 1, HD 2, CD 1; 869, HD 2, CD 1; 889, SD 2, HD 3, CD 1; 1254, SD 1, HD 1, CD 1; 1560, SD 1, HD 1, CD 1; 1568, SD 2, HD 2, CD 1; 1642, SD 1, HD 1, CD 1; 596, SD 1, HD 2, CD 1; 385, HD 2, CD 1; 887, HD 1, CD 1; 1521, SD 2, HD 1, CD 1; 1905, SD 2, HD 2, CD 1; 6, SD 1, HD 1, CD 1; 431, SD 1, HD 1, CD 1; 1286, HD 1, CD 1; 858, SD 1, HD 2, CD 1; 1022, SD 1, HD 1, CD 1; 1028, SD 2, HD 2, CD 1; 1461, SD 2, HD 2, CD 1; 396, SD 2, HD 2, CD 1; 336, SD 1, HD 2, CD 1; 432, SD 2, HD 3, CD 1; 478, SD 2, HD 2, CD 1; 853, SD 1, HD 1, CD 1; 1467, SD 2, HD 1, CD 1; H.B. Nos. 1409, HD 1, SD 1, CD 1; 1586, HD 2, SD 1, CD 1; 1425, HD 1, SD 2, CD 1; 2089, HD 1, SD 1, CD 1; S.B. Nos. 1626, SD 1, HD 2, CD 1; 493, SD 1, HD 2, CD 1; 550, SD 2, HD 2, CD 1; 944, SD 1, HD 1, CD 1; 1559, SD 2, HD 2, CD 1; 1804, SD 1, HD 2, CD 1; 305, HD 1; 1763, SD 1, HD 2; H.B. Nos. 898, HD 2, SD 1, CD 1; 1853, HD 2, SD 1, CD 1; S.B. No. 1939, SD 2, HD 1, CD 1; H.B. Nos. 1996, HD 1, SD 2, CD 1; 1785, HD 1, SD 1, CD 1; 1787, HD 1, SD 2, CD 1; 1920, HD 2, SD 2, CD 1; 1262, HD 1, SD 1, CD 1; 1780, HD 1, SD 1, CD 1; S.B. Nos. 304, HD 1, CD 1; 1336, SD 2, HD 2, CD 1; 1141, SD 2, HD 1, CD 1; 1739, SD 2, HD 2, CD 1; 85, SD 1, HD 1; H.B. Nos. 1431, HD 1, SD 1, CD 1; 1485, HD 2, SD 1, CD 1; 2013, HD 1, SD 1, CD 1; 715, HD 1, SD 2, CD 1; 1244, SD 1, CD 1; 112, HD 2, SD 2, CD 1; 1643, HD 1, SD 1, CD 1; 1834, HD 2, SD 1, CD 1; 1959, HD 2, SD 2, CD 1; 471, HD 2, SD 1, CD 1; S.B. Nos. 1320, SD 1, HD 2, CD 1; 807, SD 1, HD 1, CD 1; 87, SD 1, HD 1, CD 1; 158, SD 1, HD 1, CD 1; 287, HD 1, CD 1; 84, SD 1, HD 1, CD 1; 443, SD 2, HD 2, CD 1; 171, SD 1, HD 1, CD 1; 942, SD 1, HD 3, CD 1; 1683, SD 1, HD 1, CD 1; 1751, HD 1, CD 1; 1674, SD 2, HD 2, CD 1; 937, SD 2, HD 2, CD 1; H.B. Nos. 386, HD 1, SD 2, CD 1; 2133, HD 2, SD 1, CD 1; 1472, HD 1, SD 1, CD 1; S.B. Nos. 487, SD 1, HD 1, CD 1; 1762, SD 1, HD 1, CD 1; 1797, HD 1; H.B. Nos. 2107, HD 1, SD 1, CD 1; 2215, HD 2, SD 1, CD 1; S.B. Nos. 1410, SD 2, HD 2, CD 1; 68, SD 2, HD 1, CD 1; 1298, SD 2, HD 3, CD 1; H.B. Nos. 1626, HD 1, SD 2, CD 1; 1903, SD 1, CD 1; 2094, HD 2, SD 1, CD 1; 1909, HD 1, SD 1, CD 1; 1828, HD 2, SD 1, CD 1; 48, HD 2, SD 1, CD 1; S.B. Nos. 82, SD 2, HD 2,

SENATE COMMUNICATIONS

CD 1; 201, SD 1, HD 1, CD 1; 458, SD 1, HD 2, CD 1; 1331, SD 1, HD 2, CD 1; and 1701, SD 1, HD 2, CD 1.

Sen. Com. No. 790, informing the House that the Senate, on April 26, 1995, reconsidered its action in disagreeing to the amendments proposed by the House to S.B. No. 1806, SD 2 (HD 1), and the Senate agreed to the amendments proposed by the House and S.B. No. 1806, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE GOVERNMENT FUNCTIONS," passed Final Reading on May 1, 1995.

ANNOUNCEMENTS

Representative Arakaki rose and stated:

"When I was sitting here, I just realized that if all things go well, that this probably will be our last session here in these chambers. Hopefully, we will be moving into our more spacious quarters that offer this body a lot more dignity.

"But I think we would be remiss, Mr. Speaker, if we didn't recognize the hard work of the staff, both our session staff and our full-time staff, and really their patience and understanding while we were here, for those of us who had the experience of working at the Capitol know what a big difference it's been between that facility and this one. And I think our staff has made it possible for us to conduct the people's business in a way that was dignified and a way that made it easier for us as members. And I think, Mr. Speaker, they are the real stars, and they are the wind beneath our wings, and perhaps if we could all stand and give them an applause in recognition to them."

The House staff and support groups then received a round of applause from the members of the House.

Representative Cachola then rose and stated:

"Mr. Speaker, I have an announcement and a presentation to make. It has something to do with the House and Senate Golf Conference. We won and we have a perpetual trophy to present to you."

Representative Cachola then asked the golf team, comprised of Representatives Herkes, Ito, Kanoho, Kawananakoa, Morihara, Nakasone, Swain and Yamane, to proceed to the rostrum where the presentation was made to the Speaker.

Representative Ward then rose and stated:

"Mr. Speaker, on behalf of the Minority, we wish you and the Majority a good interim session, that your minds be cleared, your hearts be rejuvenated so when we do go back to the Capitol -- the real one -- which, when you freshmen go, will see really where the marketplace of ideas really come to intersect in the hearts and minds of the people.

"And to thank you, Mr. Speaker, and the Vice Speaker for hearing your Minority, for hearing the other side, for hearing those amendments we put forward, for hearing the other side of the story -- we gratefully appreciate that.

"Lastly, Mr. Speaker, a special thanks to all the freshmen -- your freshmen -- who really added a zest of flavor and real participation in the verbal threshold of the marketplace of ideas here.

"Thank you."

Representative Meyer was permitted a late introduction and she introduced a former colleague, Ms. Ululani Beirne.

Representative Say was then permitted a late introduction and he introduced Lisa Arakaki, daughter of Frank Arakaki, Assistant Sergeant-at-Arms.

Representative Souki then stated:

"I had a real long speech to provide for you but I know you are all tired, so I just want to say that we had a very tough year, and we came out and did our work for the people. We balanced the budget, we passed some good insurance reform measures, we passed some good ethics measures, and campaign spending reform items.

"Yes, members, we've done our job for the people.

"Thank you very much."

ADJOURNMENT

Representative Okamura moved that the House of Representatives of the Eighteenth Legislature of the State of Hawaii, Regular Session of 1995, adjourn Sine Die, seconded by Representative Ward and carried.

At 7:15 o'clock p.m., the Speaker rapped his gavel and declared the House of Representatives of the Eighteenth Legislature of the State of Hawaii, Regular Session of 1995, adjourned Sine Die.

**GOVERNOR'S MESSAGES RECEIVED AFTER THE ADJOURNMENT
OF THE LEGISLATURE SINE DIE**

Gov. Msg. No. 251 transmitting copies of the following: **Report to the Eighteenth Legislature, State of Hawaii, on House Bill No. 2500 Requesting Review and Recommendations from the Director of Health on Targeted Case Management.**

Gov. Msg. No. 252 transmitting copies of the following: **Report to the Eighteenth Legislature, State of Hawaii, on HB 2500, HD1, SD1, CD1, General Appropriations Act of 1994, Section 82.1.**

Gov. Msg. No. 253 transmitting copies of the following: **Opportunities for the Development of Health-Related Tourism in Hawaii**, prepared by the University of Hawaii, School of Travel Industry Management, for the Department of Business, Economic Development & Tourism.

Gov. Msg. No. 254 transmitting copies of the Department of Transportation's Annual Report for fiscal year ending June 30, 1994.

Gov. Msg. No. 255 transmitting copies of the State Employee Ownership and Participation Advisory Committee's Annual Report.

Gov. Msg. No. 256 transmitting copies of the 1994 Annual Report prepared by the High Technology Development Corporation, pursuant to Chapter 206M, Hawaii Revised Statutes, as amended.

Gov. Msg. No. 257 transmitting copies of the 1994 Annual Report and financial statements prepared by the Housing Finance and Development Corporation, pursuant to Chapter 201E, Hawaii Revised Statutes, as amended.

Gov. Msg. No. 258 transmitting copies of the 1994 Annual Report to the Governor on State Department of Defense, Hawaii National Guard, prepared by the Public Affairs Office, State of Hawaii, Department of Defense, pursuant to Section 373F-6, Hawaii Revised Statutes, as amended.

Gov. Msg. No. 259 transmitting copies of the following: **1994 Annual Report of the Environmental Council.**

Gov. Msg. No. 260 transmitting copies of the Interim Report on A Comprehensive Plan to Promote Ecotourism Development in Hawaii which was prepared by the Department of Business, Economic Development & Tourism in response to Act 252-94, SLH.

Gov. Msg. No. 261 transmitting copies of the State Energy Resources Coordinator's 1994 Annual Report, pursuant to Section 196-4(11), Hawaii Revised Statutes.

Gov. Msg. No. 262 informing the House that on May 25, 1995, he signed the following bills into law:

Senate Bill No. 334 as Act 64, entitled: "RELATING TO NONRESIDENT VIOLATOR COMPACT";

Senate Bill No. 1484 as Act 65, entitled: "RELATING TO ADULT RESIDENTIAL CARE HOMES";

Senate Bill No. 1573 as Act 66, entitled: "RELATING TO CHAPTER REFERENCES IN CHAPTER 231, HAWAII REVISED STATUTES";

Senate Bill No. 1575 as Act 67, entitled: "RELATING TO UNDERESTIMATION OF NET INCOME TAX";

Senate Bill No. 1627 as Act 68, entitled: "RELATING TO THE ESTABLISHMENT OF THE UNIVERSITY OF HAWAII GRADUATE APPLICATION REVOLVING FUND";

Senate Bill No. 1645 as Act 69, entitled: "RELATING TO CHAPTER 183C";

Senate Bill No. 1688 as Act 70, entitled: "RELATING TO PUBLIC ASSISTANCE";

Senate Bill No. 1695 as Act 71, entitled: "RELATING TO PRECINCT OFFICIALS AND OTHER ELECTION DAY OFFICIALS";

Senate Bill No. 1766 as Act 72, entitled: "RELATING TO COMMUNITY CORRECTIONAL CENTERS";

Senate Bill No. 1774 as Act 73, entitled: "RELATING TO THE HIRING OF ATTORNEYS";

House Bill No. 295 as Act 74, entitled: "RELATING TO THE STUDENT LOAN ASSISTANCE PROGRAM";

House Bill No. 1840 as Act 75, entitled: "RELATING TO ANIMAL QUARANTINE";

House Bill No. 1841 as Act 76, entitled: "RELATING TO AQUACULTURE LOANS";

House Bill No. 1842 as Act 77, entitled: "RELATING TO AGRICULTURAL LOANS";

House Bill No. 1844 as Act 78, entitled: "RELATING TO AGRICULTURE LOANS";

House Bill No. 1846 as Act 79, entitled: "RELATING TO AGRICULTURE";

House Bill No. 1847 as Act 80, entitled: "RELATING TO AGRICULTURE";

House Bill No. 1875 as Act 81, entitled: "RELATING TO FOREIGN-TRADE ZONES";

House Bill No. 1877 as Act 82, entitled: "RELATING TO GUARANTEE OF COMMERCIAL LOANS";

House Bill No. 1921 as Act 83, entitled: "RELATING TO INSURANCE";

House Bill No. 1991 as Act 84, entitled: "RELATING TO THE STATEWIDE COUNCIL ON INDEPENDENT LIVING"; and

House Bill No. 2034 as Act 85, entitled: "RELATING TO THE TAXATION OF FINANCIAL INSTITUTIONS".

Gov. Msg. No. 263 informing the House that on June 7, 1995, he signed the following bills into law:

House Bill No. 252 as Act 86, entitled: "RELATING TO SMALL BOAT HARBORS";

House Bill No. 895 as Act 87, entitled: "RELATING TO LONG-TERM CARE";

House Bill No. 1557 as Act 88, entitled: "RELATING TO NURSING";

House Bill No. 1838 as Act 89, entitled: "RELATING TO POULTRY INSPECTION";

- House Bill No. 1839 as Act 90, entitled: "RELATING TO MEAT INSPECTION";
- House Bill No. 1878 as Act 91, entitled: "RELATING TO STATE ENTERPRISE ZONES";
- House Bill No. 2038 as Act 92, entitled: "RELATING TO CRIMINAL TAX PENALTIES";
- Senate Bill No. 305 as Act 93, entitled: "RELATING TO THE INCOME TAX CREDIT";
- Senate Bill No. 337 as Act 94, entitled: "RELATING TO COURTS";
- Senate Bill No. 893 as Act 95, entitled: "RELATING TO STATE SERVICE FEES";
- Senate Bill No. 1245 as Act 96, entitled: "RELATING TO SOCIAL SERVICES"; and
- Senate Bill No. 1567 as Act 97, entitled: "RELATING TO DISHONORED CHECKS".
- Gov. Msg. No. 264 informing the House that on June 8, 1995, he signed the following bills into law:
- House Bill No. 18 as Act 98, entitled: "RELATING TO JITNEY SERVICES";
- House Bill No. 39 as Act 99, entitled: "RELATING TO LANDING AND DOCKAGE FEES";
- House Bill No. 181 as Act 100, entitled: "RELATING TO AUTOMATIC FINGERPRINT IDENTIFICATION SYSTEM";
- House Bill No. 187 as Act 101, entitled: "RELATING TO MOTOR CARRIERS";
- House Bill No. 251 as Act 102, entitled: "RELATING TO SHORELINE CERTIFICATION";
- House Bill No. 269 as Act 103, entitled: "RELATING TO KONA COFFEE";
- House Bill No. 513 as Act 104, entitled: "RELATING TO OCEAN RESOURCES";
- House Bill No. 759 as Act 105, entitled: "RELATING TO MOTOR CARRIER LAW ENFORCEMENT";
- House Bill No. 813 as Act 106, entitled: "RELATING TO PARENTAGE";
- House Bill No. 814 as Act 107, entitled: "RELATING TO PARENTAGE";
- House Bill No. 994 as Act 108, entitled: "RELATING TO DISCLOSURES IN REAL ESTATE TRANSACTIONS";
- House Bill No. 1208 as Act 109, entitled: "RELATING TO DEPOSITS OF PUBLIC FUNDS";
- House Bill No. 1923 as Act 110, entitled: "RELATING TO BENEFIT SOCIETIES";
- House Bill No. 2008 as Act 111, entitled: "RELATING TO AQUATIC LIFE";
- House Bill No. 2025 as Act 112, entitled: "RELATING TO PUBLIC SAFETY";
- House Bill No. 2050 as Act 113, entitled: "RELATING TO THE DISPOSAL OF IMPOUNDED VESSELS";
- House Bill No. 2051 as Act 114, entitled: "RELATING TO HIGHWAY SAFETY";
- House Bill No. 2352 as Act 115, entitled: "RELATING TO MOTOR VEHICLES";
- Senate Bill No. 722 as Act 116, entitled: "RELATING TO ABUSE OF FAMILY HOUSEHOLD MEMBERS";
- Senate Bill No. 869 as Act 117, entitled: "RELATING TO A SECTION OF THE HAWAII REVISED STATUTES AMENDED BY ACT 164, SESSION LAWS OF HAWAII 1991";
- Senate Bill No. 873 as Act 118, entitled: "RELATING TO A SECTION OF THE HAWAII REVISED STATUTES AMENDED BY ACT 8, SPECIAL SESSION LAWS OF HAWAII 1993";
- Senate Bill No. 944 as Act 119, entitled: "RELATING TO MONEY LAUNDERING";
- Senate Bill No. 1568 as Act 120, entitled: "RELATING TO BULK SALES";
- Senate Bill No. 1577 as Act 121, entitled: "RELATING TO THE PAYMENT OF TAXES BY ELECTRONIC FUNDS TRANSFER";
- Senate Bill No. 1593 as Act 122, entitled: "RELATING TO CONTROLLED SUBSTANCES";
- Senate Bill No. 1743 as Act 123, entitled: "RELATING TO AN EXEMPTION FOR PHYSICAL THERAPIST SUPPORT PERSONNEL";
- Senate Bill No. 1746 as Act 124, entitled: "RELATING TO A REQUIREMENT TO OBTAIN AN ACUPUNCTURE INTERN PERMIT";
- Senate Bill No. 1771 as Act 125, entitled: "RELATING TO PAYMENT OF CHILD SUPPORT THROUGH INCOME WITHHOLDING"; and
- Senate Bill No. 1806 as Act 126, entitled: "RELATING TO THE STATE GOVERNMENT FUNCTIONS".
- Gov. Msg. No. 265 informing the House that on June 8, 1995, he signed the following bill into law:
- Senate Bill No. 1022 as Act 127, entitled: "RELATING TO SPECIAL PURPOSE BONDS AND THE ISSUANCE THEREOF TO ASSIST NOT-FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES TO THE GENERAL PUBLIC".
- Gov. Msg. No. 266 informing the House that on June 9, 1995, he signed the following bills into law:
- House Bill No. 26 as Act 128, entitled: "RELATING TO MOTOR VEHICLES";
- House Bill No. 530 as Act 129, entitled: "RELATING TO INSURANCE CERTIFICATES OF AUTHORITY";
- House Bill No. 806 as Act 130, entitled: "RELATING TO TORT REFORM";
- House Bill No. 837 as Act 131, entitled: "RELATING TO THE UNIVERSITY OF HAWAII COMMUNITY COLLEGES";
- House Bill No. 1311 as Act 132, entitled: "RELATING TO HOUSING";

- House Bill No. 1426 as Act 133, entitled: "RELATING TO THE GENERAL EXCISE TAX";
- House Bill No. 1472 as Act 134, entitled: "RELATING TO TAX CREDITS";
- House Bill No. 1486 as Act 135, entitled: "RELATING TO WILDLIFE";
- House Bill No. 1687 as Act 136, entitled: "RELATING TO THE PUBLIC EMPLOYEES HEALTH FUND";
- House Bill No. 1857 as Act 137, entitled: "RELATING TO CHILD SUPPORT ENFORCEMENT";
- House Bill No. 1988 as Act 138, entitled: "RELATING TO HOMELESS";
- Senate Bill No. 287 as Act 139, entitled: "RELATING TO IRRIGATION WATER DEVELOPMENT";
- Senate Bill No. 1200 as Act 140, entitled: "RELATING TO THRILL CRAFT";
- Senate Bill No. 1254 as Act 141, entitled: "RELATING TO NOTARIES PUBLIC";
- Senate Bill No. 1560 as Act 142, entitled: "RELATING TO INTOXICATING LIQUOR";
- Senate Bill No. 1670 as Act 143, entitled: "RELATING TO RADIOLOGIC TECHNOLOGY";
- Senate Bill No. 1732 as Act 144, entitled: "RELATING TO THE LICENSING RECORDS OF MASSAGE THERAPISTS AND MASSAGE THERAPIST APPRENTICES"; and
- Senate Bill No. 1804 as Act 145, entitled: "RELATING TO PUBLIC EMPLOYMENT".
- Gov. Msg. No. 267 informing the House that on June 13, 1995, he signed the following bills into law:
- Senate Bill No. 500 as Act 146, entitled: "RELATING TO MEASUREMENT STANDARDS";
- Senate Bill No. 593 as Act 147, entitled: "RELATING TO PUBLIC LANDS";
- Senate Bill No. 647 as Act 148, entitled: "RELATING TO EDUCATION";
- Senate Bill No. 889 as Act 149, entitled: "RELATING TO SPORTS";
- Senate Bill No. 1905 as Act 150, entitled: "RELATING TO STATE FACILITIES";
- House Bill No. 929 as Act 151, entitled: "RELATING TO THE COMMISSION ON THE STATUS OF WOMEN";
- House Bill No. 1833 as Act 152, entitled: "RELATING TO CHANGE OF NAME";
- House Bill No. 1968 as Act 153, entitled: "RELATING TO RUBELLA TESTING";
- House Bill No. 1997 as Act 154, entitled: "RELATING TO FAMILY LEAVE"; and
- House Bill No. 2031 as Act 155, entitled: "RELATING TO EMINENT DOMAIN".
- Gov. Msg. No. 268 informing the House that on June 14, 1995, he signed the following bills into law:
- Senate Bill No. 87 as Act 156, entitled: "RELATING TO THE RELEASE OF PRETRIAL INMATES";
- Senate Bill No. 159 as Act 157, entitled: "RELATING TO SENTENCING";
- Senate Bill No. 424 as Act 158, entitled: "RELATING TO EDUCATION";
- Senate Bill No. 431 as Act 159, entitled: "RELATING TO HARASSMENT";
- Senate Bill No. 443 as Act 160, entitled: "RELATING TO SEX OFFENDERS";
- Senate Bill No. 937 as Act 161, entitled: "RELATING TO THE UNIVERSITY OF HAWAII";
- Senate Bill No. 1204 as Act 162, entitled: "RELATING TO ENVIRONMENTAL PROTECTION";
- Senate Bill No. 1467 as Act 163, entitled: "RELATING TO EDUCATION";
- Senate Bill No. 1559 as Act 164, entitled: "RELATING TO MOTOR VEHICLE REGISTRATION";
- Senate Bill No. 1642 as Act 165, entitled: "RELATING TO BOATING";
- Senate Bill No. 1683 as Act 166, entitled: "RELATING TO PUBLIC ASSISTANCE";
- Senate Bill No. 1749 as Act 167, entitled: "RELATING TO EXEMPT EMPLOYMENT STATUS";
- Senate Bill No. 1868 as Act 168, entitled: "RELATING TO RECODIFICATION OF THE EDUCATION STATUTES";
- House Bill No. 87 as Act 169, entitled: "RELATING TO THE TRAFFIC CODE";
- House Bill No. 149 as Act 170, entitled: "RELATING PUBLIC SAFETY";
- House Bill No. 756 as Act 171, entitled: "RELATING TO THE HAWAII PENAL CODE";
- House Bill No. 873 as Act 172, entitled: "RELATING TO DISCLOSURES IN REAL ESTATE TRANSACTIONS";
- House Bill No. 1173 as Act 173, entitled: "RELATING TO TRAFFIC";
- House Bill No. 1244 as Act 174, entitled: "RELATING TO ACTIVITY PROVIDERS AND ACTIVITY DESKS";
- House Bill No. 1409 as Act 175, entitled: "RELATING TO THE STATE OF HAWAII ENDOWMENT FUND";
- House Bill No. 1643 as Act 176, entitled: "RELATING TO NURSING FACILITY TAX";
- House Bill No. 1763 as Act 177, entitled: "RELATING TO HAWAIIAN FISHPONDS";
- House Bill No. 1834 as Act 178, entitled: "RELATING TO THE HAWAII PUBLIC PROCUREMENT CODE";
- House Bill No. 1918 as Act 179, entitled: "RELATING TO HEALTH MAINTENANCE ORGANIZATIONS";

House Bill No. 1977 as Act 180, entitled: "RELATING TO THE ENVIRONMENT";

House Bill No. 2000 as Act 181, entitled: "RELATING TO WAGES AND HOURS OF EMPLOYEES ON PUBLIC WORKS";

House Bill No. 2023 as Act 182, entitled: "RELATING TO CRIMINAL INJURIES COMPENSATION";

House Bill No. 2089 as Act 183, entitled: "RELATING TO THE PUBLIC EMPLOYEES HEALTH FUND";

House Bill No. 2137 as Act 184, entitled: "RELATING TO THE WAIKIKI AQUARIUM"; and

House Bill No. 2179 as Act 185, entitled: "RELATING TO REAL PROPERTY".

Gov. Msg. No. 269 returning House Bill No. 2215, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 2215

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 2215, entitled, 'A Bill for an Act Relating to Insurance.'

The purpose of House Bill No. 2215 is to develop a way to stabilize and ultimately reduce hurricane insurance costs by authorizing the Director of Finance to secure necessary funds from alternative sources to satisfy the share of liability currently reinsured by the Hawaii Hurricane Relief Fund. This bill also increases the Hawaii Hurricane Relief Fund's revenue bond authorization from \$200,000,000 to \$500,000,000. A revenue bond authorization is construed as including an implied appropriation.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning House Bill No. 2215 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 2215, entitled 'A Bill for an Act Relating to Insurance,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 2215 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 2215 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 270 returning House Bill No. 2107, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 2107

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 2107, entitled, 'A Bill for an Act Relating to Coffee.'

The purpose of House Bill No. 2107 is to amend chapter 147, Hawaii Revised Statutes, to establish a revolving fund to provide inspection services by the Department of Agriculture to determine and certify the grade, classification, quality, and condition of fresh or processed coffee. In addition, this bill contains an appropriation of one dollar.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning House Bill No. 2107 without my approval.

Respectfully,
 /s/ Benjamin J. Cayetano
 BENJAMIN J. CAYETANO
 Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 2107 entitled, 'A Bill for an Act Relating to Coffee,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 2107 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 2107 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
 Honolulu, State of Hawaii,
 this 9th day of June, 1995.
 /s/ Benjamin J. Cayetano
 BENJAMIN J. CAYETANO
 Governor of Hawaii"

Gov. Msg. No. 271 returning House Bill No. 1996, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
 HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
 TO HOUSE BILL NO. 1996

Honorable Members
 Eighteenth Legislature
 State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1996, entitled, 'A Bill for an Act Relating to Occupational Safety and Health Training and Assistance Fund.'

The purpose of House Bill No. 1996 is to amend section 396-4, Hawaii Revised Statutes, by designating the Occupational Safety and Health Training and Assistance Fund as a special fund; clarifying that in addition to the revenues from fines, interest, and penalties collected pursuant to section 396-10, Hawaii Revised Statutes, interest earned and moneys from any other sources shall be deposited into the Fund; changing its annual revenues from \$200,000 to \$500,000; and extending the sunset date from July 1, 1996 to July 1, 1999. In addition, this bill

contains an appropriation for \$500,000 for fiscal year 1995-1996 and \$500,000 for fiscal year 1996-1997.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning House Bill No. 1996 without my approval.

Respectfully,
 /s/ Benjamin J. Cayetano
 BENJAMIN J. CAYETANO
 Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 1996, entitled, 'A Bill for an Act Relating to Occupational Safety and Health Training and Assistance Fund,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 1996 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 1996 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
 Honolulu, State of Hawaii,
 this 9th day of June, 1995.
 /s/ Benjamin J. Cayetano
 BENJAMIN J. CAYETANO
 Governor of Hawaii"

Gov. Msg. No. 272 returning House Bill No. 2021, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
 HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
 TO HOUSE BILL NO. 2021

Honorable Members
 Eighteenth Legislature

State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 2021, entitled, 'A Bill for an Act Making an Appropriation for Compensation of Criminal Injuries.'

The purpose of House Bill No. 2021 is to appropriate \$1,218,555.29 to compensate victims of criminal injury who have been awarded compensation by the Criminal Injuries Compensation Commission.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning House Bill No. 2021 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 2021, entitled, 'A Bill for an Act Making an Appropriation for Compensation of Criminal Injuries,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 2021 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 2021 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 273 returning House Bill No. 2094, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 2094

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 2094, entitled, 'A Bill for an Act Relating to Elections.'

The purpose of House Bill No. 2094 is to reform the State's campaign spending laws by making significant amendments to the existing laws. In addition, House Bill No. 2094 contains an appropriation of \$70,000 for an additional investigator for the Campaign Spending Commission.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning House Bill No. 2094 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 2094, entitled, 'A Bill for an Act Relating to Elections,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 2094 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 2094 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 274 returning House Bill No. 1787 without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 1787

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1787, entitled, 'A Bill for an Act Relating to Governmental Assistance.'

The purpose of House Bill No. 1787 is to appropriate State funds to continue to support the recovery efforts of residents in the Hilo-Hamakua district of the island of Hawaii, in light of the pending closure of the Hamakua Sugar Company and the Hilo Coast Processing Corporation. This bill also authorizes the issuance of \$1,300,000 in general obligation bonds to fund various capital projects.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning House Bill No. 1787 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 1787, entitled, 'A Bill for an Act Relating to Governmental Assistance,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 1787 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 1787 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 275 returning House Bill No. 1828, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 1828

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1828, entitled, 'A Bill for an Act Relating to Hawaiian Home Lands.'

The purpose of House Bill No. 1828 is to resolve alleged breaches of the Hawaiian Home Lands Trust by (1) settling disputed issues with finality and certainty, (2) providing a Hawaiian Home Lands Trust Fund for the payment of funds by the State to the Department of Hawaiian Home Lands over a period of up to twenty years, (3) providing for the culmination and closure of various activities and goals initiated by past Legislatures, (4) authorizing \$30,000,000 in general obligation bonds for fiscal year 1996-1997 for deposit into the Hawaiian Home Lands Trust Fund, and (5) appropriating amounts totaling \$6,277,558.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning House Bill No. 1828 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 1828, entitled, 'A Bill for an Act Relating to Hawaiian Home Lands,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 1828 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 1828 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 276 returning House Bill No. 1853, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 1853

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1858, entitled, 'A Bill for an Act Relating to Criminal History Record Information.'

The purpose of House Bill No. 1853 is to authorize the Hawaii Criminal Justice Data Center (HCJDC) and the agencies acting on the HCJDC's behalf to charge fees for services related to criminal history record information. The bill also establishes a criminal history record improvement revolving fund, and appropriates out of the revolving fund the sum of \$200,000, or so much thereof as may be necessary for fiscal year 1995-1996, to improve the criminal history record information system established under chapter 846, Hawaii Revised Statutes.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore,

this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning House Bill No. 1853 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 1853, entitled, 'A Bill for an Act Relating to Criminal History Record Information,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 1853 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 1853 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 277 returning House Bill No. 1903, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 1903

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1903, entitled, 'A Bill for an Act Relating to Education.'

The purpose of House Bill No. 1903 is to authorize the issuance of general obligation bonds in the amount of \$90,000,000 for fiscal year 1995-1996 and \$90,000,000 for fiscal year 1996-1997 for deposit into the State Educational Facilities Improvement Special Fund. In addition, this bill amends various provisions relating to the expenditure of funds by the Department of Education.

The authorization to issue general obligation bonds is construed as including an implied appropriation. Accordingly, House Bill No. 1903 is considered to be an appropriations bill subject to Section 9 of Article VII of the State Constitution.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning House Bill No. 1903 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 1903, entitled, 'A Bill for an Act Relating to Education,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 1903 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 1903 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 278 returning House Bill No. 1909, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 1909

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1909, entitled, 'A Bill for an Act State Funds.'

The purpose of House Bill No. 1909 is to improve state government operations by enacting various fiscal measures relating to governmental operations. In addition, this bill creates and appropriates moneys from the Interagency Federal Revenue Maximization Revolving Fund to be used for the recovery of federal fund reimbursements.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

In addition, this bill amends Section 12 of Act 200, Session Laws of Hawaii 1994, to extend the authorization to expend moneys relating to the Hawaiian Sovereignty Elections Council from June 30, 1995 to June 30, 1996. However, the effective date of this provision is July 1, 1995. Consequently, because the effective date of this provision is subsequent to the lapse date of such funds, the amendment is ineffective and cannot be implemented.

For the foregoing reasons, I am returning House Bill No. 1909 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 1909, entitled, 'A Bill for an Act Relating to State Funds,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 1909 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 1909 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,

Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 279 returning House Bill No. 331,
without his approval and with his statement of objections
relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 331

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution
of the State of Hawaii, I am returning herewith, without
my approval, House Bill No. 331, entitled, 'A Bill for an
Act Making an Appropriation for Housing the Homeless.'

The purpose of House Bill No. 331 is to appropriate
\$30,000 of operating funds for the 'safe haven' pilot
project to provide services to homeless, mentally ill
persons for each of the fiscal years 1995-1996 and 1996-
1997. The Department of Health is authorized to expend
the funds.

Section 9 of Article VII of the Constitution of the State
of Hawaii provides in part that 'no appropriation bill,
except bills recommended by the Governor for immediate
passage, or to cover the expenses of the Legislature, shall
be passed on final reading until the bill authorizing
operating expenditures for the ensuing biennium, to be
known as the general appropriations bill, shall have been
transmitted to the Governor.' This bill was passed on
final reading on May 1, 1995, three days before the
general appropriations bill, House Bill No. 1220, was
transmitted to the Governor on May 4, 1995. Therefore,
this bill was passed in violation of the requirements of
Section 9 of Article VII of the State Constitution and
cannot validly become law.

For the foregoing reasons, I am returning House Bill
No. 331 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the
Constitution of the State of Hawaii, the Governor is
required to give notice, by a proclamation, of his plan to
return with his objections any bill presented to him less
than ten days before adjournment sine die or presented to
him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 331, entitled, 'A Bill for an
Act Making an Appropriation for Housing the Homeless,'
passed by the Legislature, was presented to the Governor
within the aforementioned period; and

WHEREAS, House Bill No. 331 is unacceptable to the
Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO,
Governor of the State of Hawaii, do hereby issue this
proclamation, pursuant to the provisions of Section 16 of
Article III of the Constitution of the State of Hawaii,
giving notice of my plan to return House Bill No. 331
with my objections thereon to the Legislature as provided
in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 280 returning House Bill No. 745,
without his approval and with his statement of objections
relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 745

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution
of the State of Hawaii, I am returning herewith, without
my approval, House Bill No. 745, entitled, 'A Bill for an
Act Making an Appropriation to Improve Effectiveness of
the Nonpoint Source Pollution Control Program.'

The purpose of House Bill No. 745 is to appropriate
\$60,000 to improve the effectiveness of the nonpoint
source pollution control program.

Section 9 of Article VII of the Constitution of the State
of Hawaii provides in part that 'no appropriation bill,
except bills recommended by the Governor for immediate
passage, or to cover the expenses of the Legislature, shall
be passed on final reading until the bill authorizing
operating expenditures for the ensuing biennium, to be
known as the general appropriations bill, shall have been
transmitted to the Governor.' This bill was passed on
final reading on May 1, 1995, three days before the
general appropriations bill, House Bill No. 1220, was
transmitted to the Governor on May 4, 1995. Therefore,
this bill was passed in violation of the requirements of
Section 9 of Article VII of the State Constitution and
cannot validly become law.

For the foregoing reasons, I am returning House Bill
No. 745 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the
Constitution of the State of Hawaii, the Governor is
required to give notice, by a proclamation, of his plan to
return with his objections any bill presented to him less
than ten days before adjournment sine die or presented to
him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 745, entitled, 'A Bill for an Act Making an Appropriation to Improve Effectiveness of the Nonpoint Source Pollution Control Program,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 745 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 745 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 281 returning House Bill No. 898, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 898

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 898, entitled, 'A Bill for an Act Relating to the Issuance of Special Purpose Revenue Bonds to Assist Kapiolani Health Care Systems.'

The purpose of House Bill No. 898 is to authorize the Department of Budget and Finance to issue special purpose revenue bonds in a total amount not to exceed \$45,000,000 to assist the Kapiolani Health Care System and its not-for-profit subsidiaries in financing the capital costs related to new construction, renovation, and equipment purchase for the Kapiolani Health Care System's health care facility subsidiaries.

The authorization to issue special purpose revenue bonds is construed as including an implied appropriation. Accordingly, House Bill No. 898 is considered to be an appropriation bill subject to Section 9 of Article VII of the State Constitution.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of

Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning House Bill No. 898 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 898, entitled, 'A Bill for an Act Relating to the Issuance of Special Purpose Revenue Bonds to Assist Kapiolani Health Care Systems,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 898 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 898 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 282 returning House Bill No. 1133 without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 1133

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1133, entitled, 'A Bill for an Act Relating to Agriculture.'

The purpose of House Bill No. 1133 is to authorize the Department of Budget and Finance to issue special purpose revenue bonds in a total amount of \$5,000,000 to assist Kerr Pacific Corporation, dba HFM (Hawaiian Flour Mills), in financing the establishment of a feed milling operation.

The authorization to issue special purpose revenue bonds is construed as including an implied appropriation of public moneys. Accordingly, House Bill No. 1133 is considered to be an appropriation bill subject to Section 9 of Article VII of the State Constitution.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning House Bill No. 1133 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 1133, entitled, 'A Bill for an Act Relating to Agriculture,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 1133 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 1133 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 283 returning House Bill No. 1262, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 1262

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1262, entitled, 'A Bill for an Act Relating to the Judiciary.'

The purpose of House Bill No. 1262 is to provide the necessary appropriations and authorizations for the operation of and capital improvements for the Judiciary branch for the 1995-1997 fiscal biennium. This bill also authorizes \$2,359,000 in general obligation bonds for fiscal year 1995-1996 to fund various capital projects.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning House Bill No. 1262 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 1262, entitled, 'A Bill for an Act Relating to the Judiciary,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 1262 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 1262 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 284 returning House Bill No. 1780, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 1780

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1780, entitled, 'A Bill for an Act Relating to the Office of Hawaiian Affairs Budget.'

The purpose of House Bill No. 1780 is to provide the necessary appropriations to the Office of Hawaiian Affairs for the 1995-1997 fiscal biennium.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning House Bill No. 1780 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 1780, entitled, 'A Bill for an Act Relating to the Office of Hawaiian Affairs Budget,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 1780 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 1780 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,

this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 285 returning House Bill No. 1785, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 1785

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1785, entitled, 'A Bill for an Act Making an Appropriation to Provide Counseling, Training, and Other Services to Dislocated Waiialua Sugar Company Workers.'

The purpose of House Bill No. 1785 is to appropriate \$125,103 out of the general revenues of the State of Hawaii for fiscal year 1995-1996, for the Department of Labor and Industrial Relations and the Department of Education to provide counseling, training and related services to workers who were dislocated due to the recent closure of Waiialua Sugar Company.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning House Bill No. 1785 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 1785, entitled, 'A Bill for an Act Making an Appropriation to Provide Counseling, Training, and Other Services to Dislocated Waiialua Sugar Company Workers,' passed by the Legislature, was

presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 1785 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 1785 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 286 returning House Bill No. 48, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 48

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 48, entitled, 'A Bill for an Act Relating to State Finances.'

The purposes of House Bill No. 48 are to transfer moneys from certain special funds, revolving funds and accounts to the general fund; establish the medicaid investigations recovery fund as a special fund; and add four new sections to chapter 37, Hawaii Revised Statutes, relating to encumbrances and reporting. In addition, this bill contains an appropriation of \$50,000.

One proposed new section to be added to chapter 37 provides for the transfer of fund balances in previous years to current fiscal year accounts unless the accounts have been designated for lapsing by the Governor or the Legislature. This appears to be contrary to Section 11 of Article VII of the Constitution of the State of Hawaii, which provides in part 'Any . . . appropriation or any portion of any such appropriation which is unencumbered at the close of the fiscal period for which the appropriation is made, shall lapse . . .'

Section 4 of the bill lists various funds and accounts from which the Director of Finance is directed to transfer moneys to the general fund. Among these funds are the 'litigation settlement clearance account' and the 'criminal forfeiture revolving fund, section 712A-16, Hawaii Revised Statutes.' Transfers of moneys from these two accounts and funds may violate antitrust settlement agreements or consent judgments, and will severely hamper, if not prevent, the Attorney General's enforcement activities in these areas.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate

passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning House Bill No. 48 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 48, entitled, 'A Bill for an Act Relating to State Finances,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 48 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 48 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 287 returning House Bill No. 1920, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 1920

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1920, entitled, 'A Bill for an Act Relating to the Hawaii Hurricane Relief Fund.'

The purpose of House Bill No. 1920 is to make revisions to the laws governing the Hawaii Hurricane Relief Fund ('Fund'). These revisions include: adding and amending definitions; clarifying the applicability and procedures for the assessments of insurers; authorizing the Fund to exempt certain transactions from the special mortgage recording fee; providing that the Fund's plan of operation and manual of rules and rates are not subject to chapter 91, but that the policy forms are to be adopted pursuant to chapter 91; requiring the Fund's board to approve an estimate of the cost of the examination of the Fund by the Insurance Commissioner and requiring the Commissioner to explain any cost that exceeds the estimate by ten per cent or more; authorizing the hurricane reserve trust fund and any other trust fund necessary for purposes of this chapter to be established outside the state treasury and providing that expenditures by the Fund are not subject to chapter 103D; and providing for the disposition of monies upon dissolution of the Fund. This bill also authorizes the issuance of \$200,000,000 in reimbursable general obligation bonds for each of the fiscal years 1994-1995, 1995-1996, and 1996-1997, for deposit into the hurricane reserve trust fund. This bond authorization is construed as including an implied appropriation.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning House Bill No. 1920 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 1920, entitled, 'A Bill for an Act Relating to the Hawaii Hurricane Relief Fund,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 1920 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 1920 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,

Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 288 transmitting Senate Bill No. 1763, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 1763

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1763, entitled, 'A Bill for an Act Relating to the Relief of Certain Persons' Claims Against the State and Providing Appropriations Therefor.'

The purpose of Senate Bill No. 1763 is to appropriate \$1,253,438.02 from the general revenues of the State to satisfy claims for legislative relief, judgments against the State, settlements, and miscellaneous claims.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning Senate Bill No. 1763 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 1763, entitled, 'A Bill for an Act Relating to the Relief of Certain Persons' Claims Against the State and Providing Appropriations Therefor,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 1763 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 1763 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 289 transmitting Senate Bill No. 1797, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 1797

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1797, entitled, 'A Bill for an Act Making Appropriations for Collective Bargaining Cost Items.'

The purpose of Senate Bill No. 1797 is to provide authorizations and appropriations for fiscal biennium 1995-1997 for bargaining units 3, 4, and 13 and their excluded counterparts for the salary adjustments negotiated between the State and the respective bargaining unit representatives. The total amount of appropriations is \$17,144,053.00.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning Senate Bill No. 1797 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is

required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 1797, entitled, 'A Bill for an Act Making Appropriations for Collective Bargaining Cost Items,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 1797 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 1797 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 290 transmitting Senate Bill No. 1939, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 1939

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1939, entitled, 'A Bill for an Act Relating to Public Access.'

The purpose of Senate Bill No. 1939 is to appropriate funding for public access to legislative proceedings.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

In addition, this bill amends Section 3 of Act 259, Session Laws of Hawaii 1994, to extend the authorization to expend moneys relating to the broadcasting of legislative proceedings on cable television from June 30, 1995 to June 30, 1996. However, the effective date of this bill is July 1, 1995. Consequently, because of the effective date of the amendment is subsequent to the lapse

date of such funds, the amendment is ineffective and cannot be implemented.

For the foregoing reasons, I am returning Senate Bill No. 1939 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 1939, entitled, 'A Bill for an Act Relating to Public Access,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 1939 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 1939 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 291 transmitting Senate Bill No. 458, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 458

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 458, entitled, 'A Bill for an Act Relating to Housing.'

The purpose of Senate Bill No. 458 is to require the Housing Finance and Development Corporation to develop strategies to provide affordable housing and to establish an emergency loan program and a relocation grant program for former employees and surviving spouses displaced by the closure of the Waialua Sugar Company. In addition, this bill appropriates \$75,000 to develop such strategies and \$664,000 for the loan and grant programs from the rental assistance revolving fund.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning Senate Bill No. 458 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 458, entitled, 'A Bill for an Act Relating to Housing,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 458 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 458 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 292 transmitting Senate Bill No. 1141 without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 1141

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1141 entitled, 'A Bill for an Act Making an Appropriation for Agricultural Research and Development.'

The purpose of Senate Bill No. 1141 is to appropriate \$1,000,000 for fiscal year 1995-1996 to support agricultural research to be performed by the Hawaiian Sugar Planters' Association experiment station in the areas of sugarcane and diversified agriculture, provided that: (1) funds for sugarcane research will only be released on a dollar-for-dollar matching basis; and (2) no funds for nonsugarcane research will be released unless the beneficiaries of that research contribute one dollar for every three dollars that the State provides.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning Senate Bill No. 1141 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 1141, entitled, 'A Bill for an Act Making an Appropriation for Agricultural Research and Development,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 1141 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 1141 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 293 transmitting Senate Bill No. 1331 without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 1331

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1331, entitled, 'A Bill for an Act Relating to Elections.'

The purpose of Senate Bill No. 1331 is to establish a temporary Office of Elections, to be administratively attached to the Office of Lieutenant Governor, and administered by a chief election officer who serves at the pleasure of an elections appointment panel. The new Office of Elections will assume the functions and duties of the existing elections division in the Office of the Lieutenant Governor. In addition, Senate Bill No. 1331 contains an appropriation of \$5,000 to carry out the purposes of the bill.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995.

Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning Senate Bill No. 1331 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 1331, entitled, 'A Bill for an Act Relating to Elections,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 1331 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this

proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 1331 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 294 transmitting Senate Bill No. 1336, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 1336

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1336, entitled, 'A Bill for an Act Relating to Hawaiian Affairs.'

The purpose of Senate Bill No. 1336 is to formally reauthorize the Hui 'Imi Task Force as a temporary part of the Office of the Lieutenant Governor for the implementation phase of its recommendations and to establish it as the Hui 'Imi Pono Advisory Council. In addition, this bill contains an appropriation of \$40,500 for fiscal year 1995-1996 for staffing the council.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning Senate Bill No. 1336 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 1336, entitled, 'A Bill for an Act Relating to Hawaiian Affairs,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 1336 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 1336 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 295 transmitting Senate Bill No. 1410, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 1410

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1410, entitled, 'A Bill for an Act Relating to the Authorization of Special Purpose Revenue Bonds for Medical Waste Facility Project Development.'

The purpose of Senate Bill No. 1410 is to authorize the Department of Budget and Finance to issue special purpose revenue bonds in a total amount not to exceed \$6,000,000 to assist Pacific Controls, Inc., in financing the construction of a medical waste incineration and disposal facility at Campbell Industrial Park.

The authorization to issue such bonds is construed as including an implied appropriation. Accordingly, Senate Bill No. 1410 is considered to be an appropriations bill subject to Section 9 of Article VII of the State Constitution.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning Senate Bill No. 1410 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 1410, entitled, 'A Bill for an Act Relating to the Authorization of Special Purpose Revenue Bonds for Medical Waste Facility Project Development,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 1410 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 1410 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 296 transmitting Senate Bill No. 1699, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 1669

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1669, entitled, 'A Bill for an Act Relating to Housing Loan and Mortgage Program.'

The purpose of Senate Bill No. 1699 is to authorize an increase in the revenue bond authorization to \$1,775,000,000 for the Hula Mae Single Family Mortgage Purchase Program administered by the Housing Finance and Development Corporation. A revenue bond authorization is construed as including an implied appropriation.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill,

except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning Senate Bill No. 1669 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 1669, entitled, 'A Bill for an Act Relating to Housing Loan and Mortgage Program,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 1669 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 1669 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 297 transmitting Senate Bill No. 1701, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 1701

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1701, entitled, 'A Bill for an Act Relating to the Housing Revolving Funds.'

The purpose of Senate Bill No. 1701 is to authorize the Housing Finance and Development Corporation to make a one time transfer of \$3,200,000 from the rental assistance revolving fund into the rental housing trust fund. In addition, this bill contains appropriations from the rental assistance revolving fund of \$150,000 to develop and implement strategies to provide for affordable housing for employees at Poamoho and Kunia and of \$550,000 to provide rental subsidy and low-interest loans to the displaced former employees, retirees, and surviving spouses of the now closed Waialua Sugar Company.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning Senate Bill No. 1701 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 1701, entitled, 'A Bill for an Act Relating to the Housing Revolving Funds,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 1701 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 1701 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 298 transmitting Senate Bill No. 1739, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS

HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 1739

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1739, entitled, 'A Bill for an Act Relating to the Clean Hawaii Center.'

The purpose of this bill is to clarify the intent and authority of the Clean Hawaii Center, which was created by Act 202, Session Laws of Hawaii 1994. In addition, this bill contains an appropriation of \$300,000 for the purposes of the center, which was created to foster a business and government effort to develop and expand commercial markets for recyclable materials and recycled content products, and to facilitate recycling and environmental business and technology development.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning Senate Bill No. 1739 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 1739, entitled, 'A Bill for an Act Relating to the Clean Hawaii Center,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 1739 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 1739 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,

Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 299 transmitting Senate Bill No. 68, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 68

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 68, entitled, 'A Bill for an Act Relating to Public Assistance.'

The purpose of Senate Bill No. 68 is to authorize the Department of Human Services to plan for and to implement an electronic benefit transfer system for the Food Stamp Program and the Aid to Families with Dependent Children Program. In addition, this bill contains an appropriation of \$60,000.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning Senate Bill No. 68 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 68, entitled, 'A Bill for an Act Relating to Public Assistance,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 68 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 68 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 300 transmitting Senate Bill No. 82, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 68

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 82, entitled, 'A Bill for an Act Relating to Crime.'

The purpose of Senate Bill No. 82 is to create and fund the Hawaii Drug Court Program and to expand electronic monitoring of offenders as an alternative to incarceration. The bill contains appropriations totaling nearly \$1.8 million.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning Senate Bill No. 82 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less

than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 82, entitled, 'A Bill for an Act Relating to Crime,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 82 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 82 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 301 transmitting Senate Bill No. 201 without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 9, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 201

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 201, entitled, 'A Bill for an Act Relating to Environmental Education.'

The purpose of this bill is to create a temporary advisory task force within the Department of Health ('DOH') which shall (a) advise and comment on the efforts and procedures used by DOH to promote grass-roots participation in environmental issues; (b) direct DOH's efforts to promote environmental education programs and initiatives; and (c) serve as a forum for public participation and comment on the environmental goals and objectives adopted by DOH. The bill also authorizes the Department of Land and Natural Resources ('DLNR') to form a citizen-based extension service to, among other things, provide for environmental education. In addition, this bill contains an appropriation for \$15,000.

Section 9 of Article VII of the Constitution of the State of Hawaii provides in part that 'no appropriation bill, except bills recommended by the Governor for immediate passage, or to cover the expenses of the Legislature, shall be passed on final reading until the bill authorizing operating expenditures for the ensuing biennium, to be known as the general appropriations bill, shall have been transmitted to the Governor.' This bill was passed on final reading on May 1, 1995, three days before the general appropriations bill, House Bill No. 1220, was transmitted to the Governor on May 4, 1995. Therefore, this bill was passed in violation of the requirements of

Section 9 of Article VII of the State Constitution and cannot validly become law.

For the foregoing reasons, I am returning Senate Bill No. 201 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 201, entitled, 'A Bill for an Act Relating to Environmental Education,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 201 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 201 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 9th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 302 informing the House that on June 15, 1995, he signed the following bills into law:

Senate Bill No. 288 as Act 186, entitled: "RELATING TO HUNTERS AND FISHERMEN";

Senate Bill No. 639 as Act 187, entitled: "RELATING TO HISTORIC PRESERVATION";

Senate Bill No. 995 as Act 188, entitled: "RELATING TO PRIVATE SCHOOLS";

Senate Bill No. 1461 as Act 189, entitled: "RELATING TO DEVELOPMENTAL DISABILITIES";

Senate Bill No. 1521 as Act 190, entitled: "RELATING TO HEALTH CARE DATA DISCOVERY";

Senate Bill No. 1770 as Act 191, entitled: "RELATING TO ADMINISTRATIVE PROCESS FOR CHILD SUPPORT ENFORCEMENT";

House Bill No. 1485 as Act 192, entitled: "RELATING TO LIQUOR COMMISSION";

House Bill No. 1849 as Act 193, entitled: "RELATING TO PLANT AND NON-DOMESTIC ANIMAL QUARANTINE"; and

House Bill No. 1884 as Act 194, entitled: "RELATING TO HOUSING".

Gov. Msg. No. 303 informing the House that on June 16, 1995, he signed the following bill into law:

Senate Bill No. 385 as Act 195, entitled: "RELATING TO WELFARE FRAUD".

Gov. Msg. No. 304 informing the House that on June 19, 1995, he signed the following bills into law:

Senate Bill No. 1751 as Act 196, entitled: "RELATING TO PERSONNEL WITHIN THE DIVISION OF CONSUMER ADVOCACY";

House Bill No. 1491 as Act 197, entitled: "RELATING TO HIGHWAY SAFETY";

House Bill No. 1927 as Act 198, entitled: "RELATING TO BUSINESS REGISTRATION"; and

House Bill No. 1998 as Act 199, entitled: "RELATING TO OCCUPATIONAL SAFETY AND HEALTH PROGRAMS FOR STATE CONSTRUCTION CONTRACTS".

Gov. Msg. No. 305 informing the House that on June 19, 1995, he signed the following bills into law:

House Bill No. 51 as Act 200, entitled: "RELATING TO NOISE";

House Bill No. 397 as Act 201, entitled: "RELATING TO ENVIRONMENTAL PROTECTION";

House Bill No. 1586 as Act 202, entitled: "RELATING TO COLLECTIVE BARGAINING IN PUBLIC EMPLOYMENT";

Senate Bill No. 84 as Act 203, entitled: "RELATING TO DRUG DEALERS";

Senate Bill No. 336 as Act 204, entitled: "RELATING TO THE DRIVER EDUCATION AND TRAINING FUND";

Senate Bill No. 432 as Act 205, entitled: "RELATING TO DRUG DEMAND REDUCTION ASSESSMENTS";

Senate Bill No. 807 as Act 206, entitled: "RELATING TO PRESCRIPTIONS";

Senate Bill No. 1028 as Act 207, entitled: "RELATING TO A REPRESENTATIVE PAYEE SYSTEM";

Senate Bill No. 1218 as Act 208, entitled: "RELATING TO COLLECTIVE BARGAINING IN PUBLIC EMPLOYMENT"; and

Senate Bill No. 1626 as Act 209, entitled: "RELATING TO THE UNIVERSITY OF HAWAII".

Gov. Msg. No. 306 returning House Bill No. 283 without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 19th 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 283

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 283, entitled, 'A Bill for an Act Relating to Creditors' Rights.'

The purpose of House Bill No. 283 is to render ineffective all judgments obtained by Hawaii's sister states against delinquent taxpayers for failure to pay state income taxes on retirement income. The bill will accomplish this by preventing the attachment or execution of real or personal property in Hawaii pursuant to the other states' valid judgments.

This bill, by requiring the State of Hawaii to dishonor the valid judgments of other states, violates the Full Faith and Credit Clause of Section 1 of Article IV of the United States Constitution.

The bill also conflicts directly with the tax comity provision in section 231-26, Hawaii Revised Statutes, which mandates that '[t]he courts of the State shall recognize and enforce the liability for taxes lawfully imposed by the laws of any state which extends a like comity, whether by statute or case law, in respect of the liability for taxes lawfully imposed by the laws of this State.' This bill would impair the ability of Hawaii to enforce its tax laws out-of-state by diminishing the comity Hawaii currently enjoys with other states.

For the foregoing reasons, I am returning House Bill No. 283 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 283, entitled, 'A Bill for an Act Relating to Creditors' Rights,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 283 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 283 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 307 returning House Bill No. 337, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 19, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 337

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 337, entitled, 'A Bill for an Act Relating to Health.'

The purpose of House Bill No. 337 is to encourage the development and expansion of community-based adult day health centers (ADHC) to offer the State's elderly population a viable alternative to expensive institutional long-term care. The bill further requires the Department of Health (DOH) and the Department of Human Services (DHS) to coordinate their efforts through existing rulemaking authority toward achieving a rational and unified adult day care program for the State's elderly population. The bill also attempts to address medicaid reimbursement inconsistencies between intermediate care facility (ICF) level clients currently receiving services at ADHCs and ICF-level clients receiving services at adult day care centers, as well as medicaid reimbursement inconsistencies between ICF-level clients receiving services from freestanding ADHCs and facility-based ADHCs.

DOH and DHS already have statutory rulemaking authority pursuant to sections 321-11 and 346-83, Hawaii Revised Statutes, to accomplish the objectives of the bill. Furthermore, the medicaid reimbursement inconsistencies may be addressed through amendment to existing rules of the respective departments. Therefore, this bill is unnecessary. Moreover, since passage of this bill may require additional resources due to the possible increase in medicaid eligibility for this population and the bill does not include an appropriation to cover these additional costs, this bill may have a potential negative impact on the budget of DHS, the state agency responsible for medicaid reimbursement.

For the foregoing reasons, I am returning House Bill No. 337 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 337, entitled, 'A Bill for an Act Relating to Health,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 337 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 337 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 308 returning House Bill No. 379, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 19, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 379

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 379, entitled, 'A Bill for an Act Relating to Used Oil.'

The purpose of House Bill No. 379 is to amend section 242N-30, Hawaii Revised Statutes, to prohibit the disposal of new, used, or recycled oil generated by commercial businesses and operations in sanitary landfills. This bill also exempts persons engaged in the business of waste collection such as trash haulers, who dispose of oil-containing wastes in good faith, in the normal course of business, and after usual and customary precautions have been taken to prevent the disposal of such oil-containing wastes in sanitary landfills.

The subject of the bill as expressed in its title is 'used oil.' The substantive contents of the bill relate to new, used, and recycled oil. The prohibition against dumping new oil and recycled oil is not reflected in the title and violates Section 14 of Article III of the State Constitution.

The purpose of Section 14 of Article III are 'first, to prevent hodge-podge or logrolling legislation, second, to prevent surprise or fraud upon the Legislature by means of provisions in bills of which titles give no intimation; and third, to apprise the people of proposed matters of legislation.' *Schwab v. Ariyoshi*, 58 Haw. 25, 30-31 (1977), quoting *Jensen v. Turner*, 40 Haw. 604, 607-08 (1954).

In this case, section 342N-30(a), Hawaii Revised Statutes, currently prohibits the dumping of new, used, or recycled oil in 'sewers, drainage systems, surface or ground waters, watercourses, marine waters or onto the ground.' Section 342N-1, Hawaii Revised Statutes, defines 'used oil' as a petroleum-based oil which through use, storage, or handling has become unsuitable for its original purpose due to the presence of impurities or loss of original properties. 'Recycled oil' is defined as used oil that is reused or prepared for reuse as a petroleum

product. 'New oil' is not defined in the statute. Since two of these three terms are defined distinctly in the existing law, it would be difficult to argue that used, recycled, and new oil are all included in the term 'used oil' which appears in the bill's title. Since the title of this bill does not reasonably alert members of the public concerns about the dumping of petroleum-based products that the bill relates to new and recycled oil as well as used oil, the requirements of Section 14 of Article III of the State Constitution do not seem to have been met.

However, if the portions of the bill that cover new and recycled oil are deemed unconstitutional because the title of the bill does not fairly inform the public of its contents, those portions may be severed and the remaining portion given effect. Unfortunately, if portions of this bill were to be severed, the administration of the remainder may be hampered. In certain instances new, used, and recycled oil may require scientific testing to distinguish which type of oil has been dumped. For example, if an inspector were to see someone dumping oil in a landfill and the inspector were to inquire as to the type of oil that was dumped, the person might claim that the oil was recycled oil, which unlike used oil would not be subject to any prohibition on disposal in landfills. A sample of the oil would have to be tested to determine whether the oil was used or recycled before enforcement. I believe that the Legislature did not intend to have the testing costs be incurred in the administration of this law.

For the foregoing reasons, I am returning House Bill No. 379 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 379, entitled, 'A Bill for an Act Relating to Used Oil,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 379 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 379 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 309 returning House Bill No. 386, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS HONOLULU

June 19, 1995

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 386

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 386, entitled, 'A Bill for an Act Relating to the Environment.'

The purpose of House Bill No. 386 is to promote public environmental awareness and education by (1) requiring a compilation of Department of Health environmental policies and guidelines by July 1, 1998; (2) adding promotion and support in environmental education to state environmental policy in section 344-3, Hawaii Revised Statutes; and (3) adding numerous educational considerations to state environmental guidelines in section 344-4(a), Hawaii Revised Statutes. The bill also authorizes agencies to receive monetary donations and gifts, from sources other than the Legislature or federal government, for the conservation of natural resources.

While the bill is well intentioned, it creates unnecessary risks for environmental enforcement, requires more government work without providing more government resources, and duplicates existing law.

Section 2 of the bill, which adds a new chapter to the Hawaii Revised Statutes, may hamper environmental enforcement by raising new issues that may have to be litigated. Polluters who are defendants may argue that the bill implies that unwritten enforcement (or other) policies, guidance, or definitions must be written and compiled before the Department of Health can enforce. Polluter-defendants may also attempt to discover whether there are any unwritten enforcement policies or guidelines and may oppose liability if enforcement varies from policy. In addition, polluter-defendants may seek disclosure of already written enforcement policies that present law allows to remain confidential.

The argument that the bill itself implies that the Department of Health's unwritten environmental policies and guidelines must be written and compiled arises from a comparison of the bill and other existing law. The bill requires recording in writing policies, guidance, and definitions relating to implementation, administration, and enforcement, while section 91-2(a)(3) and (4), Hawaii Revised Statutes, already requires that agencies make available for public inspection all rules and written statements of policy or interpretation as well as final opinions and orders. Sections 92F-11 and 92F-12, Hawaii Revised Statutes, also require agencies to make government records available for public inspection and copying. The bill does not explicitly change or repeal any duties or protections under chapters 91 and 92F. If existing law already requires disclosure of written policies, guidance, and definitions, then the bill must aim at unwritten items.

The legislative history shows a legislative intent to limit the required compilation of items that are already written. The conference committee report on this bill refers to a compilation of written documents. Furthermore, the original version of the bill, at page 3, did create explicit enforcement obstacles which were deleted from the final version; the original bill allowed a regulatee to bring policy or guidance up for review by the director and

suspended any duty to pay monetary penalties until the review was completed. The original bill also explicitly denied the force and effect of law to policy or guidance not adopted as a rule, which just restates chapter 91.

While any attempted use of the bill against enforcement should ultimately fail because of the legislative history, the State would waste time dealing with the defenses and discovery efforts. Furthermore, if the legislative intent stated in the legislative history controls, as it should, and the bill only covers written policies and guidelines, then that part of the bill is unnecessary because section 91-2 already requires the same items to be disclosed, and a compilation can be ordered by the Director of Health without a new statute.

An additional risk to environmental enforcement arises from the possibility that polluter-defendants may claim that the bill requires the disclosure of already written enforcement policies that section 92F-13(3), Hawaii Revised Statutes, now protects as confidential to avoid the frustration of legitimate government functions. While the bill does not amend chapter 92F, Hawaii Revised Statutes, the Uniform Information Practices Act, it may be argued to impliedly supersede that chapter because the bill deals with a more specific set of records. In conclusion on this point, existing administrative and information practice laws adequately provide for public access to information without the risks to environmental enforcement present in this bill.

The bill provides no resources for its implementation despite adding work for the Department of Health in section 2. Furthermore, sections 3 and 4 of the bill, which amend sections 344-3 and 344-4, Hawaii Revised Statutes, by adding several items to state environmental policy and guidelines, also provide no resources for their implementation by state agencies.

Section 5 of the bill is unnecessary because the present procurement code in section 103D-102(b), Hawaii Revised Statutes, already allows for agencies to receive gifts.

For the foregoing reasons, I am returning House Bill No. 386 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 386, entitled, 'A Bill for an Act Relating to the Environment,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 386 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 386

with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii'

Gov. Msg. No. 310 returning House Bill No. 518, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 19, 1995

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 518

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 518, entitled, 'A Bill for an Act Relating to Energy Conservation.'

The purpose of House Bill No. 518 is to require a feasibility study for new construction projects that will need an air conditioning system costing \$250,000 or more. If the study indicates a simple payback of five years or less for the cost differential between a conventional air-cooled system and a cool-storage system, a cool storage system must be installed.

The intent of this legislation, to save energy, is worthy; however, implementation may create more practical problems than it solves. First, the bill may not generate the savings intended. It is estimated that a feasibility study would cost the State in the range of \$8,000 to \$10,000. Since there is no difference in cost per kilowatt hour charges for electricity used at peak or off-peak hours, transferring consumption from peak to off-peak hours would not result in savings. Furthermore, since cool storage systems are best suited for non-24-hour facilities, the requirement to conduct feasibility studies on all projects would be an inefficient use of funds.

Second, this bill commits the State to one industry. The policy of this administration is that the State should remain open to all technologies and encourage competition and creation and development of new energy sources that will result in an efficient use of funds.

Last, agencies presently are not prohibited from considering or proposing a cool storage air conditioning system if it is the best alternative, so this bill does not add an option that is now already available.

For the foregoing reasons, I am returning House Bill No. 518 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 518, entitled, 'A Bill for an Act Relating to Energy Conservation,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 518 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 518 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 311 returning House Bill No. 792, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 19, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 792

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 792, entitled, 'A Bill for an Act Relating to Public Employment.'

The purpose of House Bill No. 792 is to authorize the Legislative Reference Bureau to conduct a study on the feasibility of an optional retirement plan for University of Hawaii employees based on a defined employer contribution rate.

This bill is unnecessary. The President of the Senate and the Speaker of the House of Representatives already have the authority to direct the Legislative Reference Bureau to conduct this study without the enactment of a separate law.

For the foregoing reasons, I am returning House Bill No. 792 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 792, entitled, 'A Bill for an Act Relating to Public Employment,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 792 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 792 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 312 returning House Bill No. 1096 without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 19, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 1096

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1096, entitled, 'A Bill for an Act Relating to Physical Therapy.'

The purpose of House Bill No. 1096 is to clarify that physical therapists may use support or auxiliary personnel in their practice and that the Board of Physical Therapy may adopt rules defining the scope of practice of such support or auxiliary personnel.

Senate Bill No. 1743, which was also passed during the regular session of 1995, is substantially identical to this bill. Since I approved Senate Bill No. 1743 on June 8, 1995, as Act 123, there is no need to also approve this bill.

For the foregoing reasons, I am returning House Bill No. 1096 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 1096, entitled, 'A Bill for an Act Relating to Physical Therapy,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 1096 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 1096 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 313 returning House Bill No. 1385, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 19, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 1385

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1385, entitled, 'A Bill for an Act Relating to Drug Product Selection.'

The purpose of House Bill No. 1385 is to amend sections 328-91 and 328-92, Hawaii Revised Statutes ('HRS'), to (1) clarify that only licensed pharmacists may dispense prescription drugs, and (2) allow written prescription forms to have two signature lines, one to designate 'brand medically necessary' and the other to designate 'substitution permitted,' so that the prescriber may select an instruction merely by signing on the appropriate line.

The Legislature did not intend that this bill decrease the use of generic drugs in Hawaii. However, I believe it would have precisely that effect, with disastrous results for the cost of prescription drugs in this State. It could also easily mislead physicians into inadvertently violating state and federal rules governing Medicaid prescriptions, which require doctors to write by hand the instruction that a brand name drug is medically necessary.

Currently, section 328-92, HRS, provides that when a doctor prescribes a prescription drug the doctor must handwrite on the prescription 'do not substitute' or 'brand medically necessary' if the pharmacist is to fill the prescription with a brand name drug. Thus, if the

physician does not make this extra effort, the consumer may choose to purchase the cheaper, equivalent generic drug.

The Medicaid Investigations Division, Department of the Attorney General, has completed two major white collar crime investigations of the two largest drug store chains in Hawaii. Both Pay 'n Save in 1992 and Longs Drug Stores, Inc., in late 1994 were found to be filling Medicaid prescriptions with higher-priced brand name drugs in violation of 42 CFR section 447.331(d) and section 17-750.8, Hawaii Administrative Rules (the State Medicaid rules). These provisions require that brand name drugs may be provided to Medicaid patients only if the doctor has handwritten 'do not substitute' on the Medicaid prescription. Pay 'n Save paid the State of Hawaii a total of \$1,215,398.00 for its overbilling to the Medicaid program. At the end of last year Longs paid \$2,350,000.00, which included a large penalty for overcharging the Medicaid program.

The Department of the Attorney General found in its investigations that in most situations, doctors do not specifically require that their patients receive brand name drugs. Prescriptions are filled with brand name drugs, on average, only ten to thirty percent of the time, with generic drugs used the rest of the time. These percentages correspond with other states' experiences.

The difference in cost between generic and prescription drugs is tremendous. For example, a generic drug that would have cost Medicaid \$26.13 would cost \$50.34 -- twice that amount -- when the prescription is filled with the name brand drug. In some cases, the generic drug costs as little as ten percent of its brand name equivalent.

Under House Bill No. 1385, a two-signature-line prescription form would be allowed, making it very easy for doctors to require brand name drugs. If the doctor signed on the left then generic drugs could not be provided, and if the signature were on the right, generic drug substitution would be allowed. This change may seem innocuous. However, a busy doctor may not realize that signing on the left side will require the patient to pay up to twice as much as what the generic equivalent would have cost.

New York State's experience illustrates graphically the additional costs created by a two-signature-line prescription form. In 1987-88, New Yorkers saved an estimated \$95 million in drug costs in seven months when that state changed from a two-signature-line form to a one-line form, which required that the doctor specifically check a box to indicate that the brand-name drug should be used. This extra effort required of New York physicians drastically reduced the number of name brand prescriptions.

Apart from the significant increase in prescription drug costs that House Bill No. 1385 is sure to generate, the bill would cause confusion with Medicaid prescription procedures which still require the doctor to write by hand the instruction that a brand name drug is necessary. A physician using a new two-line prescription pad (printed by the drug stores as a convenience to physicians) for a Medicaid patient could inadvertently violate the law by signing on the left line without intending to authorize the brand name drug. If the prescription were then filled with and billed as a name-brand drug, an improper and expensive transaction would have taken place. (In fact, the Health Care Financing Administration, United States Department of Health and Human Services, which oversees the Medicaid program, has taken the position that the dual-line prescription form does not meet the federal statutory requirement.)

For the foregoing reasons, I am returning House Bill No. 1385 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 1385, entitled, 'A Bill for an Act Relating to Drug Product Selection,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 1385 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 1385 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 314 returning House Bill No. 1431 without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 19, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 1431

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1431, entitled, 'A Bill for an Act Relating to Education.'

The purpose of House Bill No. 1431 is to authorize the Department of Education to establish limited term, forty-nine percent salaried educational officer and teacher positions, so that recently retired staff can be rehired until such time as the department can recruit and fill the vacancies.

Act 212, Session Laws of Hawaii 1994, provided an early retirement incentive for state employees by offering an additional two years of service credit. This incentive was offered to provide an effective way to, among other purposes, reduce employee payroll costs without imposing

mandatory staff reductions. While it is understandable that the Department of Education will anticipate a personnel shortage by not being able to fill all vacancies before the upcoming school year, I believe that this bill will contradict the cost savings intentions of Act 212. The receipt of compensation in addition to the two years of service credit would allow 'double dipping' and would defeat the purpose of the early retirement bill mentioned above.

For the foregoing reasons, I am returning House Bill No. 1431 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 1431, entitled, 'A Bill for an Act Relating to Education,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 1431 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 1431 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 315 returning House Bill No. 1466, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 19, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 1466

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1466, entitled, 'A Bill for an Act Relating to Maximizing Federal Reimbursement for Hawaii's Vocational Rehabilitation Program.'

The purpose of House Bill No. 1466 is to restore 5.5 temporary positions to maximize the federal reimbursement generated by two grants provided to the vocational rehabilitation division of the Department of Human Services (DHS).

This bill is unnecessary because the federal grants provided to the vocational rehabilitation division are in an amount set by Congress and have been received by DHS since 1992. The temporary positions will not affect that reimbursement since the programs are not entitlement programs that will bring in additional federal funds by 'maximizing reimbursements.'

Additionally, House Bill No. 1466 restores positions already deleted by DHS to meet a portion of its position restrictions for its 1995-1997 fiscal biennium executive budget request. Vacancy reports revealed that the vocational rehabilitation division has been unable to fill its vacant authorized positions and that the current staff has been able to absorb the workload.

For the foregoing reasons, I am returning House Bill No. 1466 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 1466, entitled, 'A Bill for an Act Relating to Maximizing Federal Reimbursement for Hawaii's Vocational Rehabilitation Program,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 1466 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 1466 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 316 returning House Bill No. 1770, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 19, 1995

STATEMENT OF OBJECTIONS

TO HOUSE BILL NO. 1770

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1770, entitled, 'A Bill for an Act Relating to the Department of Agriculture.'

The purpose of House Bill No. 1770 is to require the Department of Agriculture to explore the feasibility of expanding its 'Island Fresh' campaign to national and international export markets, in conjunction with the private sector, and to encourage the department to consider changing the name of the campaign. It requires the department of submit a report to the Legislature prior to the 1996 Regular Session to include the cost of the program expansion; time frame for implementation of the program; proposed legislation required, if any, to implement the program; and a description of how expansion could be effected with as little detrimental economic impact as possible on program participants.

The Department of Agriculture's 'Island Fresh' program was implemented in the early 1980s to develop consumer awareness of locally grown produce by helping consumers to differentiate between locally produced and imported fresh products, and to encourage consumers to purchase locally produced products. The State's fresh egg, poultry, banana, and aquaculture industries have incorporated the 'Island Fresh' logo on their retail product labeling. All fresh milk cartons containing locally produced milk must, under section 486-120, Hawaii Revised Statutes, bear the logo. Other commodity groups, such as those that produce beef and pork locally, are also using the logo in promotional campaigns. Much time and money, both State and industry, have gone into developing consumer awareness of the term 'Island Fresh.' This investment would be lost if the name of the campaign were to be changed. In addition, changing the name could provide costly to those producers who have already incorporated the name into their packaging.

Regarding this bill's directive that the Department of Agriculture explore the feasibility of expanding its export campaign, the ability of producers to export fresh produce to national and international markets in saleable condition is constrained by import requirements at the destination. The Department of Agriculture is already exploring ways to expand the export market with this limitation in mind, for example with irradiation techniques, and therefore the portion of this bill that would encourage the department of expand its export program is unnecessary.

For the foregoing reasons, I am returning House Bill No. 1770 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 1770, entitled, 'A Bill for an Act Relating to the Department of Agriculture,' passed

by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 1770 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 1770 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 317 returning House Bill No. 1790, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 19, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 1790

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1790, entitled, 'A Bill for an Act Relating to Game Mammals.'

The purpose of House Bill No. 1790 is to amend chapter 183D, Hawaii Revised Statutes, relating to wildlife, by adding a new section which states that game mammals such as the feral pig 'may be' recognized by administrative rule for cultural and subsistence purposes when this is consistent with other laws and when the game mammals do not pose a 'substantial' threat to habitats of threatened or endangered species, or when the continued taking of such mammals is consistent with sound wildlife management.

The bill is very vague as the term 'substantial' is subject to wide interpretation. Furthermore, the bill now recognizes and favors the subsistence or community hunter, which must be accommodated before other recreational hunters and, therefore, is not fair. Also, the bill may hamper the Department of Land and Natural Resources in its efforts to address ongoing issues of feral pig management in Hawaii.

For the foregoing reasons, I am returning House Bill No. 1790 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

PROCLAMATION

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 1790, entitled, 'A Bill for an Act Relating to Game Mammals,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 1790 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 1790 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 318 returning House Bill No. 2013, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 19, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 2013

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 2013, entitled, 'A Bill for an Act Relating to the Conservation District.'

The purposes of House Bill No. 2013 are to: (1) include the term 'state marine waters' in the definition of the term 'conservation district' but exempt Department of Transportation owned or controlled commercial harbors and roadstead lands and commercial harbors and waterfront improvements from Department of Land and Natural Resources regulation under chapter 183C, Hawaii Revised Statutes, related to the conservation district; (2) allow one extension of up to 180 days when a contested case hearing or special management area permit is required in connection with applications for conservation district use permits; and (3) permit the Board of Land and Natural Resources to request such extensions on its own motion.

The bill now mandates that the entire contested case hearing process be completed within a maximum of 360 days. This is a dramatic shortening of the time to complete the contested case hearing process. The current law provides for an automatic 90-day extension of the 180-day period for a contested case hearing and unlimited additional 90-day extensions of time if requested by the applicant and approved by the board. Applicants have routinely requested extensions to allow the board to

complete the contested case hearing process. Historically, the contested case process has taken approximately twelve to twenty-four months to complete, including determining the legal standing of the parties, holding multiple prehearing conferences, discovery, submission of written briefs and motions prior to the hearing, conducting the contested case hearing itself, providing for post-hearing submittals, issuing the proposed decision and order and giving the parties an opportunity to present oral arguments before issuing the final decision and order by the board. The contested case hearing is a quasi-judicial process that involves multiple procedural requirements to provide due process for all parties involved in the contested case hearing.

There is a serious concern that the board will not be able to complete the contested case hearing process within the allotted time. If the process is not completed, conservation district use permits will be granted automatically by operation of law even when such permits are not in the public interest. The bill removes the flexibility that the current law provides to handle increasingly complex cases and to insure that due process is provided to all participants.

For the foregoing reasons, I am returning House Bill No. 2013 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 2013, entitled, 'A Bill for an Act Relating to the Conservation District,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 2013 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 2013 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 319 returning House Bill No. 2053 without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 19, 1995

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 2053

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 2053, entitled, 'A Bill for an Act Relating to Transportation Demand Management.'

The purpose of House Bill No. 2053 is to statutorily recognize 'transportation demand management' (TDM) as a formal separate program function of the Department of Transportation and to expand the listing of programs to include 'pedestrian' and 'telecommuting' programs.

This bill was submitted by my administration and was passed by the Legislature without any amendment. However, a review of this bill raised concerns that the bill would institutionalize TDM as a separate program from the existing transportation systems management (TSM) program. TDM would refer to programs which reduce demand for roadways, including alternative work and school hours, bicycling, and ridesharing programs. TSM would describe programs which supply roadways to increase system capacity. A formal split of TDM and TSM into two programs is contrary to the concept of total transportation management. The split may result in suboptimization whereby each program would seek to maximize its own objectives without regard for how this would impact on the broader transportation program. The mandated separation may also be used to highlight the distinctiveness between the two programs, and add unnecessary weight to future justifications for staff increases and additional organizational segments.

Further, section 26-19, Hawaii Revised Statutes, already provides that the Department of Transportation shall plan, develop, promote, and coordinate TDM-type programs. As such, it appears that this bill is unnecessary.

For the foregoing reasons, I am returning House Bill No. 2053 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 2053, entitled, 'A Bill for an Act Relating to Transportation Demand Management,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 2053 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 2053

with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 320 transmitting Senate Bill No. 6, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 19, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 6

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 6, entitled, 'A Bill for an Act Relating to Child Support.'

The purpose of Senate Bill No. 6 is to streamline collection and payment procedures of child support by addressing the Child Support Enforcement Agency's use of electronic transfer of funds and direct deposit and decreasing the time within which funds were disbursed.

Additionally, Senate Bill No. 6 directs the courts to allow parties to agree to circumvent the need for income withholding for payment of child support but omits to account for previously enacted statutes which mandate the courts or the Child Support Enforcement Agency to order income withholding whenever support is ordered for a child. As the most recent statement of the Legislature controls, the conflict between the statutes leads to confusion and possible repeal if the courts deem the conflicting statutes to be so inconsistent that concurrent operation is not possible. Furthermore, the Administration for Children and Families, the federal agency responsible for federal financial participation in our child support program, has numerous problems with the bill.

For the foregoing reasons, I am returning Senate Bill No. 6 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 6, entitled, 'A Bill for an Act Relating to the Child Support,' passed by the

Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 6 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 6 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 321 transmitting Senate Bill No. 85, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 19, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 85

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 85, entitled, 'A Bill for an Act Relating to Corrections.'

The purpose of Senate Bill No. 85 is to ensure the prompt judicial review of bail amounts set for defendants in custody who are unable to post the bail. The review must be either at the preliminary hearing or at arraignment, whichever occurs first.

The Judiciary has already implemented a bail review process. However, this bill directs the Judiciary to conduct a 'hearing,' which defeats the purpose of a prompt review because a hearing increases the time required for the preliminary hearing or arraignment. The result will be fewer reviews of bail amounts, continued prison overcrowding, and inefficient use of court resources.

For the foregoing reasons, I am returning Senate Bill No. 85 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 85, entitled, 'A Bill for an Act Relating to Corrections,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 85 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 85 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 322 transmitting Senate Bill No. 478, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 19, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 478

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 478, entitled, 'A Bill for an Act Relating to Accessibility of State and County Buildings and Facilities.'

The purpose of Senate Bill No. 478 is to ensure that all public buildings, facilities, and other public improvements conform with the Americans with Disabilities Act Accessibility Guidelines (ADAAG) by requiring the 'technical review and approval' of plans and specifications by the Commission on Persons with Disabilities.

Currently, section 103-50, Hawaii Revised Statutes, provides that the plan and specifications for public buildings and facilities are subject to the "advise and recommendations" from the Commission on Persons with Disabilities on whether the plans and specifications are in compliance with the ADAAG. It has not been adequately determined that the various state and county agencies have not complied with the existing law. The extent of any "problem" related to the failure of any state or county agency to seek and adopt the advise and recommendation from the Commission is unclear. Consequently, an amendment to section 103-50, to require the "technical review and approval" from the Commission may be unnecessary.

Moreover, to ensure continued compliance with section 103-50, an administrative directive can be issued to all state agencies to establish clear guidelines for processing or presenting plans and specifications to the Commission for its advice and recommendations.

For the foregoing reasons, I am returning Senate Bill No. 478 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 478, entitled, 'A Bill for an Act Relating to Accessibility of State and County Buildings and Facilities,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 478 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 478 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 323 transmitting Senate Bill No. 493, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 19, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 493

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 493, entitled, 'A Bill for an Act Relating to the Reporting of Schedule II Controlled Substances.'

The purposes of Senate Bill No. 493 are to establish an electronic prescription accountability system to monitor the prescription and dispensation of controlled substances and to establish a controlled substance registration special fund into which will be deposited fees for controlled substance registrations and legislative appropriations and out of which will be expended funds necessary for regulating controlled substance registrants and personnel costs.

However, there is a conflict between the title of the bill and its subject matter which violates Section 14 of Article III of the State Constitution. That constitutional provision requires that each 'law shall embrace but one subject, which shall be expressed in its title.' The purpose of this requirement is, in large part, to put the Legislature and public on notice of the content of the bill and thereby to prevent passage of 'surprise' legislation.

Specifically, the bill would require reporting of prescription and dispensation not just of Schedule II controlled substances set forth in section 329-16, Hawaii Revised Statutes, but of any controlled substance that the Narcotics Enforcement Division, Department of Public Safety, determines is 'being misused and abused in the State.'

The bill would also establish a new special fund into which would be deposited controlled substance registration fees, as well as legislative appropriations, which would be used for the regulation of all controlled substance registrants, not just those who prescribe and dispense Schedule II controlled substances. Moreover, the special fund could be used to fund positions authorized by the Legislature whose duties do not appear to be limited to the regulation of registrants prescribing or dispensing Schedule II controlled substances.

For the foregoing reasons, I am returning Senate Bill No. 493 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 493, entitled, 'A Bill for an Act Relating to the Reporting of Schedule II Controlled Substances, passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 493 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 493 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 324 transmitting Senate Bill No. 596 without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS

HONOLULU

June 19th 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 596

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 596, entitled, 'A Bill for an Act Relating to Housing.'

The purpose of Senate Bill No. 596 is to exempt the Maunaloa Subdivision from all state and county subdivisions and housing development standards, and to permit the Department of Land and Natural Resources to negotiate the transfer of the Maunaloa Subdivision to the Office of Hawaiian Affairs.

However, the stated objective to improve the residents' access to financing is thwarted by the exemption from housing development standards. Moreover, persons holding residential leases may have statutory rights which may be infringed by a transfer of the subdivision to the Office of Hawaiian Affairs. Further, actions by the Office of Hawaiian Affairs on behalf of those residents in the Maunaloa Subdivision who are not native Hawaiians would be suspect as ultra vires. To the extent that this subdivision is part of the public trust, that trust would be diminished unless such conveyance is deemed a distribution of a "pro rata" share for the benefit of native Hawaiians. If the subdivision is part of the public trust conveyed for the benefit of native Hawaiians, then some residents may be dislocated unless such lands may be leased to non-native Hawaiians. The bill does not address any of those concerns.

For the foregoing reasons, I am returning Senate Bill No. 596 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 596, entitled, 'A Bill for an Act Relating to Housing,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 596 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 596 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,

Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 325 transmitting Senate Bill No. 853, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 19, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 853

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 853, entitled, 'A Bill for an Act Relating to Highways.'

The purposes of Senate Bill No. 853 are to require the Director of Transportation to provide for underground utility cables and facilities in the design or redesign and construction or reconstruction of new or existing federal-aid highway projects, if there are available federal funds, and to provide a systematic review of exceptions from this requirement.

The rationale for this bill is to provide for more aesthetically pleasing highways and reduce traffic fatalities which involve utility poles. However, the Director of Transportation already has the discretion to apply for federal funds to provide for underground utility cables and facilities. This bill places an undue burden on the Director of Transportation to hold public hearings for every federal-aid project that does not provide for underground utility cables and facilities, including projects that would not normally involve the relocation of utilities, such as road resurfacing projects. Consequently, this bill will adversely impact the Department of Transportation in its programming and funding of roadway construction and maintenance.

For the foregoing reasons, I am returning Senate Bill No. 853 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 853, entitled, 'A Bill for an Act Relating to Highways,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 853 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 853 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 326 transmitting Senate Bill No. 858 without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 19, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 858

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 858, entitled, 'A Bill for an Act Relating to Employee Benefit Plans.'

The purpose of Senate Bill No. 858 is to authorize the University of Hawaii (UH) and the Department of Education (DOE) to enable their employees to invest retirement funds in mutual funds held in custodial accounts and thereby qualify for favorable tax benefits under section 403(b)(7) of the Internal Revenue Code of 1986. The bill accomplishes this by expanding the authority under chapter 303, Hawaii Revised Statutes.

Under existing law, UH and DOE are authorized to purchase annuity contracts for their employees from insurers who hold a certificate of authority under section 431:3-201, Hawaii Revised Statutes. This bill provides no such safeguard for mutual fund companies to ensure their qualifications and legitimacy. Concerns have been raised about UH and DOE being exposed to potential liabilities arising from the selection of mutual fund companies. These concerns should be resolved before proceeding in this area.

Moreover, the expansion of the authority under chapter 303 will significantly increase the staffing requirements and administrative burden of UH and DOE. Senate Bill No. 858 does not provide any additional administrative or personnel resources to cover this need.

For the foregoing reasons, I am returning Senate Bill No. 858 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

PROCLAMATION

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 858, entitled, 'A Bill for an Act Relating to Employee Benefit Plans,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 858 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 858 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 327 transmitting Senate Bill No. 867, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 19, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 867

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 867, entitled, 'A Bill for an Act Relating to a Section of the Hawaii Revised Statutes Amended by Act 268, Session Laws of Hawaii 1991.'

The purpose of this bill is to repeal the June 30, 1995 sunset provision of section 5 of Act 268, Session Laws of Hawaii 1991, which requires insurers to extend to newborn adoptees the same health insurance benefits that are provided to natural born children of insured parents.

House Bill No. 896, which was also passed during the regular session of 1995, has the same purpose. Since I approved House Bill No. 896 on April 25, 1995, as Act 47, there is no need to also enact this bill.

For the foregoing reasons, I am returning Senate Bill No. 867 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

PROCLAMATION

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 867, entitled, 'A Bill for an Act Relating to a Section of the Hawaii Revised Statutes Amended by Act 268, Session Laws of Hawaii 1991,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 867 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 867 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 328 transmitting Senate Bill No. 942, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 19, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 942

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 942, entitled, 'A Bill for an Act Relating to Public Safety.'

The purpose of Senate Bill No. 942 is to improve the public school security attendant program by requiring the Department of Education ('DOE') to establish, develop, and conduct, in consultation with the Department of Public Safety ('DPS') and the various county police departments, a continuous training program for school security attendants.

This bill contains no appropriation for the program. Because of the specialized and unique training that must be provided the public school security attendants, the DOE expects to contract out most of its training and may be required to reimburse the Honolulu Police Department for costs incurred. Although it also appears that the bill will require the DOE to hire ten special duty law enforcement officers at selected schools where law enforcement powers may be deemed necessary in ensuring the safety of students and staff, no funding is provided in the bill for the hiring of the special duty law enforcement officers.

Finally, the bill requires the DOE, DPS, and the various counties to utilize existing resources to institute the required training programs. However, Section 5 of Article VII of the State Constitution, would prohibit the State from imposing a new program (i.e., requiring a county police department to conduct training) upon the county without sharing in the cost of the new program.

The DOE estimates that the implementation of this bill will cost approximately \$1.1 million per year. Without an appropriation of necessary funds, the DOE will be unable to fully implement the provisions of this bill.

For the foregoing reasons, I am returning Senate Bill No. 942 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 942, entitled, 'A Bill for an Act Relating to Public Safety,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 942 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 942 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 329 transmitting Senate Bill No. 1161, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 19, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 1161

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1161, entitled, 'A Bill for an Act Relating to Savings Banks Investments.'

The purpose of this bill is to authorize the State of Hawaii Director of Finance ('Director'), the Housing Finance and Development Corporation ('HFDC'), and the Hawaii Housing Authority ('HHA') to invest their funds in investment companies or investment trusts registered under federal law.

Because the investments that these state entities can make are limited by statute to investments that a savings bank can make, this bill amends the savings bank statute to authorize savings banks to invest in these investment companies or trusts registered under federal law. However, the language of the bill authorizes savings bank investment in these companies or trusts only '[f]or purposes of sections 174-8, 201E-54, and 356-31,' Hawaii Revised Statutes. Since these statutes only authorize investments by the Director, HFDC, and HHA and do not state any purposes for which a savings bank could invest, the 'for purposes of' clause effectively prevents a savings bank from investing in investment companies or trusts registered under federal law.

Thus, although the bill purports to expand the investments that the Director, HFDC, and HHA can make, it unfortunately creates statutory language that is a nullity and cannot be given effect.

For the foregoing reasons, I am returning Senate Bill No. 1161 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 1161, entitled, 'A Bill for an Act Relating to Savings Banks Investments,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 1161 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 1161 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 330 transmitting Senate Bill No. 1256, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS

HONOLULU

June 19, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 1256

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1256, entitled, 'A Bill for an Act Relating to Hansen's Disease.'

The purpose of Senate Bill No. 1256 is to amend chapter 326, Hawaii Revised Statutes, to allow spouses of patients at Kalaupapa who are not themselves patients to reside with the patient spouse at the settlement, without being required to work or volunteer services at the facility. The bill also specifies that a nonpatient spouse is not entitled to services that the Department of Health provides to patients (such as medical care and allowances).

However, section 326-26, Hawaii Revised Statutes, already authorizes the Director of Health to allow nonpatients to visit or remain at the settlement. The director's written permission for a nonpatient spouse may include permission to reside with the patient spouse and may also incorporate conditions limiting the Department of Health's responsibility toward the nonpatient spouse. Consequently, this bill is unnecessary. We should not use the State's limited resources for the enactment of laws that are unnecessary.

For the foregoing reasons, I am returning Senate Bill 1256 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 1256, entitled, 'A Bill for an Act Relating to Hansen's Disease,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 1256 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 1256 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 331 transmitting Senate Bill No. 1320, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 19, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 1320

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1320, entitled, 'A Bill for an Act Relating to Roadside Herbicide Use.'

The purpose of Senate Bill No. 1320 is to reduce the use of herbicides in maintaining public roadsides by requiring the responsible government agencies to adopt nonchemical and integrated vegetation management programs whenever possible.

This bill mandates the counties to refrain from using herbicides and to implement integrated vegetation management programs for public roadside maintenance. However, the bill does not appropriate any funding to the counties to implement the programs. As such, this appears to constitute a violation of Section 5 of Article VIII of the Hawaii Constitution, which requires the State to share in the cost of new programs mandated to the counties for implementation.

This bill does not contain definitions for 'nonchemical methods' or 'integrated vegetation management program.' Further, the bill is not clear as to how government agencies may satisfy the preconditions permitting herbicide use. For example, with respect to conditions that must be satisfied in order to use herbicides, it is not clear what type of public notice is required and what type of precautions must be taken to avoid (1) run-off from entering an open body of water or drinking water source and (2) direct exposure to children and pedestrians. The foregoing areas of the bill should be clarified in order to give clearer guidance to the affected governmental agencies on how to implement the programs required by this bill.

For the foregoing reasons, I am returning Senate Bill No. 1320 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 1320, entitled, 'A Bill for an Act Relating to Roadside Herbicide Use,' passed by

the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 1320 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 1320 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 332 transmitting Senate Bill No. 1650, without his approval and with his statement of objections relating to the measure, as follows:

**"EXECUTIVE CHAMBERS
HONOLULU**

June 19, 1995

**STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 1650**

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1650, entitled, 'A Bill for an Act Relating to Land Exchange.'

The purpose of Senate Bill No. 1650 is to expedite the exchange of about 2100 acres of Galbraith Trust land in Wahiawa for 500 acres of state-owned land in Kapolei acquired from the Campbell Estate. This bill would extend the repeal date of Act 177, Session Laws of Hawaii 1994, from June 30, 1995 to June 30, 1996, thereby extending legislative pre-approval of the exchange and exempting it from the usual procedure for BLNR and legislative review pursuant to section 171-50(b), Hawaii Revised Statutes.

On December 16, 1994, the U.S. Environmental Protection Agency (EPA) created Hawaii's fourth Superfund site, called the Del Monte Superfund Site, which includes the 500 acres of Galbraith Trust lands which the State has been planning to acquire in the exchange. Superfund is a federal law, formally called the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), which governs the clean-up of toxic waste sites. The Del Monte Superfund Site is now one of the priority 1,242 sites in the nation listed on the National Priorities List (NPL) for investigation and clean-up because of known or threatened releases of hazardous substances and pollutants.

If the State were to proceed with the exchange, as the new owner of part of the Del Monte Superfund site, it would be liable under the Superfund law for the costs of clean-up. Region IX of EPA has already begun enforcement action against other potentially responsible parties, Del Monte Fresh Produce (Hawaii), Inc., Del Monte Corporation, Dow Chemical Company, and RJR Nabisco Holdings.

The value of the Galbraith Estate land is unquestionably lessened because of its new status as a Superfund site; proceeding with the exchange can no longer be done consistent with the legislative intent of Act 177, that the exchanged lands be of substantially equal value. Instead, the exchange would expose the State to enormous liability. It would only be fair to allow the Legislature to look at the exchange again, in light of the changed circumstances and new information.

For the foregoing reasons, I am returning Senate Bill No. 1650 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 1650, entitled, 'A Bill for an Act Relating to Land Exchange,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 1650 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 1650 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 333 transmitting Senate Bill No. 1717, without his approval and with his statement of objections relating to the measure, as follows:

**"EXECUTIVE CHAMBERS
HONOLULU**

June 19, 1995

**STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 1717**

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1771, entitled, 'A Bill for an Act Relating to Reporting Requirements for Captive Insurers.'

The purpose of this bill is to conform the requirements imposed on captive insurance companies regarding financial reporting, penalties for late filing of financial reports, and timing of payment of premium taxes to those imposed on other insurance companies.

This bill was amended to add language clarifying that when changes made by Act 190, Session Laws of Hawaii 1994, are repealed as of June 30, 1996, the revisions made by this bill will remain. However, Act 190 specified a due date for annual filings and that provision would be repealed on June 30, 1996, making the proposed fine in this bill unenforceable. Although the amendments proposed to be made by this bill could be clarified during the regular session of 1996, another bill that passed during the regular session of 1995, House Bill No. 1919, proposes to extend Act 190's repeal date to June 30, 2000, and also contains provisions imposing similar requirements on captive insurers. Since I intend to approve House Bill No. 1919, there is no need to also enact this bill.

For the foregoing reasons, I am returning Senate Bill No. 1717 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 1717, entitled, 'A Bill for an Act Relating to Reporting Requirements for Captive Insurers,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 1717 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 1717 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 19th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 334 returning House Bill No. 22, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 20, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 22

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 22, entitled, 'A Bill for an Act Relating to the Environment.'

The purposes of House Bill No. 22 are to amend chapter 142B, Hawaii Revised Statutes, to include a definition of 'biomass fuel burning boilers,' and to amend chapter 321, Hawaii Revised Statutes, to require the Department of Health to adopt written guidelines to determine the circumstances under which public informational briefings and hearings will be held.

The establishment of a definition for 'biomass fuel burning boilers' is unnecessary as the term does not appear in chapter 342B. Although the definition is not in the Department of Health's current rules on biomass fuel burning boilers, the Department of Health has informed me that the definition of 'biomass fuel burning boilers,' as the department understands it to be and applies it, is consistent with the definition in this bill. If there is any confusion over the term as used in the rules, the definition can be added during the Department of Health's upcoming rule-making process.

The bill also requires the Department of Health to adopt written guidelines to determine the circumstances, including land use decisions, cumulative impacts, and public nuisances, under which public hearings or informational briefings will be held. First, the Department of Health already holds this authority. Second, the bill requires the adoption of such guidelines for the entire Department of Health, including divisions which have no relationship to environmental management. Finally, the requirement to adopt written guidelines may divert resources from higher priority projects, a matter of special concern at this time.

For the foregoing reasons, I am returning House Bill No. 22 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 22, entitled, 'A Bill for an Act Relating to the Environment,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 22 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 22 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 20th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 335 informing the House that on June 20, 1995, he signed the following bill into law:

Senate Bill No. 550 as Act 210, entitled: "RELATING TO THE DEVELOPMENT OF SCHOOLS".

Gov. Msg. No. 336 informing the House that on June 20, 1995, he signed the following bills into law:

Senate Bill No. 1674 as Act 211, entitled: "RELATING TO COMMUNITY HOSPITALS";

Senate Bill No. 1778 as Act 212, entitled: "RELATING TO PUBLIC AGENCY MEETINGS";

House Bill No. 1959 as Act 213, entitled: "RELATING TO CONCILIATION PANELS";

House Bill No. 1980 as Act 214, entitled: "RELATING TO MENTAL HEALTH";

House Bill No. 2022 as Act 215, entitled: "RELATING TO DISPOSITION OF DEFENDANTS"; and

House Bill No. 2324 as Act 216, entitled: "RELATING TO MOTOR VEHICLE SAFETY RESPONSIBILITY".

Gov. Msg. No. 337 informing the House that on June 20, 1995, he signed the following bill into law:

House Bill No. 1686 as Act 217, entitled: "RELATING TO THE PUBLIC EMPLOYEES HEALTH FUND".

Gov. Msg. No. 338 returning House Bill No. 1626, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 20, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 1626

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1626, entitled, 'A Bill for an Act Relating to Education.'

The purposes of House Bill No. 1626 are to continue the systemic reform initiatives of previous Legislatures by clarifying certain provisions contained in sections 296-101 and 296-102, Hawaii Revised Statutes, relating to student-centered schools; provide statutory flexibility to facilitate the completion of school construction projects; request the Department of Education to establish a statewide educational assessment and accountability system; and establish commissions to design a methodology for the election of members of the Board of Education and to study the laws and policies relating to, and operations of, the school district advisory councils.

House Bill No. 1626 exempts student-centered schools from all applicable state laws and administrative rules except those regarding collective bargaining, procurement, religious, racial or sexual bias, and health and safety. The bill adds compulsory attendance to the list of exceptions. These broad exemptions from 'all applicable state laws' could be broadly interpreted to permit illegal activities. Many of the laws and administrative rules are intended to ensure compliance with federal laws, such as provision of special education services and due process. While this bill would not exempt schools from compliance with federal laws and requirements, this bill would pose implementation and liability problems for the State when schools make decisions believing that this bill allows them broad discretion to be exempted from matters regulated by state law.

In addition, this bill also earmarks \$175,000 from the instructional support budget program to provide teacher training in developing performance-based assessments for the classroom. However, no additional funds were appropriated to the instructional support budget program, which has already experienced budget reductions. Furthermore, this bill would also allow the Department of Accounting and General Services to establish temporary, exempt project manager positions for the school construction program even though the Department of Accounting and General Services already has several project management positions that are dedicated to the Department of Education construction projects.

The two commissions, one to design methodologies for the election of Board of Education members, and the other for the study of school district advisory councils, will have an estimated cost of operations of \$10,000 for each commission. However, this bill does not contain any appropriation of additional funds to cover the \$20,000 estimated cost for the two commissions. Further, an examination of the methods of electing the Board of Education and of the appointment and operations of the school district advisory councils could be requested from the Auditor or the Legislative Reference Bureau and need not be requested by a law.

For the foregoing reasons, I am returning House Bill No. 1626 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 1626, entitled, 'A Bill for an Act Relating to Education,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 1626 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 1626

with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 20th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 339 returning House Bill No. 1965, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 20, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 1965

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1965, entitled, 'A Bill for an Act Relating to the Hawaii State Public Library System.'

The purpose of House Bill No. 1965 is to provide administrative flexibility in reallocating vacant positions, authorizing and implementing internal reorganization actions, and creating temporary positions as necessary; to make permanent the Library Fee for Enhanced Services Special Fund; and to permit the library system to retain up to five percent of any appropriation at the close of the fiscal year and provide that the appropriation not lapse until June 30 of the first fiscal year of the next fiscal biennium.

Granting of flexibility to reallocate and reclassify vacant positions and create temporary positions would set a precedent for other state agencies and needs to be scrutinized carefully. Since fiscal year 1994-1995 was the first year that the revenues from the Library Fee for Enhanced Services Special Fund were available, the expenditures should be scrutinized to insure that the funds are being used according to the original intent of the program before the fund is made permanent. In addition, the five percent carryover of funds is a concern because of the lack of a specific plan on how the funds would be utilized.

The five percent carryover provision also appears to violate Section 11 of Article VII of the State Constitution, which provides that '[a]ll appropriations for which the source is general obligation bond funds or general funds shall be for specified periods, and . . . [a]ny such appropriation or any portion of any such appropriation which is unencumbered at the close of the fiscal period for which the appropriation is made shall lapse.' Consequently, appropriations made from general obligation bond funds or general funds will lapse at the close of the fiscal periods specified in the appropriations acts and cannot be prevented from lapsing by a general statute.

For the foregoing reasons, I am returning House Bill No. 1965 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 1965, entitled, 'A Bill for an Act Relating to the Hawaii State Public Library System,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 1965 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 1965 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 20th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 340 transmitting Senate Bill No. 945, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 20, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 945

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 945, entitled, 'A Bill for an Act Relating to Prostitution.'

The purpose of Senate Bill No. 945 is to establish the misdemeanor offense of street prostitution in Waikiki which is to be punishable by a mandatory minimum six-month prison term of imprisonment and for which bail pending appeal will be prohibited. The bill was passed in response to a finding that solicitation by street prostitutes has become intolerable in Waikiki where even tourists with families are being accosted and harassed. It is supposed that these prostitutes, many of whom are non-residents drawn here because of the tourist clientele, will not engage in street solicitation if strict terms of incarceration are imposed.

While the goal of Senate Bill No. 945, to rid the streets of Waikiki of prostitutes whose activities threaten the family oriented tourist industry, is laudable, the bill will not only not solve the problem it was intended to address but will create others. First, the financial rewards for

prostitutes and those who exploit them are too great to be intimidated by a six-month prison term.

Second, the deterrent effect of that prison term is diminished by the fact the offense of street prostitution will be a misdemeanor, jury triable, and therefore subject to all of the interminable trial delays that already afflict the misdemeanor jury trial calendar in the First Circuit Court. Those delays will no doubt be used by these individuals to continue plying their trade in open defiance of the law pending disposition of their cases.

Third, even assuming that accused prostitutes are brought to trial and convicted before leaving the State, Senate Bill No. 945 takes no account of the impact on our correctional facilities of incarcerating these individuals for a mandatory minimum term of imprisonment. No appropriation is provided to meet the prison space demands this bill is supposed to create and there are no existing resources to do so. As a result, the State would probably violate the Federal Court consent decree now limiting the population of the Women's Community Correctional Center.

Fourth, again using the assumption that this bill will result in the incarceration of a significant number of prostitutes, it does not take a comprehensive, statewide approach to the problem. Making street prostitution an offense only in Waikiki diminishes the problem presented by prostitution in other parts of Oahu and the State and promises only to drive the problem into Kapahulu, Ala Moana, and other neighborhoods bordering Waikiki. Such an approach is unwise and perhaps even unconstitutional.

Finally, this bill targets only the prostitutes themselves. These individuals are already all too often the target of exploitation by their 'pimps' and customers. Until we take action to target those who supply the demand for prostitution and those who profit from exploiting that demand, this problem will not be controlled. It is simply unacceptable to use the prostitutes themselves as a scapegoat in the meantime.

For the foregoing reasons, I am returning Senate Bill No. 945 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 945, entitled, 'A Bill for an Act Relating to Prostitution,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 945 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 945

with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 20th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 341 transmitting Senate Bill No. 987, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 20, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 987

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 987, entitled, 'A Bill for an Act Relating to Education.'

The purposes of Senate Bill No. 987 are to extend the provision of Act 281, Session Laws of Hawaii 1994, allowing the University of Hawaii to carryover not more than five percent of its general funds to the next fiscal year and to correct an unintended repeal of certain flexibility provisions in chapter 37, Hawaii Revised Statutes, as provided in Act 320, Session Laws of Hawaii 1986, as amended.

In addition to this bill, two other measures were passed by the Legislature which make significant changes to the budgeting and expenditure of funds for program of the University of Hawaii, namely, Senate Bill No. 937 and House Bill No. 1220. Senate Bill No. 937 establishes a special fund for tuition revenues, which will increase the flexibility of the University by providing a source of revenue which can be carried over if not expended. In addition, the lump sum format of appropriations to the University in House Bill No. 1220 allows for transfer of funds between programs within a campus. Because there are alternatives that will be available to provide flexibility, the 1986 and 1994 statutes being reenacted and extended by this bill are no longer necessary.

Furthermore, the five percent carryover provision appears to violate Section 11 of Article VII of the State Constitution, which provides that '[a]ll appropriations for which the source is general obligation bond funds or general funds shall be for specified periods, and . . . [a]ny such appropriation or any portion of any such appropriation which is unencumbered at the close of the fiscal period for which the appropriation is made shall lapse.' Consequently, appropriations made from general obligation bond funds or general funds will lapse at the close of the fiscal periods specified in the appropriations acts and cannot be prevented from lapsing by a general statute.

For the foregoing reasons, I am returning Senate Bill No. 987 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 987, entitled, 'A Bill for an Act Relating to Education,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 987 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 987 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 20th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 342 transmitting Senate Bill No. 1846, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 20, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 1846

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1846, entitled, 'A Bill for an Act Relating to Radiation Safety.'

The purpose of this bill is to amend chapter 321, Hawaii Revised Statutes, to specify requirements relative to mammography facilities, exposure limits, use of medical physicists in the healing arts, and radiation protection programs. Civil penalties are also specified for violations of these requirements. The bill's provisions would be repealed automatically when administrative rules covering these subjects are adopted.

Administrative rules have already been drafted and are currently in the review process. The proposed administrative rules already address or can be amended to address the subject matter of this bill. Therefore, the statutory changes being proposed in Senate Bill No. 1846 are unnecessary.

In addition, the Department of Health has indicated that approximately three-fourths of the requirements

proposed in this bill are currently being practiced by healing arts facilities that use radiation equipment. Therefore, it appears that the healing arts facilities are voluntarily complying with the intent of this bill.

Moreover, the State is not federally mandated to make the changes proposed in this bill. Therefore, there is no risk of losing federal funding if the proposed statutory amendments were not enacted.

For the foregoing reasons, I am returning Senate Bill No. 1846 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 1846, entitled, 'A Bill for an Act Relating to Radiation Safety,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 1846 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 1846 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 20th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 343 transmitting Senate Bill No. 1762, without his approval and with his statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 20, 1995

STATEMENT OF OBJECTIONS
TO SENATE BILL NO. 1762

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1762, entitled, 'A Bill for an Act Relating to Motor Vehicle Insurance.'

The purpose of Senate Bill No. 1762 is to reform the no fault motor vehicle liability insurance system by

creating a system of 'pure no-fault' ostensibly intended to provide the public with an effective and fair system of motor vehicle accident reparations, generally without tort liability.

I am exercising my authority under Section 16, Article 3 of the State Constitution and am returning Senate Bill No. 1762 without my approval for the following reasons:

I. ABOLISHING THE RIGHT TO SUE.

Senate Bill 1762 abolishes tort liability except in certain cases. The most dramatic aspect of this bill is that it basically abolishes the long-standing right of injured persons to sue negligent drivers for damages as the result of injuries or death suffered in automobile accidents. Nearly all drivers who cause accidents are given blanket immunity from the consequences of their negligence while their victims are only given possible rate reduction as a 'quid pro quo' or even trade-off.

Whether or not this quid pro quo for the abolition of tort liability is adequate lies at the heart of the constitutional questions raised by this bill. Based on our analysis of this bill, I conclude not.

There are serious federal constitutional questions concerning whether the elimination of tort liability satisfies the requirements of the Due Process Clause of the Fourteenth Amendment. The precise constitutional questions are (1) must states provide a 'quid pro quo' at all when they abolish tort liability; and (2) if a 'quid pro quo' is required, does a presumptive rate reduction meet the requirement? No state has gone as far as this bill in abolishing tort liability resulting from auto accidents.

The only situation where a citizen's right to sue has been abolished is in the workplace, i.e., workers' compensation of tort liability on the theory that allowing employees to sue each other and their employers because of accidents in the workplace would lead to chaos in industry. The courts upheld workers' compensation statutes because the 'quid pro quo' given to the injured worker in order to maintain stability in industry was balanced by the benefits received by the workers for giving up their right to sue. Thus, the 'quid pro quo' for injured workers were medical and wage loss benefits which were certain.

In the present scheme, benefits are uncertain and the high cost of automobile insurance, while needing to be addressed, does not seem comparable to the need to abolish lawsuits in the workplace to avoid chaos in industry.

In addition to federal constitutional challenge, I believe that Senate Bill 1762 would be subject to attack on state constitutional grounds. Numerous state and federal courts have begun to strike down legislative attempts to 'cap' tort damages, holding that such legislation was in violation of state constitutions, particularly 'jury trial' provisions. Hawaii's Constitution provides in Section 13 of Article I that '[i]n suits at common law where the value in controversy shall exceed one thousand dollars, the right to trial by jury shall be preserved.' Although this right is not absolute, clearly, it cannot be abolished without just compensation or a sufficient 'quid pro quo.'

Senate Bill 1762 abolishes that right.

II. UNFAIRLY DISCRIMINATES AGAINST CERTAIN CLASSES OF PEOPLE.

Although the bill, on its face, creates no classifications and requires similar treatment of all motorists, I believe its practical and real application would unfairly discriminate against children, senior citizens, students, the poor and those with lower or no incomes. It is also unclear whether the bill discriminates against pedestrians.

As provided by the bill, there is no requirement for any driver to buy insurance. The degree of protection will be based on the motorists' ability to buy insurance, including optional coverages. Under Hawaii's existing no-fault law, all drivers are required to buy minimum auto insurance coverage. Therefore, theoretically at least, all drivers are supposed to be insured. However, because of the current high cost of auto insurance, it is estimated that approximately 22% of Hawaii's drivers are uninsured. Given a choice, as auto drivers are given under Senate Bill 1762, and because in most cases auto drivers will not be held liable for injuries or deaths caused by their negligent driving, I believe it is reasonable to assume that the number of uninsured motorists will increase even more. The fiscal impact of greater number of uninsured motorists to the State are obvious.

A large component of the driving public consists of tourists, of which there are almost seven million every year. To the extent tort liability is abolished, auto rental companies have no incentive to insure their vehicles. Tourists may not be able to purchase insurance to protect themselves. Again, this aspect of the bill's effects may aggravate constitutional problems and lead to other unintended and negative impacts on Hawaii's largest industry.

The bill is unclear on what happens to pedestrians who are injured in automobile accidents.

III. PROPERTY PROTECTED OVER PEOPLE

This bill protects property over people. To illustrate, if a mother and her three children were killed in an automobile accident by a driver who negligently ran a red light, the surviving father of that family would be prohibited from suing for the wrongful death of his wife and three children--but could sue for the damage to the automobile in which they were riding when killed. Only if the driver who caused the accident was in the act of committing a felony or convicted of drunk driving would the father be allowed to sue for the deaths of his wife and three children. I disagree with any policy which values property over people.

IV. OTHER OBJECTIONS TO SENATE BILL NO. 1762:

(1) Although the ostensible purpose of the bill is to decrease the transactional costs of tort litigation, it is not clear whether the bill, in fact, will achieve this goal. Because of the drastic consequences of being in the tort system or not, there undoubtedly will be enormous pressure upon accident victims and their attorneys to prove that an automobile accident case gives rise to punitive damages. The bill also provides for awards of attorneys' fees in cases brought against no-

- fault carriers by their insured. As the consequences of no-fault denials grow, litigation between insurers and their carriers may take the place of litigation between victims and drivers who injure them.
- (2) A new provision, contained in section 17 of the bill, deals with restrictions on an insurer's ability to cancel a no-fault policy prior to the expiration of the agreed term. Although the bill does not specifically amend section 431:10C111, Hawaii Revised Statutes, entitled 'Rejection of applications, cancellation, and nonrenewal of policies: when prohibited, when permitted,' it appears to expand that section by adding seven new circumstances under which an insurer can cancel a policy. Section 17(d)(5) of page 47 of the bill allows an insurer to cancel a policy for 'Violation of any safety statute or ordinance.' On its face, this provision is both vague and overly broad, and provides insurers an unreasonable excuse to cancel no-fault policies. The presence of the clause may have the unwanted effect of increasing litigation rather than meeting the legislative goal of reducing it.
- (3) The bill leaves unanswered several questions about the viability of the mandatory 45 percent rollback:
- (a) Since the insurance products offered in compliance with this bill will be very different from the products currently offered, one cannot tell from the face of the bill exactly how the new rates will be determined or upon what rate the 45 percent reduction will be based;
- (b) The 'reduced' rates may not need to be in effect or available to the consumers until one year and four months after the bill takes effect, depending upon the Insurance Commissioner's interpretation of the requirements of section 17(b). Therefore, reduction in rights may go into effect long before any reduction in premiums are realized; and
- (c) The bill provides that insurers may seek rates that are higher than those mandated by the rollback requirement, and shall have the burden of showing why such higher rates are justified. The rollback provisions therefore contain two major loopholes: (i) the baseline rates from which the rollbacks are calculated are presumably those approved by the Insurance Commissioner under the new 'No-Tort' regime, and therefore are quite uncertain at this time; and (ii) the ability of consumers to reap the benefits of the rollbacks, such as they are, is dependent on the Insurance Commissioner's ability to muster the staff resources necessary to document a decision that will survive judicial review when requests to avoid the rollbacks are made and then denied.
- (4) The bill requires insurers who desire to contest the 45 percent rate reduction to file a rate request within 90 days of the effective date of the act and requires the Insurance Commissioner to approve such a filing in 30 more days. This latter requirement may pose a real hardship on the Commissioner's staff.
- (5) If new policies with new coverages must be offered on May 1, 1996, it may require insurance companies with existing policies to either cut them short or cancel them and issue new policies to be in compliance with the act.
- (6) Finally, the bill in section 18, 'Transitional requirements,' requires the Insurance Commissioner to (a) do all things necessary to implement this bill, and (b) review all existing Hawaii laws relating to motor vehicle insurance and financial responsibility and prepare legislation for the 1996 legislative session to amend or repeal those laws that are inconsistent with this bill. In view of the numerous unanswered questions contained in this bill, this task may prove to be most difficult, if not impossible, for the Commissioner to complete. Additionally, from a public policy point-of-view, it seems inappropriate to implement a bill of this magnitude in a condition that the Legislature seems to recognize as incomplete. For the foregoing reasons, I am returning Senate Bill No. 1762 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 1762, entitled, 'A Bill for an Act Relating to Motor Vehicle Insurance,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 1762 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 1762 with my objections thereon to the Legislature as provided in said Section 16 of Article III of the Constitution.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 20th day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 344 informing the House that on June 21, 1995, he signed the following bill into law:

House Bill No. 1220 as Act 218, entitled: "A BILL FOR AN ACT RELATING TO THE STATE BUDGET"; and

Returned House Bill No. 1220, with his statement of objections to certain appropriations, as follows:

"EXECUTIVE CHAMBERS
HONOLULU

June 21, 1995

STATEMENT OF OBJECTIONS
TO HOUSE BILL NO. 1220

Honorable Members
Eighteenth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1220, entitled, 'A Bill for an Act Relating to the State Budget.'

The purpose of House Bill No. 1220 is to appropriate funds for the fiscal biennium July 1, 1995, to June 30, 1997, for the operating expenditures of the various agencies in the government programs, and capital improvements projects. While the bill as a whole has merit, I object to the following appropriation for the reasons indicated:

The \$7,500 portion of the general fund appropriation for fiscal year 1995-1996 and 1996-1997 for University of Hawaii, community college systemwide support (UOH 906). The funds are intended for a 'protocol' fund. All other protocol funds designated by the Legislature were in the amount of \$5,000. There is no discernible reason for the Senior Vice President and Community College Chancellor to have a protocol fund which is larger than any other protocol fund.

Because of the foregoing objection, I have reduced the \$7,948,301 UOH 906 operating item for fiscal year 1995-1996 and the \$7,948,301 UOH 906 operating item for fiscal year 1996-1997 (on page 42) and changed each of them to \$7,945,801, and reduced the \$7,500 in Section 75 of the bill (on page 101) for each fiscal year and changed each of them to \$5,000.

In addition, certain provisions of this bill do not appear to deal with its subject as expressed in its title. Section 14 of Article III of the State Constitution requires a subject-title correlation, and provisos that attempt to repeal or modify existing statutes, or are unrelated to an appropriation in a general appropriations act, violate this requirement. Some examples of provisos which violate this constitutional requirement include sections 10, 11, 52, 59, 60, 63, 79, 80, and 81, and any other section which (i) creates positions which are exempt from the requirements of the civil service and classification laws (chapters 76 and 77, Hawaii Revised Statutes), or (ii) transfers positions from one department to another, or (iii) reclassifies positions. Other provisos are unrelated to appropriations, including those at sections 28, 30, 31, 32, 33, 37, 38, 39 (second proviso), 40, 41, 42, 43, 44, 45, 52, 59, 60, 61, 62, 63, 64, 65, 66, 69, 71, 79, 80, 81, 84, 88, 90, 94, 96 and 97 in part III, sections 119, 120 and 136 in part V, and sections 163, 166, 168, 169, 189, 190, 191, 192, and 194 of part VI of the bill. Provisos which are invalid because they conflict with or attempt to repeal general law include sections 16, 19, 20, 21, 22, 23, 24, 25, 53, 55, 64, 87, 89, 91, and 95 (to the extent that they attempt to modify existing budget controls and flexibility under chapter 37, Hawaii Revised Statutes), and sections 9(7), 15, 32, 34, 50, 69, and 76 (to the extent that they provide that 'no less than' or a 'minimum' amount shall be expended for specified purposes, which may be invalid attempts to modify the Governor's and Director of Finance's authority under

chapter 37, Hawaii Revised Statutes, to exercise budget control through the allotment system, and sections 32 (conflict with section 37-74(a), Hawaii Revised Statutes) in part III, sections 135 (requiring legislative approval of land acquisition, in derogation of the statutory authority of the Department of Land and Natural Resources), and 136 (exercising approval power over a City and County construction project) in part V, and sections 190 (adding requirements beyond those stated in section 37-72, Hawaii Revised Statutes) and 191 (adding requirements beyond those stated in chapter 37, Hawaii Revised Statutes) in part VI of the bill. Because provisos like those cited in the foregoing examples are invalid, they are not enforceable. However, many of these provisions are not subject to a line item veto.

For the foregoing reasons, I am returning House Bill No. 1220 only with the reductions in appropriations operations set forth above totalling \$2,500 for fiscal year 1995-1996 and \$2,500 for fiscal year 1996-1997 for operating purposes.

Respectfully,

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 1220, entitled, 'A Bill for an Act Relating to the State Budget,' passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, under Section 16 of Article III, the Governor may veto or reduce any specific item or items in any bill which appropriates money for specific purposes;

WHEREAS, House Bill No. 1220 appropriates money for specific purposes; and

WHEREAS, certain appropriation items in House Bill No. 1220 are unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 1220 with my objections, as indicated, to certain appropriation items listed therein, as provided in said Section 16 of Article III of the Constitution of the State of Hawaii.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 21st day of June, 1995.

/s/ Benjamin J. Cayetano

BENJAMIN J. CAYETANO
Governor of Hawaii"

Gov. Msg. No. 345 informing the House that on June 21, 1995, he signed the following bill into law:

Senate Bill No. 304 as Act 219, entitled: "RELATING TO STATE BONDS".

Gov. Msg. No. 346 informing the House that on June 29, 1995, he signed the following bills into law:

House Bill No. 111 as Act 220, entitled: "RELATING TO LOBBYING";

House Bill No. 112 as Act 221, entitled: "RELATING TO THE ENFORCEMENT OF THE STATE ETHICS CODE";

House Bill No. 123 as Act 222, entitled: "RELATING TO ALTERNATIVE METHODS OF TRANSPORTATION";

House Bill No. 298 as Act 223, entitled: "RELATING TO THE UNIVERSITY OF HAWAII";

House Bill No. 357 as Act 224, entitled: "RELATING TO ADULT PROBATION RECORDS";

House Bill No. 471 as Act 225, entitled: "RELATING TO TELECOMMUNICATIONS";

House Bill No. 715 as Act 226, entitled: "RELATING TO DRIVING UNDER THE INFLUENCE OF INTOXICATING LIQUOR OR DRUGS";

House Bill No. 819 as Act 227, entitled: "RELATING TO GRAFFITI";

House Bill No. 1188 as Act 228, entitled: "RELATING TO THE STATE ETHICS COMMISSION";

House Bill No. 1425 as Act 229, entitled: "RELATING TO RECYCLING";

House Bill No. 1499 as Act 230, entitled: "RELATING TO FINANCIAL DISCLOSURES";

House Bill No. 1800 as Act 231, entitled: "RELATING TO VOCATIONAL EDUCATION";

House Bill No. 1919 as Act 232, entitled: "RELATING TO THE INSURANCE CODE";

House Bill No. 1962 as Act 233, entitled: "RELATING TO GIFTS";

House Bill No. 2133 as Act 234, entitled: "RELATING TO WORKERS' COMPENSATION REFORM";

Senate Bill No. 15 as Act 235, entitled: "RELATING TO LAND USE";

Senate Bill No. 158 as Act 236, entitled: "RELATING TO GRAFFITI";

Senate Bill No. 396 as Act 237, entitled: "RELATING TO THE PERSONNEL OF PUBLIC SCHOOLS";

Senate Bill No. 487 as Act 238, entitled: "RELATING TO GASOLINE DEALERS";

Senate Bill No. 1286 as Act 239, entitled: "RELATING TO RESTRICTIONS ON POST EMPLOYMENT";

Senate Bill No. 1298 as Act 240, entitled: "RELATING TO THE HAWAII TEACHER STANDARDS BOARD"; and

Senate Bill No. 1367 as Act 241, entitled: "REAL ESTATE SALES".

Gov. Msg. No. 347 informing the House that after considerable study and reflection, he has decided to

permit the following measures to become law on July 6, 1995, without his signature, pursuant to Section 16 of Article III of the State Constitution:

Senate Bill No. 171 as Act 242, entitled: "RELATING TO UNIFORM INFORMATION PRACTICES"; and

Senate Bill No. 1375 as Act 243, entitled: "RELATING TO FINANCIAL DISCLOSURE".

Gov. Msg. No. 348 transmitting copies of the 1994 Annual Report of the State of Hawaii Overseas Offices prepared by the Department of Business, Economic Development, and Tourism, pursuant to Act 201, Section 201-84.

Gov. Msg. No. 349 transmitting copies of the 1995 Report to the Governor on Tourism Training prepared by the Tourism Training Council, pursuant to Section 373F-6, Hawaii Revised Statutes, as amended.

Gov. Msg. No. 350 transmitting copies of the following: **State of Hawai'i, Department of Health, Vital Statistics Supplement, 1993.**

**DEPARTMENTAL COMMUNICATIONS RECEIVED AFTER ADJOURNMENT
OF THE LEGISLATURE SINE DIE**

Dept. Com. No. 13 from Tatsuki Shiramizu, Secretary of the Board of Regents, University of Hawaii, acknowledging receipt of House Resolution No. 130.

Dept. Com. No. 14 from Tatsuki Shiramizu, Secretary of the Board of Regents, University of Hawaii, acknowledging receipt of House Resolution No. 238 and House Concurrent Resolutions Nos. 17, HD 2; 87, HD 1, SD 1; and 150, HD 1.

Dept. Com. No. 15 from Lynn Y. Wakatsuki, Commissioner, Division of Financial Institutions, Department of Commerce and Consumer Affairs, transmitting copies of the 1994 Annual Report of the Division of Financial Institutions, Department of Commerce and Consumer Affairs. The Report identifies all institutions and branches which are regulated by the Division of Financial Institutions, including a listing of foreign lenders and escrow depositories. The Report provides a broad overview of the state-chartered institutions which are presently competing in the State's communities.

**MISCELLANEOUS COMMUNICATIONS RECEIVED AFTER ADJOURNMENT
OF THE LEGISLATURE SINE DIE**

Misc. Com. No. 3 from Solita M. Aguirre, Consul General of the Philippines, acknowledging receipt of House Resolution No. 294, HD 2, requesting the United States Congress to investigate human rights abuses in the Commonwealth of Northern Marianas.

Misc. Com. No. 4 from Robin H. Carle, Clerk, U.S. House of Representatives, acknowledging receipt of House Concurrent Resolution 14 to memorialize the Congress of the United States to propose and submit to the several states an amendment to the Constitution of the United States.

Misc. Com. No. 5 from Sheila P. Burke, Secretary, United States Senate, acknowledging receipt of House Resolution No. 294, HD 2, requesting the United States Congress to investigate human rights abuses in the Commonwealth of Northern Marianas.

Misc. Com. No. 6 from Sheila P. Burke, Secretary, United States Senate, acknowledging receipt of House Concurrent Resolution No. 14, memorializing the United States Congress to propose and submit to the several states an amendment to the Constitution of the United States that would provide that no federal tax shall be imposed for the period before the date of the enactment of the retroactive tax.

Misc. Com. No. 7 from Robin H. Carle, Clerk, U.S. House of Representatives, acknowledging receipt of House Resolution 294, requesting the United States Congress to investigate human rights abuses in the Commonwealth of Northern Marianas.

Misc. Com. No. 8 from Bruce F. Jamerson, Clerk, House of Delegates, Commonwealth of Virginia, transmitting a copy of House Joint Resolution No. 625, agreed to during the 1995 Session, which requests that state Legislatures apply to Congress for proposal of a constitutional amendment providing for the calling of limited national constitutional conventions.

Misc. Com. No. 9 from Yu Ting-yu, Director General, Taipei Economic and Cultural Office, acknowledging receipt of House Resolution No. 273, HD 1.

Misc. Com. No. 10 from Dee Dee Letts, Assistant Director, Center for Alternative Dispute Resolution for the members of the Kona/Kohala Natural Resource Roundtable, transmitting the Final Kona/Kohala Natural Resource Roundtable Report. This report represents a collaborative effort to address the balance between watershed/natural resource regulation and the need for practical land management initiatives in the mauka Kona/Kohala area.