

- (d) Making or causing to be made any false or fraudulent statements or claims by or on behalf of a client with regard to obtaining legal recovery or benefits;
- (3) Providing for the referral of attorneys, insurance company personnel, and health care providers to the appropriate agency for the investigation of violations and any appropriate disciplinary actions; and
- (4) Making technical, nonsubstantive revisions for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 931, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 931, H.D. 2.

Signed by all members of the Committee except Representatives Alcon and Suzuki.

SCRep. 941 Finance on H.B. No. 1806

The purpose of this bill is to extend for one year:

- (1) The Maluhia Waitlist Project which serves hospital waitlisted patients in adult residential care homes or community-based residences by providing cost-effective long-term care in an alternative care setting; and
- (2) The mandate for the Department of Health to adopt rules to establish a new category of adult residential care home or community-based residence qualified to serve nursing facility level clients.

The provisions of Act 165, Session Laws of Hawaii 1994, are currently scheduled to be repealed on June 30, 1996.

The Hawaii Long Term Care Association and the Kokua Council testified in support of this measure. The Department of Human Services testified in support of the intent of this measure.

Your Committee has amended this bill by:

- (1) Further extending the repeal date to June 30, 1998; and
- (2) Making technical, nonsubstantive revisions for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1806, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1806, H.D. 2.

Signed by all members of the Committee except Representatives Alcon and Suzuki.

SCRep. 942 Finance on H.B. No. 1926

The purpose of this bill is to update the state's franchise and securities laws.

The Business Registration Division (Division) of the Department of Commerce and Consumer Affairs submitted testimony on this bill.

Your Committee has amended this bill by:

- (1) Setting the expiration date of franchise filings with the Division at two months after the end of the franchisor's fiscal year. This would help to stagger franchise filings and thereby ease the administrative burden;
- (2) Clarifying that fees apply to amended filings in addition to initial and renewal filings;
- (3) Requiring the Commissioner to schedule a hearing prior to decertifying any previously certified exchange or interdealer quotation system;
- (4) Clarifying the requirements for the transactional exemption's application; and
- (5) Making technical, nonsubstantive revisions for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1926, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1926, H.D. 2.

Signed by all members of the Committee except Representatives Alcon, M. Oshiro and Suzuki.

SCRep. 943 Finance on H.B. No. 1989

The purpose of this bill is to transfer the function of foster care licensing from the Family and Adult Services Division of the Department of Human Services to the Office of Youth Services (OYS).

The bill also requires OYS to release the identities, mailing addresses, and phone numbers of licensed or certified foster parents and approved relative caregivers to bona fide foster parent associations, which must keep the information confidential.

The Department of Human Services and the Hawaii State Foster Parents Association submitted testimony on this measure.

Your Committee has made technical, nonsubstantive amendments for purposes of clarity, style, and consistency, including the following:

- (1) The replacement of certain ambiguous terms, such as "facility," with terms defined in statute;
- (2) The deletion of "foster care facilities" from the confidentiality provision since information about these facilities is not intended to be confidential; and
- (3) The deletion of "relative caregivers" from the confidentiality provision since this term is not defined in statute and in practice relative caregivers are treated as foster parents.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1989, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1989, H.D. 3.

Signed by all members of the Committee except Representatives Isbell, Ito and Ward.

SCRep. 944 Finance on H.B. No. 50

The purpose of this bill is to ensure that public buildings and facilities are in conformance with minimum federal accessibility standards and requirements for persons with disabilities.

Among other things, this bill:

- (1) Provides that all plans and specifications for the construction or improvement of public buildings and facilities conform to the Americans with Disabilities Act Accessibility Guidelines (ADAAG);
- (2) Removes the requirement that an annual report be submitted to the Legislature of the number and types of donated buildings and facilities, and the costs for bringing these buildings and facilities into compliance with the ADAAG; and
- (3) Requires all state agencies to seek technical review and approval by the Commission on Persons With Disabilities on construction plans.

The Architectural Access Committee, the Commission on Persons with Disabilities, and the Hawaii Centers for Independent Living testified in support of this measure. The Department of Accounting and General Services testified in support of the intent of the measure.

Your Committee has amended this bill by:

- (1) Limiting the scope of construction or type of improvements that must conform to the ADAAG, to those types of construction and improvements defined by the ADAAG;
- (2) Requiring that buildings conform not only to the ADAAG, but also to the accessibility guidelines adopted by the Architectural Access Committee;
- (3) Requiring all agencies to provide written assurance that public structures and improvements are inspected according to the plans and specifications approved by the Commission on Persons With Disabilities and that any alterations are in compliance with the design guidelines;
- (4) Making the waiver of any provision subject to the approval of the Architectural Access Committee; and
- (5) Making technical, nonsubstantive amendments for purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 50, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 50, H.D. 2.

Signed by all members of the Committee except Representatives Alcon, M. Oshiro and Suzuki.

SCRep. 945 Finance on H.B. No. 123

The purpose of this bill is to support the establishment of bikeways by requiring:

- (1) The expenditure of reasonable amounts from the State highway fund and the respective county highway funds for bikeways; and
- (2) The use of a minimum of one percent of the total amount of the funds received from the highway fund for bikeways.

Testimony in support of the bill was submitted by Bikeways Maui, Haleiwa Main Street's Board of Directors, the Hawaii Green Party, and members of the public.

The Department of Transportation submitted testimony in support of the intent of the bill.

Your Committee has amended this bill by:

- (1) Removing the mandate for the counties to fund bikeways;
- (2) Setting the one percent of the highway fund to be used for bikeways as a maximum rather than minimum; and
- (3) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 123, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 123, H.D. 2.

Signed by all members of the Committee.

SCRep. 946 Finance on H.B. No. 650

The purpose of this bill is to replace the existing language of the domestic service law under the Hawaii Employment Security Law, which provides for unemployment insurance, with a reference to the comparable section of the Internal Revenue Code.

Current law exempts domestic service if the remuneration paid to an individual in a calendar quarter is less than \$225 and if the total remuneration paid by an employer for domestic service is less than \$1,000 for all individuals in any calendar quarter. The Internal Revenue Code currently sets the limit at less than \$1,000 paid to all individuals by any employer in any calendar quarter.

The Director of the Department of Labor and Industrial Relations testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 650 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Alcon, M. Oshiro and Suzuki.

SCRep. 947 Finance on H.B. No. 731

The purpose of this bill is to clarify the legislative intent to provide operational authority for the Clean Hawaii Center and its board.

Specifically, this bill will transfer the Clean Hawaii Fund from the Department of Health to the Department of Business, Economic Development, and Tourism.

The Department of Business, Economic Development and Tourism and the Chair of the Governing Board of the Clean Hawaii Center testified in favor of this measure.

Your Committee has amended this bill by:

- (1) Changing the appropriation for the Clean Hawaii Center to \$1;
- (2) Changing the effective date to July 1, 1995; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 731, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 731, H.D. 2.

Signed by all members of the Committee.
(Representative Ward voted no.)

SCRep. 948 Finance on H.B. No. 1773

The purpose of this bill is to provide an additional source of funding for legal services to indigent persons through a filing fee surcharge on civil cases.

Your Committee has amended this bill by specifying:

- (1) That a \$25 surcharge, in addition to the initial filing fee, shall be assessed on any person filing a civil action in the Circuit Court or the Supreme Court; and

- (2) That a \$10 surcharge shall be assessed for any person requesting the serving of civil summons or any other civil process, including a subpoena or a garnishee summons.

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1773, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1773, H.D. 2.

Signed by all members of the Committee except Representatives Chang, Ito, Jones and Kahikina.

SCRep. 949 Finance on H.B. No. 1918

The purpose of this bill is to establish a framework for regulating health maintenance organizations (HMOs), including requirements and responsibilities of HMOs, as well as authorizations provided to the Insurance Commissioner.

The Department of Labor and Industrial Relations and the Hawaii Medical Service Association submitted testimony in support of the bill. Kaiser Permanente supported reasonable regulation of HMOs.

Your Committee has amended the bill by:

- (1) Requiring the inclusion of capital assets and other property in the determination of net worth; and
- (2) Making technical, nonsubstantive revisions for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1918, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1918, H.D. 2.

Signed by all members of the Committee except Representatives Alcon, M. Oshiro and Suzuki.

SCRep. 950 Finance on H.B. No. 1976

The purpose of this bill is to provide the community hospital system with increased flexibility in fiscal matters, purchasing procedures, and personnel management.

The Department of Health and the Hawaii Medical Association submitted testimony in support of this measure.

Your Committee has amended this bill by:

- (1) Adding a sunset date of June 30, 1999;
- (2) Amending the sunset provisions of certain previous Acts to ensure that certain statutory provisions that are amended by this bill are not terminated prior to the sunset date of this bill; and
- (3) Making technical, nonsubstantive amendments for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1976, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1976, H.D. 2.

Signed by all members of the Committee except Representatives Alcon, M. Oshiro and Suzuki.

SCRep. 951 Finance on H.B. No. 1985

The purpose of this bill is to change general assistance procedures, specifically, by:

- (1) Requiring a person qualifying for general assistance on the basis of physical impairment to accept and pursue medical treatment;
- (2) Requiring a person to be reevaluated at least annually to continue to be certified as physically impaired;
- (3) Deleting the rotation requirement for psychiatrists and psychologists to conduct examinations for mental impairment; and
- (4) Deleting the prohibition for an individual with a mental impairment to be treated by the professional who made the determination of mental impairment.

The Department of Human Services submitted testimony in support of this bill.

Your Committee has amended this bill by incorporating the substance of H.B. No. 1246, which budgets for general assistance on a lump sum basis. To accommodate lump sum budgeting, the Director of Human Services is authorized to determine the amount of assistance based upon the total appropriated amount. Currently, those qualifying for general assistance are statutorily entitled to monthly assistance amounts that equal 62.5 percent of the 1993 annual federal poverty level divided by 12.

Your Committee has further amended this bill by:

- (1) Authorizing the Director of Human Services to determine qualifications for general assistance within the guidelines and priorities of departmental rules;
- (2) Requiring the Department of Human Services to adopt rules establishing qualifying guidelines and priorities for general assistance, as well as a method for determining assistance amounts; and
- (3) Making technical, nonsubstantive revisions for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1985, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1985, H.D. 1.

Signed by all members of the Committee except Representatives Isbell, Ito and Ward.

SCRep. 952 Finance on H.B. No. 1990

The purpose of this bill is to statutorily specify the payment amounts for the various levels of domiciliary care.

The Department of Human Services testified in support of the intent of this measure.

Your Committee has amended this bill by:

- (1) Specifying that the payment amounts are maximum amounts, rather than specific amounts; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1990, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1990, H.D. 1.

Signed by all members of the Committee except Representatives Alcon, M. Oshiro and Suzuki.

SCRep. 953 Finance on H.B. No. 2149

The purpose of this bill is to facilitate the availability and recruitment of eligible persons to serve as precinct officials and other election day employees by:

- (1) Authorizing the Chief Election Officer to contract with community organizations, school booster clubs, and other nonprofit entities to serve as elections personnel, exempt from the Hawaii Public Procurement Code;
- (2) Making compensation to these groups tax exempt;
- (3) Changing the deadline from ninety to sixty days prior to the close of filing for election in which political parties may submit names for precinct officials; provided that if parties fail to provide sufficient names, then filling the positions may be made without regard to party affiliation;
- (4) Authorizing the Chief Election Officer to waive certain recruitment and placement requirements of precinct officials upon determination that minority language assistance or other special needs warrant a waiver;
- (5) Allowing the Chief Election Officer to appoint persons to fill precinct official vacancies at their discretion; and
- (6) Basing the compensation of precinct officials and other election day employees according to a schedule established by the Chief Election Officer.

Supporting testimony and comments were received from the Association of Clerks and Election Officers.

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2149, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2149, H.D. 1.

Signed by all members of the Committee except Representatives Alcon, M. Oshiro and Suzuki.

SCRep. 954 Finance on H.B. No. 2093

The purpose of this bill is to authorize a business structure called a "limited liability company," which combines some of the characteristics of both a corporation and a partnership.

The Chamber of Commerce of Hawaii submitted testimony in support of legislation allowing the formation of limited liability companies in Hawaii. The Hawaii Commission to Promote Uniform Legislation urged the adoption of this measure. The Department of Commerce and Consumer Affairs submitted comments on the bill.

Your Committee has amended the bill as follows:

- (1) Deleted the definition of "State" since the term is used with different meanings throughout the bill and the meaning in each instance is evident;
- (2) Re-ordered the wording related to the naming of limited liability companies since the wording was inadvertently jumbled;
- (3) Changed the appropriation amount to \$1 to facilitate continued discussion on the bill; and
- (4) Made other technical, nonsubstantive revisions for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2093, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2093, H.D. 2.

Signed by all members of the Committee except Representatives Alcon, M. Oshiro and Suzuki.

SCRep. 955 Finance on H.B. No. 2133

The purpose of this bill is to initiate comprehensive workers' compensation reform by streamlining and reducing the costs involved in the process. These reform efforts are designed to maintain the underlying premise of the system, which is to enable the injured worker to receive timely and the most effective medical treatment and rehabilitation.

This bill addresses the following areas:

- (1) Safety and prevention;
- (2) Medical cost containment;
- (3) Compensability;
- (4) Indemnity;
- (5) Insurance reform;
- (6) Abuse and fraud;
- (7) Dispute resolution; and
- (8) Administrative changes.

Voluminous testimony was received on the bill, including comments from the Department of Labor and Industrial Relations, the Department of Human Resources Development, the Department of Commerce and Consumer Affairs, the Department of Personnel of the City and County of Honolulu, the Healthcare Association of Hawaii, Hawaii Emergency Physicians Associated, Inc., Occupation Medical Centers Airport Urgent Care Honolulu, the Hawaii Nurses' Association, the Hawaii Medical Association, the Hawaii Psychological Association, Community Counseling Resources, the Hawaii Business League, Lynn C. Fox & Associates, and the Proactive Workers' Task Group.

Testimony was also received from: the Legislative Information Services of Hawaii, Inc., Kauai Builders, Ltd., Island Quality Hardware Supply, Inc., the National Federation of Independent Business, Vocational Rehabilitation Associates, Inc., the Hawaii State Chiropractic Association, Hawaii Emergency Physicians Associated, Inc., the Pacific Insulation Contractors Association, the Building Industry Association of Hawaii, the Hawaii Flooring Association, Hawaii Pest Control Association, the Hawaii Roofing Contractors Association, the Hawaii Society of Naturopathic Physicians, Nojiri & Company, the Hawaii Farm Bureau, Hawaii Vocational Services, the Maui Hotel Association, the Chamber of Commerce of Hawaii, the Hawaii Insurers Council, the Hawaii State AFL-CIO, and the Small Business Council.

In addition, testimony was submitted by the Hawaii Independent Insurance Agents Association, the Chamber of Commerce of Kauai, Oceanfront Realty International, Inc., National Laminates, Inc., the Haku Alliance, Hawaii Island Contractors' Association, the Hawaii Chapter of the American Physical Therapy Association, the Hawaii State Teachers Association, King, Nakamura & Chun-Hoon, the Lahaina Health Center, the Hawaii Rehabilitation Counseling Association, the Rehabilitation Association of Hawaii, Mauka Physical Therapy, Inc., the Pacific Center of Sports and Manual Physical Therapy, and a number of individuals.

Your Committee has amended this bill by:

- (1) Deeming as unfair discrimination for an employer to be placed in an occupational classification in which premiums are based on total payroll and where benefits to the employees in the occupational class are capped at a level below the employee's hourly wage;
- (2) Revising existing Sections 386-31 and 386-32, Hawaii Revised Statutes, to provide payment for medical care until an employee has achieved maximum medical improvement or is able to resume work, rather than creating a new section;

- (3) Removing the two-year limitation on the receipt on the medical services, care, and supplies by an injured worker; and
- (4) Making technical, nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2133, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2133, H.D. 2.

Signed by all members of the Committee except Representative Marumoto.

SCRep. 956 Finance on H.B. No. 1780

The purpose of this bill is to provide the necessary appropriations and authorizations for the operation of the Office of Hawaiian Affairs (OHA) for the 1995-1997 fiscal biennium.

FINANCIAL OVERVIEW

Over the past four years, Hawaii has experienced a serious decline in its economy due to a series of events including the Gulf War, Hurricane Iniki, and a lingering national recession. Changing priorities in the United States Congress have also cast uncertainty on many federally funded programs that the State relies upon to serve its people.

Your Committee began its fiscal deliberations for the 1995-1997 biennium budget with a projected \$250 million deficit. This shortfall is attributed to both a downward projection in tax revenues and an increase in costs for numerous programs. The primary objective in shaping the State's budget plans has therefore become one of providing necessary services with decreasing resources. Your Committee took the position of first looking within the operation of government to find ways to maintain current levels of services while reducing expenditures.

In addition, a major challenge facing your Committee is the just and equitable settlement of claims with the Department of Hawaiian Home Lands for past misuse and illegal takings of Hawaiian Home Lands. Your Committee believes that this issue must be resolved and is determined to provide the beneficiaries of the Hawaiian Homes Commission Act with proper redress.

While the visitor industry and other sectors of the economy show promising signs of revitalization, a quick recovery is doubtful. Therefore, fiscal conservatism is the most prudent course of action to take. Your Committee approached this situation by:

- (1) Requiring all branches of government to do more with less;
- (2) Increasing the revenue base by reducing certain income tax credits; and
- (3) Utilizing more special and revolving funds to operate programs.

However, after reviewing attendant costs related to vital government services, a reduction in expenditures is still outweighed by public demands. A complete examination of the State's financial situation reveals very few options. Though your Committee understands the negative impact that an increase in taxes will have, the constraints of our resources are too limited to accommodate all the needs of the people. We must therefore ask every citizen to contribute to the solution. Your Committee has taken a bold, yet necessary step towards solving this situation by proposing an increase in certain tax rates.

COMMENTS

In developing OHA's biennium budget, your Committee recognized the importance of continuing to better the conditions of the Hawaiian community.

Your Committee acknowledged that OHA provides many important programs for the Native Hawaiian and Hawaiian communities. Therefore, funding has been maintained for program operations during the fiscal biennium 1995-1997. Of the many valuable programs implemented by OHA, a few deserve to be highlighted. The budget developed by your Committee maintains funding levels for such worthy projects as Alu Like, Inc., which provides job training and substance abuse prevention programs; the Hawaiian Revolving Loan Fund, which provides loans and technical assistance to establish small businesses; the Scholarship Program, which provides direct college grants to students; and the Gifted and Talented Program, which provides Hawaiian students with the opportunity to visit the University of Hawaii and participate in various educational activities sponsored by the University.

SUMMARY

Your Committee has carefully considered the budget requests of OHA and has sought to ensure that critical programs were maintained. Due to the State's current fiscal crisis, your Committee was unable to fund the expansion of any services or programs. However, your Committee believes that the proposed biennium funding will enable OHA to meet program objectives.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1780, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1780, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 957**Finance on H.B. No. 1262**

The purpose of this bill 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.

FINANCIAL OVERVIEW

Over the past four years, Hawaii has experienced a serious decline in its economy due to a series of events including the Gulf War, Hurricane Iniki, and a lingering national recession. Changing priorities in the United States Congress have also cast uncertainty on many federally funded programs that the State relies upon to serve its people.

Your Committee began its fiscal deliberations for the 1995-1997 biennium budget with a projected \$250 million deficit. This shortfall is attributed to both a downward projection in tax revenues and an increase in costs for numerous programs. The primary objective in shaping the State's budget plans has therefore become one of providing necessary services with decreasing resources. Your Committee took the position of first looking within the operation of government to find ways to maintain current levels of services while reducing expenditures.

In addition, a major challenge facing your Committee is the just and equitable settlement of claims with the Department of Hawaiian Home Lands for past misuse and illegal takings of Hawaiian Home Lands. Your Committee believes that this issue must be resolved and is determined to provide the beneficiaries of the Hawaiian Homes Commission Act with proper redress.

While the visitor industry and other sectors of the economy show promising signs of revitalization, a quick recovery is doubtful. Therefore, fiscal conservatism is the most prudent course of action to take. Your Committee approached this situation by:

- (1) Requiring all branches of government to do more with less;
- (2) Increasing the revenue base by reducing certain income tax credits; and
- (3) Utilizing more special and revolving funds to operate programs.

However, after reviewing attendant costs related to vital government services, a reduction in expenditures is still outweighed by public demands. A complete examination of the State's financial situation reveals very few options. Though your Committee understands the negative impact that an increase in taxes will have, the constraints of our resources are too limited to accommodate all the needs of the people. We must therefore ask every citizen to contribute to the solution. Your Committee has taken a bold, yet necessary step towards solving this situation by proposing an increase in certain tax rates.

In addition to maintaining current programs, increased funding for jury expenses, probation costs, mainframe network improvements, and building maintenance expenses are included in the Judiciary budget. Your Committee also continued support of the Judiciary's Alternative Dispute Resolution Program by adding an additional mediator to address judicial appeals. By keeping these cases out of the courtroom, mediation will save the taxpayers money and reduce the backlog of court cases.

CONCERNS AND RECOMMENDATIONS

Your Committee recognizes that the Judiciary meets its constitutional responsibilities at a very high cost to the State. This problem is further exacerbated by poor fiscal accountability and the continued failure to operate under established budgetary and management practices. Your Committee concurs with the Legislative Auditor's Report, "Audit of the Judiciary's Management of its Resources (95-1)", that cites these problems as important issues for the Judiciary to resolve.

An efficient budgeting process is based on overall administrative priorities. However, the Judiciary does not give programs sufficiently explicit overviews of such priorities or administrative direction. The lack of clear communication of priorities and direction has resulted in diverse and contradictory program execution. Your Committee emphasizes the need for the Judiciary to improve collaboration between overall objectives, priorities, and actual program expenditures to produce an efficient budget.

SUMMARY

Your Committee agrees with the Legislative Auditor's Report which cites the Judiciary's inefficient budgetary and management policy and advises the Judiciary to follow the Auditor's recommendations to resolve these problems.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1262, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1262, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Ward.

SCRep. 958**Finance on H.B. No. 1220**

The purpose of this bill is to provide necessary appropriations and authorizations for the operations and capital improvements for the Executive branch during the 1995-1997 fiscal biennium.

FINANCIAL AND ECONOMIC OVERVIEW

Over the past four years, Hawaii has experienced a serious decline in its economy due to a series of events including the Gulf War, Hurricane Iniki, and a lingering national recession. Changing priorities in the United States Congress have also cast uncertainty on many federally funded programs that the State relies upon to serve its people.

Your Committee began its fiscal deliberations for the 1995-1997 biennium budget with a projected \$250 million deficit. This shortfall is attributed to both a downward projection in tax revenues and an increase in costs for numerous programs. The primary objective in shaping the State's budget plans has therefore become one of providing necessary services with decreasing resources. Your Committee took the position of first looking within the operation of government to find ways to maintain current levels of services while reducing expenditures.

In addition, a major challenge facing your Committee is the just and equitable settlement of claims with the Department of Hawaiian Home Lands for past misuse and illegal takings of Hawaiian Home Lands. Your Committee believes that this issue must be resolved and is determined to provide the beneficiaries of the Hawaiian Homes Commission Act with proper redress.

While the visitor industry and other sectors of the economy show promising signs of revitalization, a quick recovery is doubtful. Therefore, fiscal conservatism is the most prudent course of action to take. Your Committee approached this situation by:

- (1) Requiring all branches of government to do more with less;
- (2) Increasing the revenue base by reducing certain income tax credits; and
- (3) Utilizing more special and revolving funds to operate programs.

However, after reviewing attendant costs related to vital government services, a reduction in expenditures is still outweighed by public demands. A complete examination of the State's financial situation reveals very few options. Though your Committee understands the negative impact that an increase in taxes will have, the constraints of our resources are too limited to accommodate all the needs of the people. We must therefore ask every citizen to contribute to the solution. Your Committee has taken a bold, yet necessary step towards solving this situation by proposing an increase in certain tax rates.

In developing the 1995-1997 biennium budget, your Committee looks to the future to rebuild a strong economy by strengthening Hawaii's two economic pillars--the tourism and construction industries. The increased public works projects will be targeted at education and health care facilities.

Highlighted below are some of the major program and budgetary changes.

BUSINESS AND ECONOMIC DEVELOPMENT

Currently, the State of Hawaii is in the process of economic recovery. Rebuilding and rejuvenating the economy demands a long-term vision based on innovation and diversification. Your Committee is determined to fulfill this vision to provide financial stability and security for the people of Hawaii by thinking globally, and acting locally.

Increased international competition from resort destinations has hampered the economic recovery process in Hawaii. Rejuvenating and promoting the image of the islands as a unique visitor destination will entice the traditional cornerstone of the economy, the tourist. To this end, \$6,550,000 in additional funds have been dedicated for advertisements, promotions, and cooperative marketing activities to revitalize the visitor industry. However, the traditional tourist comprises only one piece of the global market available to be explored. The Hawaii Convention Center is the tool that will allow the State to be a dominant force in the global convention business market. In its efforts to diversify and augment the visitor base, your Committee has provided an additional \$1,000,000 to attract national and international conventions. It is crucial to establish Hawaii as a world class business destination and location in order to secure the position of the State as the business center of the Pacific.

To encourage the search for new local economic initiatives, your Committee has supported the mission of the Agribusiness Development Corporation (ADC) to convert existing defunct sugar plantations and lands into sources for new agricultural products. Your Committee has also maximized federal funding for ADC, to support its goal to stimulate economic growth by diversifying the agriculture industry. A revitalized tourism industry combined with new economic enterprises is the key to strengthening the economy of the State of Hawaii.

LABOR

Aware of the potentially adverse socio-economic repercussions of a high unemployment rate, your Committee has emphasized the need to increase the "employability" of the non-traditional and marginally employable labor force. Your Committee has provided funds to target low income, minority, youth, senior citizens, and disabled population groups. This additional funding will provide remedial education, job training, and employment assistance to these special needs groups. Despite the Governor's message which reduced funding for the School to Work Transition programs in Farrington and Waianae High Schools, your Committee has restored essential funding. These programs provide services necessary for students to make a successful transition from high school into the job market.

TRANSPORTATION

Your Committee recognizes that safe and convenient air travel is a crucial component of the economic infrastructure of the State. Thus, funds for the maintenance of facilities and improvement of safety conditions were provided to airports statewide. The aviation facility at Barber's Point will accommodate smaller aircraft, thereby reducing air traffic and improving the level of safety at Honolulu International Airport. Increased funding for Princeville Airport on Kauai will enhance air accessibility.

Harbors play a vital role in the commercial activities of the State. To improve the flow of exports and imports, additional funds have been appropriated to provide clean and safe harbors throughout the State. Funds for Kamalapur Harbor on Lanai will revitalize the economic potential of the island. Environmental hazards posed by abandoned vessels will be eliminated with additional clean-up efforts. Your Committee realizes the need to maintain harbor facilities to promote trade and commerce within our State.

Biennium funding for the computerization of the highways management and information systems will improve cost efficiencies and reduce service delays. To help reduce traffic congestion, funds have been provided for the "Back to School Jam" project.

Your Committee has also provided \$58.8 million for airport improvements on Oahu and Maui; \$15.2 million for harbor improvements statewide; and \$208.8 million for highway improvements on all islands.

ENVIRONMENTAL PROTECTION

Hawaii's environment is a very delicate and important part of our lives. To ensure a safe and clean environment, your Committee has maximized federal, special, and revolving funded positions. Additional positions and funds assure the protection and conservation of our State's natural resources.

Your Committee has provided positions which directly address current deficiencies in health and safety environmental standards. Your Committee has taken a pro-active stance in the significant improvement of Solid and Hazardous Waste, Clean Air, Safe Drinking Water, and Hazard Evaluation and Emergency Response programs by providing many technical and support positions.

Hawaii's natural environment is a precious resource which must be protected. Your Committee has dedicated funds to safeguard our environment for future generations.

HEALTH

In keeping with Hawaii's reputation as the "Health State", your Committee is committed to programs that promote a healthy lifestyle. Additional federal funding has been secured to implement and continue prevention and education projects in a variety of areas, such as cardiovascular disease, diabetes, and HIV/AIDS. These programs will help the State of Hawaii meet both State and federal Healthy 2000 objectives.

Your Committee is also dedicated to the mental health needs of our community and seeks to address past deficiencies in funding. We have appropriated \$2.9 million to the Hawaii State Hospital to meet staffing needs so that the hospital may again earn accreditation. Moreover, your Committee will allocate \$6.2 million to the Child and Adolescent Mental Health Division to support the mental health needs of our young in the community.

Additional support was given to enhance hospital services on the neighbor islands. Funding in the amount of \$9.3 million was appropriated to the Kona Hospital and \$11.2 million was appropriated to the Maui Memorial Hospital for renovation and expansion.

HUMAN SERVICES

Despite difficult economic times, it is important to maintain support for the needy and less fortunate within our community. Your Committee is dedicated to meeting these needs by consolidating programs, streamlining operations, and securing available federal funds for essential social services.

Your Committee is in strong support of programs and services that strengthen and nurture Hawaii's families. To promote the well-being of at-risk children, we have supported several measures to improve efficiency and eliminate duplication in the areas of foster care placement, payment, and licensing. The creation of a separate foster care licensing branch will help ensure that children who require out-of-home placement will live in a safe and caring environment.

Your Committee recognizes that a strong and healthy community is vital to the economic and social stability of the State. To preserve Hawaii's role as a leader in health care reform, we have provided additional support for the innovative QUEST program, which strives to provide basic health care benefits for those who cannot afford them.

Your Committee has also addressed the burial needs of veterans and their dependents on the neighbor islands. \$5.3 million has been allocated for the development and upgrade of veteran cemeteries on Hawaii, Maui, Kauai, Molokai, and Lanai.

EDUCATION

Education still remains a top priority for your Committee. Adequately preparing Hawaii's children now will help to secure a stable future for all of us. Your Committee has added positions and funds to open three new schools during the biennium. These funds will sufficiently meet the anticipated enrollment increase of 5,303 new students. Your Committee also provided funds to furnish schools with voice, data, video links, computers, printers, and monitors which will allow students to access vast amounts of information. Current technology enables all students to access immense quantities of data and your Committee has added significant funds to give Hawaii's students these educational advantages. Your Committee has added funds which directly aid and improve the educational opportunities and standards of Hawaii's students.

Your Committee is also concerned with the environment in which our students learn. Recognizing the need for the provision of additional facilities to meet the critical shortage of school classrooms, your Committee has appropriated \$83.4 million above the \$180 million from the Educational Facilities Improvement Special Fund for fiscal biennium 1995-1997. The additional funds will finance an additional twenty projects identified in the Department of Education's capital improvements programs budget request.

UNIVERSITY OF HAWAII

Your Committee continues to maintain the strong educational foundations of the University of Hawaii system. Your Committee provided for all requested increases to special and revolving fund expenditures and position counts. These additions to the budget allow the University of Hawaii the greatest amount of flexibility in determining programmatic priority.

Your Committee also continued its commitment to the Family Practice Residents Educational Training Program, which encourages primary care physicians to locate in rural areas. Your Committee added \$198,000 of restored funds to allow the Hilo clinic to remain open.

To maintain the University's reputation of excellence in astronomy, we have allocated \$6.8 million for the construction of a research facility for the Institute for Astronomy at the University of Hawaii at Hilo at University Park. Additional funds have been provided for the construction and renovation of buildings on the campuses of Windward Community College and Maui Community College.

CULTURE AND RECREATION

Despite the governor's message recommendation to eliminate the Main Street Program, your Committee has restored funding to administer the Main Street Program on all islands. Since the inception of the Main Street Program, Hawaii has seen the economic revitalization and historic preservation of many small towns throughout the State. Recognizing the need to keep these local communities alive, as well as to assist other individual towns, your Committee supports Main Street Hawaii's goal to preserve these towns by restoring \$156,400 for each year of the 1995-1997 fiscal biennium.

PUBLIC SAFETY

Your Committee is committed to addressing the crowded prison population as well as the working conditions of prison employees. With this in mind, your Committee has provided needed funds for positions and operating costs for a new eighty bed dormitory prison being constructed on Kauai. In addition, funds have been provided for positions and operating costs for a new seventy-two bed dormitory prison being constructed on the island of Hawaii.

In total, \$38.7 million will be used for the renovation and development of public safety facilities statewide, including \$5.4 million for renovations at the Women's Community Correctional Center on Oahu

Essential funds have also been provided for the newly created Health Care Division (HCD) within the Department of Public Safety. Additional funds will streamline the HCD and potentially decrease outside medical costs. Consequently, HCD will be able to provide efficient and centralized mental health care that meets consent decree standards.

GOVERNMENT WIDE SUPPORT

Government Wide Support has been approached in a two-pronged strategy by your Committee. Your Committee has consolidated essential programs and deleted non-essential programs to minimize activity duplication and maximize limited resources. Your Committee abolished the governor's Agriculture Coordinating Committee and transferred its functions to the Department of Agriculture to allow centralized coordination of agriculture related activities from research to marketing. The Office of Collective Bargaining was transferred to the Department of Human Resources Development. Your Committee proposed this transfer to reduce unnecessary staffing requirements. Your Committee also deleted the Office of International Relations and streamlined its efforts under the Department of Business, Economic Development, and Tourism. Another streamlining action taken by your Committee was the abrogation of the Hawaii Information Network Corporation (Hawaii Inc.) which performs duties identical to those performed by the Department of Business, Economic Development, and Tourism. In light of the State's current fiscal constraints, your Committee has streamlined Government Wide Support by performing a critical analysis of negligible offices.

While your Committee realizes the importance of finding areas within the State government to reduce and consolidate, we also recognize the need to increase tax collections in the effort to balance the State budget. We have restored positions process tax returns in a timely manner and to increase compliance with tax requirements. In addition, we have utilized special funds to plan and design industrial parks on Kauai and Hawaii.

SUMMARY AND RECOMMENDATION

In summary, your Committee has thoroughly reviewed the numerous and varied biennial funding requests and concerns of the Administration, the House of Representatives, and the residents of the State. Your Committee believes that it has molded a biennial budget which meets the needs of the State, as well as addressing critical issues.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1220, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1220, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Ward.

**"MINORITY REPORT TO STAND. COM. REP. NO. 958
(H.B. NO. 1220, H.D. 1)**

I the undersigned minority member of the Committee on Finance oppose the removal of funding in the amount of \$525,000 for each of the fiscal years 1996 and 1997 for Hawaii tourism and business development offices in Asia. In beg leave to file this Minority Report to Standing Committee Report No. 958 in reference to line item BED 102 in H.B. 1220, H.D. 1 RELATING TO THE STATE BUDGET.

In budgeting over the years, state government has had to make difficult choices in order to develop budgets that responsibly address the growth of the economy as well as the growth of programs that improve people's lives. In times of surplus, state government has seen fit to expand to do both, that is expand the economy and grow government. However, in times of deficit, state government chooses instead to ignore the importance of funding initiatives that successfully grow Hawaii's economy. They see these initiatives as unnecessary government programs which do not directly affect or positively improve people's lives.

Funding for economic development initiatives in this budget is limited. Furthermore, existing economic development money is being targeted for cuts. Of greatest concern is the removal of funding for offices in Asia to facilitate and promote Hawaii tourism and business opportunities in Asia.

The adage, 'one must go where the money is' is common knowledge and practice in economic development circles worldwide. Asia is where economic development and opportunity is growing the fastest. Economic growth in Asian countries even outpaces growth in the industrialized economies of the United States and Europe.

Hawaii is strategically located to capitalize on the economic success of Asian countries. We are well-suited geographically and culturally, and finally we are understanding the need to aggressively pursue diversification of our economy.

Quite simply, Asia can no longer be ignored by Hawaii while the rest of the world is rushing to do business there. A January, 1995 China News article listed at least ten United States state commerce offices in a directory of Foreign Organizations on Trade and Tourism. These ten are joined by at least 30 countries apart from the United States that recognize the business potential in Asia and have established commerce offices in Taipei.

Hawaii is, unfortunately, caught up in the mistakes of our current national economic policy in Asia. But unlike the Clinton administration, Hawaii should be able to show the nation the way we should strengthen our relationship with this region's greatest powers. Asia and the Pacific are prospering at growth rates of 8 percent to 15 percent per year. In comparison, Hawaii's economic growth rate for 1994 was minuscule. It is time we accelerate our ties with Asia by expanding our offices there, instead of eliminating them altogether.

Most of the experts as well as the economic data suggest that we in Hawaii are in a position to improve and grow our economy simply by 'looking to the East.' Government's leadership has so far responded with inertia and disbelief. My colleagues on the Committee on Finance, through their decision to eliminate funding for Hawaii offices in Asia, become part of the problem instead of part of the solution. This myopic policy decision indicates that government is bent on missing opportunities in Asia, and stubbornly refuses to face the realities of the new Asia/Pacific era. Therefore I strongly oppose the removal of funding for Hawaii tourism and business development offices in Asia as stated in this Minority Report attached to Standing Committee Report 958, referencing budget line item BED 102 in H.B. 1220, H.D. 1."

(Signed by Representative Ward.)

SCRep. 959 Hawaiian Affairs and Housing on H.R. No. 10

In 1982, the Legislature authorized the establishment of individual housing accounts (IHA) to enable first-time home buyers to save money towards the purchase of a house. The program allows first-time potential homebuyers a state income tax deduction for savings of up to \$5,000 per year, up to a maximum of \$25,000.

The purpose of this measure is to request the Housing Finance and Development Corporation (HFDC) to conduct a study evaluating the effectiveness of the IHA program. It also asks the Department of Taxation to provide any available tax information to the HFDC needed to conduct the study.

Your Committee received testimony from the HFDC in agreement with the intent of the resolution. The Department of Taxation testified that this study request is premature due to a study being considered by the federal government which looks into the same issues. The Department of Taxation, though not opposed to the study, believes it would not be cost effective nor timely.

Upon careful consideration, your Committee has amended the resolution by requesting the Legislative Reference Bureau to conduct the study with the assistance of the HFDC and the Department of Taxation.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 10, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 10, H.D. 1.

Signed by all members of the Committee except Representatives Hamakawa, Kawakami and Stegmaier.

SCRep. 960 Hawaiian Affairs and Housing on H.C.R. No. 6

In 1982, the Legislature authorized the establishment of individual housing accounts (IHA) to enable first-time home buyers to save money towards the purchase of a house. The program allows first-time potential homebuyers a state income tax deduction for savings of up to \$5,000 per year, up to a maximum of \$25,000.

The purpose of this measure is to request the Housing Finance and Development Corporation (HFDC) to conduct a study evaluating the effectiveness of the IHA program. It also asks the Department of Taxation to provide any available tax information to the HFDC needed to conduct the study.

Your Committee received testimony from the HFDC in agreement with the intent of the resolution. The Department of Taxation testified that this study request is premature due to a study being considered by the federal government which looks into the same issues. The Department of Taxation, though not opposed to the study, believes it would not be cost effective nor timely.

Upon careful consideration, your Committee has amended the resolution by requesting the Legislative Reference Bureau to conduct the study with the assistance of the HFDC and the Department of Taxation.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 6, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 6, H.D. 1.

Signed by all members of the Committee except Representatives Hamakawa, Kawakami and Stegmaier.

SCRep. 961 Finance on S.C.R. No. 20

The purpose of this concurrent resolution is to request the Congress of the United States to allow the individual states to share in the proceeds of the current Federal Communications Commission auction of radio spectrum for purposes of funding the states' public schools', universities', and libraries' telecommunications and information infrastructure.

The Department of Education submitted comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 20, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Alcon, M. Oshiro and Suzuki.

SCRep. 962 Health on H.R. No. 19

The purpose of this resolution, as received, is to request the Governor to appoint members to a Kauai Dental Health Task Force to study the dental health problems on Kauai and to develop a comprehensive strategy for dental disease prevention.

Your Committee received testimony from the Department of Health which indicated that the Department's Dental Health Division, the Med-QUEST Division of the Department of Human Services, and the Garden Island Planning Committee of the State Health Planning and Development Agency has already done a great deal of work in this area.

Consequently, your Committee amended the resolution so that, instead of the formation of the task force, the request is for these three agencies to produce a consensus report on the same matter. The title of the resolution has been amended to reflect this new purpose.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 19, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 19, H.D. 1.

Signed by all members of the Committee except Representatives Kawakami and Anderson.

SCRep. 963 Health on H.C.R. No. 15

The purpose of this resolution, as received, is to request the Governor to appoint members to a Kauai Dental Health Task Force to study the dental health problems on Kauai and to develop a comprehensive strategy for dental disease prevention.

Your Committee received testimony from the Department of Health which indicated that the Department's Dental Health Division, the Med-QUEST Division of the Department of Human Services, and the Garden Island Planning Committee of the State Health Planning and Development Agency has already done a great deal of work in this area.

Consequently, your Committee amended the resolution so that, instead of the formation of the task force, the request is for these three agencies to produce a consensus report on the same matter. The title of the resolution has been amended to reflect this new purpose.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 15, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 15, H.D. 1.

Signed by all members of the Committee except Representatives Kawakami and Anderson.

SCRep. 964 Health on H.R. No. 8

The purpose of this resolution is to create a task force that will study the management and treatment of insanity acquittees.

Although only one per cent of all felony cases result in acquittals by reason of insanity, the public has voiced a great deal of concern about how these cases are handled by the system. The public is concerned that justice is not being properly served and there are also concerns about safety. In addition, advocates for the mentally ill are concerned that the system does not properly recognize and treat the mental health needs of individuals who have mental illnesses and find themselves in the criminal justice system. Overall, the legal and medical dilemmas in this area are enormous and they need to be addressed.

Testimony in favor of this resolution was submitted by the Department of Health, The Oahu Alliance For The Mentally Ill, and the Mental Health Association in Hawaii. The Mental Health Association also requested that the resolution be amended by adding at least one consumer of mental health services to the task force.

This resolution was amended by adding to the task force an individual who has been acquitted of a crime as a result of a physical or mental disease, disorder, or defect.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 8, as amended herein, and recommends that it be referred to the Committees on Judiciary and Public Safety and Military Affairs, in the form attached hereto as H.R. No. 8, H.D. 1.

Signed by all members of the Committee except Representatives Kawakami and Anderson.

SCRep. 965 Health on H.C.R. No. 3

The purpose of this resolution is to create a task force that will study the management and treatment of insanity acquittees.

Although only one per cent of all felony cases result in acquittals by reason of insanity, the public has voiced a great deal of concern about how these cases are handled by the system. The public is concerned that justice is not being properly served and there are also concerns about safety. In addition, advocates for the mentally ill are concerned that the system does not properly recognize and treat the mental health needs of individuals who have mental illnesses and find themselves in the criminal justice system. Overall, the legal and medical dilemmas in this area are enormous and they need to be addressed.

Testimony in favor of this resolution was submitted by the Department of Health, The Oahu Alliance For The Mentally Ill, and the Mental Health Association in Hawaii. The Mental Health Association also requested that the resolution be amended by adding at least one consumer of mental health services to the task force.

This resolution was amended by adding to the task force an individual who has been acquitted of a crime as a result of a physical or mental disease, disorder, or defect.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 3, as amended herein, and recommends that it be referred to the Committees on Judiciary and Public Safety and Military Affairs, in the form attached hereto as H.C.R. No. 3, H.D. 1.

Signed by all members of the Committee except Representatives Kawakami and Anderson.

SCRep. 966 Health on S.B. No. 1680

The purpose of this bill is to make an emergency appropriation to the Department of Health to be used this fiscal year in order to prevent the reduction and discontinuance of payments for services to seriously emotionally disturbed children and youth.

Your Committee received testimony in favor of this bill from the Department of Health, the Department of Education, and the Mental Health Association in Hawaii. Projected deficits are the results of increased numbers of court ordered referrals and placements, obligations from the *Felix v. Waihee* consent decree, carry-over payments made this fiscal year, and the inability of the Child and Adolescent Mental Health Division to achieve their goals in collecting potential revenues.

The Department of Health has made an emergency funding request of \$6,229,727 to cover its expected deficit. This deficit consists of the following:

Acute inpatient psychiatric care - \$1,903,722

Residential facility - 32 beds - \$688,000

Other residential facilities - \$1,068,789

Contract with the University of Hawaii for psychiatrists and resident psychiatrists - \$759,086

Wraparound expenditures for therapeutic aides- \$1,810,130

Your Committee is very concerned about the timing of this funding request, but fully understands the need. Moreover, your committee was disturbed to learn that some vendors have been providing the Department of Health goods and services for a period of over nine month without having received compensation or even the benefit of a contract.

This bill was amended to change the appropriation amount from \$6,229,727 to \$1.00. This was done for the purpose of allowing the Finance Committee the discretion of determining the exact amount which is needed.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1680, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1680, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Kawakami.

SCRep. 967 Finance on S.B. No. 1596

The purpose of this bill is to provide emergency funding for the State Workers' Compensation Program to ensure that the State will be able to meet its fiscal obligations under Chapter 386, Hawaii Revised Statutes, for the remainder of fiscal year 1994-1995.

Your Committee has received a message from the Governor, dated February 3, 1995:

- (1) Stating that additional funding is needed for the State Workers' Compensation Program; and
- (2) Requesting immediate passage of this bill to ensure that the State will be able to meet its fiscal obligations under Chapter 386, Hawaii Revised Statutes, for the remainder of fiscal year 1994-1995.

The Department of Human Resources Development testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1596, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Alcon, Jones and Ward.

SCRep. 968 Finance on S.B. No. 1682

The purpose of this bill is to provide emergency funding for the payment of programs under the Family and Adult Service Division of the Department of Human Services for fiscal year 1994-1995.

Your Committee has received a message from the Governor, dated February 6, 1995:

- (1) Stating that additional funding is needed in the payment programs; and
- (2) Requesting the Legislature for immediate passage of this bill to provide financial assistance to needy individuals and families.

The Department of Human Services testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1682, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Alcon.

SCRep. 969 Finance on S.B. No. 1690

The purpose of this bill is to provide emergency funding to prevent the reduction or discontinuance of health and health-related services to Medicaid recipients who are aged, blind, or disabled.

Your Committee has received a message from the Governor, dated February 6, 1995:

- (1) Stating that additional funds are needed for Health Care Payments; and
- (2) Requesting immediate passage of this bill to ensure continuation of assistance for the aged, blind, and disabled.

The Department of Human Services, the Hawaii Long Term Care Association, and the Healthcare Association of Hawaii submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1690, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 970 Higher Education and the Arts on S.B. No. 893

The purpose of this bill is to authorize the University of Hawaii's Board of Regents, with the approval of the Governor, to increase or decrease fees or nontax revenues in an amount not to exceed fifty percent.

The University of Hawaii submitted testimony in support of the intent of this measure.

Your Committee has amended this bill by:

- (1) Including Chapters 305, 306, and 308, Hawaii Revised Statutes, to allow the University of Hawaii greater latitude in implementing necessary adjustments to the fees which it charges for its various services; and
- (2) Making technical, nonsubstantive amendments for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 893, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 893, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Santiago, Shon, Takumi, Yonamine and Anderson.

SCRep. 971 Judiciary on S.B. No. 888

The purpose of this bill is to create a new Commission on Sexual Orientation and the Law.

Favorable testimony was received from the State Attorney General, ACLU, Hawaii Catholic Conference, and from a concerned citizen. Unfavorable testimony was received from the Commission on Sexual Orientation and the Law.

Your Committee agrees with the intent and purpose of this measure, inasmuch as the federal court has ruled in McGivern v. Waihee that appointment of four of the previously constituted eleven members of the Commission on Sexual Orientation and the Law was unconstitutional. The Attorney General is of the opinion that it would serve the public interest to reconstitute the Commission.

The bill provides that the Commission shall consist of seven rather than eleven members, who shall be selected without regard to their affiliation with religious or other organizations. The Commission's task is to:

- (1) Examine the major legal and economic benefits extended to married opposite-sex couples, but not to same-sex couples;
- (2) Examine whether public policy dictates the extension of such benefits to same-sex couples; and
- (3) Recommend appropriate action which may be taken by the Legislature to extend such benefits to same-sex couples.

Its report is to be submitted twenty days before the 1996 legislative session, and the Commission is to be abolished after July 1, 1996.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 888, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives McMurdo and Yoshinaga.

SCRep. 972 Health on S.B. No. 1520

The purpose of this bill is to require the Department of Health (DOH) to adopt a uniform billing format that health care insurance companies will be required to use.

The bill allows DOH to include demographic information, as well as information about diagnoses, treatments, and procedures, which may be used to develop a dataset for public health assessment, policy development, and consumer information.

Hawaii Right to Life testified that it was concerned the bill may conflict with existing statute because parents may not be informed about health care services provided to their minor children, and that parents may be denied access to their children's health records. Your Committee intends that this bill will conform to all existing laws.

Your Committee fully supports the intent of the bill, which is to improve the quality of health care while containing costs.

Your Committee has amended the bill by:

- (1) Specifying that the rules adopted by DOH shall be consistent with other statutes dealing with the same subject matter;
- (2) Incorporating the substance of H.B. No. 1384 (1995), which proposes to establish a council composed of community, business, labor, and government leaders, as well as representatives of health care providers and the health insurance industry, to explore and address the issues of cost containment, quality, and access to services. It should be noted that H.B. No. 1384 (1995) was heard by this Committee earlier in the session and received its approval; and
- (3) Making technical, nonsubstantive revisions for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1520, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1520, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee.

SCRep. 973 Health on S.B. No. 493

The purpose of this bill is to establish the electronic prescription accountability system within the department of public safety to monitor the prescribing and dispensing of schedule II controlled substances.

In addition, this bill:

- (1) Establishes reporting requirements, specifies the operational parameters of the electronic prescription accountability system, describes the operation of a central repository for information storage and retrieval, and prohibits the disclosure of information except to certain law enforcement personnel and agencies;
- (2) Establishes the controlled substance registration special fund for the purpose of offsetting the cost of the foregoing system and the registration and control of controlled substances with the State, specifies the source of revenues for the special fund, makes a start-up appropriation to the special fund, and requires the start-up appropriation to be repaid to the general fund by June 30, 1997; and
- (3) Appropriates funds to the department of public safety for the implementation of the foregoing system, the establishment of two full-time equivalent (2.00 FTE) investigator V positions, and other current expenses.

Testimony was received in support of this bill from the Department of Public Safety and the Prosecuting Attorney, City and County of Honolulu. Your Committee agrees that an accountability system is needed in order to stop the illegal diversion and use of prescription drugs which has become a serious public health concern.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 493, S.D. 1, and recommends that it pass Second Reading and be referred to the Committees on Judiciary and Consumer Protection and Commerce.

Signed by all members of the Committee.

SCRep. 974 Education on S.B. No. 425

The purpose of this bill is to appropriate funds to support the continuous in-service training of teachers in the public schools.

Testifying in support of the bill were the Department of Education and the Hawaii State Teachers association.

Your Committee finds that funding support for in-service teacher training and staff development assists the Department of Education's school community-based management and restructuring initiatives by encouraging growth and learning for its employees. Your Committee also finds that better trained teachers translate into better educated children in the classrooms.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 425 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Lee, Santiago, Shon, Takamine, Yonamine and Halford.

SCRep. 975 Education on S.B. No. 550

The purpose of this bill is to allow the Housing Finance and Development Corporation to plan, develop, construct, and finance educational facilities and related infrastructure ancillary to the needs of its housing projects.

Specifically, this bill:

- (1) Allows the corporation to make loans or grants to cover planning, engineering, feasibility studies, and other initial costs of commencing projects to provide educational facilities and related infrastructure ancillary to the needs of its housing projects;
- (2) Requires the Board of Land and Natural Resources to transfer the title to 47.183 acres of land in Kapolei, Oahu to the corporation for the development of a high school; and
- (3) Requires the corporation to use all means within its authority and at its disposal to plan and design the foregoing high school facility and the necessary infrastructure to support it.

The Department of Education, the Hawaii State Teachers Association, and several concerned citizens testified in support of the bill. However, the Department of Education strongly believes that the planning, development, and construction must be carried out with the full involvement and approval of the DOE. Testifying against the bill was the Housing Finance and Development Corporation, citing that the Department of Accounting and General Services is the lead agency responsible for the planning, design and construction of school facilities. The Board of Land and Natural Resources submitted comments in regard to this measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 550, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Hawaiian Affairs and Housing.

Signed by all members of the Committee except Representatives Lee, Santiago, Shon, Takamine, Yonamine and Halford.

SCRep. 976 Education on S.B. No. 1247

The purpose of this bill is to appropriate funds to ensure that one full-time permanent business manager position is assigned to each high school that is operating under a school/community-based management system.

Act 295, Session Laws of Hawaii 1992, established a program that provided a business manager for schools under the school/community-based management system. That pilot program has been a big success that provides a better managed school in addition to more quality teaching time by releasing the principal from certain logistical financial functions.

Currently there are seven schools participating in the pilot program and an option is available to fill the seven positions open in those schools.

Testifying in support of the measure were the Department of Education, the principals of Kauai High & Intermediate School and Kahuku High School and the business manager of Kauai High & Intermediate School.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1247 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Lee, Santiago, Shon, Takamine, Yonamine and Halford.

SCRep. 977 Education on S.B. No. 1156

The purpose of this bill is to establish a commission to design a methodology for the election of Board of Education members.

The Hawaii State Teachers Association submitted testimony in support of this measure. The Office of the Lieutenant Governor submitted comments on this measure. The Board of Education testified in opposition to this measure.

Upon careful consideration, your Committee has amended this bill by deleting the substance and inserting the language reflected in H.B. No. 1665, H.D. 1, which was reported out earlier by your Committee on Education. As amended, the purpose of this bill is to:

- (1) Establish within the Office of the Chief Election Officer a nine-member commission on the Board of Education to:
 - (A) Determine methods to apportion districts for the election of Board of Education members;
 - (B) Recommend proposals to amend constitutional and statutory requirements affecting the composition of the Board of Education; and
 - (C) Report its findings and recommendations to the Legislature;
 and
- (2) Appropriate an undetermined amount of funds to carry out the purposes of this measure, including the hiring of necessary staff.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1156, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1156, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Lee, Santiago, Shon, Takamine, Yonamine and Halford.

SCRep. 978 Human Services on S.B. No. 1905

The purpose of this bill is to create a task force to plan a pilot child care/park and ride project at Aloha Stadium.

The Department of Human Services submitted testimony offering its full support for the bill.

Also testifying in support of the bill, the Department of Transportation (DOT) suggested adding representation from DOT to the task force.

Supporting the intent of the bill, the Office of Children and Youth (OCY) recommended including as a member of the task force an individual with training and experience in the area of early childhood education and care. OCY also recommended that the task force utilize information from the Hawaii Early Childhood Education and Care Coordinating Committee.

In support of the intent of the bill, the Office of State Planning (OSP) also suggested adding to the task force a member with training and experience in the area of early childhood education and care and a representative of DOT. On another matter, OSP pointed out that Aloha Stadium is located on ceded land, and its use is limited to recreational purposes.

In consideration of the testimony which was submitted, your Committee has amended the bill by:

- (1) Adding to the task force a representative of the community surrounding Aloha Stadium, the Director of Transportation, the Director of the Office of Children and Youth, and the Chairperson of the Hawaii Early Childhood Education and Care Coordinating Committee;
- (2) Adding that the task force shall consider:
 - (a) Estimated planning, design, and construction costs;
 - (b) Information provided by the Hawaii Early Childhood Education and Care Coordinating Committee;
 - (c) Projected operating costs;
 - (d) Ways to secure federal funding for the pilot project; and
 - (e) Issues related to ceded lands and the quitclaim deed covenants restricting the uses of Aloha Stadium to recreational purposes only;
- (3) Changing the effective date of the bill to July 1, 1995, instead of the approval date since an appropriation is included in the bill; and
- (4) Making technical, nonsubstantive revisions for stylistic reasons.

During the hearing a concern was expressed that this project may impact existing private providers of early childhood education and care, especially those located in the general vicinity of Aloha Stadium. Your Committee emphasizes the importance of the task force considering the potential economic impact on these existing providers.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1905, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1905, S.D. 2, H.D. 1, and be referred to the Committee on Transportation.

Signed by all members of the Committee except Representative Hamakawa.

SCRep. 979 Human Services and Health on S.B. No. 1714

The purpose of this bill is to implement the requirements under the Omnibus Budget Reconciliation Act (OBRA) of 1993 which impacts states' insurance laws.

The Department of Human Services, the Commission on Persons with Disabilities and the Department of Commerce and Consumer Affairs submitted testimony in support of this measure.

It is noted by your Committees that under OBRA of 1993, states are mandated to adopt legislation which impacts on states' insurance laws dealing with adopted children, prohibiting insurers from taking Medicaid eligibility into account when providing coverage, and several provisions relating to coverage of dependents involved in child support situations. It is imperative to act on this legislation as failure to do so will result in the withholding of certain federal Medicaid matching funds. This bill adds a new chapter to the Hawaii Revised Statutes which sets out the Medicaid-related mandates required by OBRA.

Your Committees are in full support of this measure.

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1714 and recommend that it pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committees except Representatives Arakaki and Stegmaier.

SCRep. 980 Health on S.B. No. 1433

The purpose of this bill is to allow for an exemption for a tuberculosis clearance certification to individuals who want to enroll in non-credit credit courses lasting less than fifteen days at the University of Hawaii.

Testimony in support of this bill was submitted by the University of Hawaii, Department of Health, and an interested individual. Your Committee agrees that clearance certificates are not necessary for individuals taking short term non-credit courses. Currently, certain types of foodhandlers who work for less than fifteen days at carnivals, fairs and other temporary activities are already granted this exemption.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1433 and recommends that it pass Second Reading and be referred to the Committee on Higher Education and the Arts.

Signed by all members of the Committee.

SCRep. 981 Health on S.B. No. 1670

The purpose of this bill is to require nuclear medical technologists to be licensed by the radiologic technology board. This bill will also require all radiological technologists to meet continuing education requirements.

This bill establishes license requirements for nuclear medical technologists and ensures their representation on the board. In addition, this bill establishes continuing education requirements for renewals of all licenses granted by the board, makes license renewal biennial instead of annual, allows fees to be set through administrative rulemaking, and repeals restrictions on the use of professional abbreviations. Currently, nuclear medical technologists are not licensed by the state.

The Department of Health, the Radiologic Technology Board, Gamma Corporation, and two individuals testified in support of this bill. Your Committee agrees with the testimony submitted, and particularly feels strongly about the continuing education requirement which is contained in this bill. Improvements in imaging modalities makes it imperative that these licensees keep up with developments in their fields through continuing education.

Your Committee is concerned as to whether or not the sunrise requirements of HRS 26H-6 have been met in order to allow the licensure of nuclear medical technologists. In addition, there is a legal question as to whether or not the existing licensure requirements for radiological technologists also apply to nuclear medical technologists. As this bill moves further along the legislative process, it is hoped that these legal issues will be examined.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1670, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee.

SCRep. 982 Health on S.B. No. 432

The purpose of this bill is to create a special fund for drug treatment and other drug demand reduction programs.

Revenues for the special fund would be generated from assessments made by the court to be paid by persons who are convicted of violations of certain alcohol and other drug laws and persons who are granted a deferred acceptance of guilty or no contest pleas for these offenses. The assessments would be in addition to the imposition of existing penalties.

Submitting testimony in support of this bill, the Department of the Prosecuting Attorney of the City and County of Honolulu recommended making the assessment mandatory rather than discretionary. In the course of oral testimony, the Office of the Prosecuting Attorney noted that justification existed for raising the assessment amounts for the various classes of violations specified in the bill.

In opposing the bill, the Office of the Public Defender noted that the term "convicted person" was inappropriately used throughout the bill.

The intent of this bill is to fund drug treatment and prevention programs with moneys generated by persons who violate laws related to alcohol and other drugs. Your Committee emphasizes that the use of the special fund for this purpose shall supplement existing funding rather than supplant it.

The bill has been amended by:

- (1) Making the assessments mandatory rather than discretionary, while maintaining the waiver provision;

- (2) Raising the maximum assessment for a class A felony from \$3,000 to \$6,000;
- (3) Applying the bill to individuals who received a "deferred acceptance of guilt" or pled "no contest" as well as to "convicted" individuals;
- (4) Requiring the Department of Health to submit an annual report of the use of expenditures from the special fund for its first three years; and
- (5) Making technical, nonsubstantive revisions to conform with standard drafting style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 432, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 432, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 983 Health on S.B. No. 1676

The purpose of this bill, as received by your Committee, is to allow the Director of Health to refill all vacated positions at the Hawaii State Hospital resulting from Act 212, Session Laws of Hawaii, 1994 (SLH 1994), the early retirement incentive law.

This law provided an incentive for certain employees to retire. Of the vacated positions created by early retirement, the law:

- (1) Allowed 30 percent to be refilled by the head of the department;
- (2) Required 30 percent to be held vacant for one fiscal year, then assigned to a statewide personnel pool; and
- (3) Required 40 percent to be eliminated.

The Department of Health (DOH) testified in support of the bill. According to DOH, 18 positions at the Hawaii State Hospital were affected by Act 212, SLH 1994. The filling of all of these positions are critical to patient care and necessary to comply with the settlement agreement with the Department of Justice (filed September, 1991) and the most recent United States District Court contempt finding (filed January, 1995). Both legal actions require the State of Hawaii to provide specific staffing ratios related to the treatment of hospital patients.

In addition, DOH requested the restoration of the deputy director position for behavioral health to address not only the implementation of the court decree on the Hawaii State Hospital, but also the formulation and implementation of the State's plan arising out of the Felix v. Waihee case. Furthermore, the restored deputy's responsibilities would also include the coordination of the three divisions within behavioral health.

The Director of Health anticipates that with the development of a public corporation for the community hospitals, a Deputy Director for Community Hospitals will no longer be needed. Once this takes place in approximately two years, the Department will ask the Legislature to delete this position resulting at that time in a reduction in the number of deputies to the current level.

The bill has been amended by:

- (1) Creating a position for a Deputy Director of Behavioral Health that is exempt from civil service provisions; and
- (2) Allowing the Director of Health to refill 60 percent rather than 100 percent of the vacated positions at the Hawaii State Hospital resulting from Act 212, SLH 1994, with the remaining 40 percent to be eliminated.

Your Committee believes the remaining 40 percent can be filled by other DOH employees.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1676, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1676, S.D. 1, H.D. 1, and be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee.

SCRep. 984 Energy and Environmental Protection on S.B. No. 909

The purpose of this bill is to prohibit the Insurance Commissioner from approving surcharges for motor vehicle insurance rates covering electric vehicles unless surcharges are actuarially justifiable.

Testimony was presented by Hawaii's Insurance Commissioner and by an insurance company representative: The Insurance Commissioner indicated that "There does not appear to be an actuarial ratemaking need to differentiate surcharges based on fuel source." Although the industry representative opposed this bill on behalf of his company, he did indicate that, at a minimum, electrical vehicles should be treated like any other similar gasoline-powered vehicle.

Your Committee determined that this bill can provide needed support for the electric vehicle industry, an industry which, in turn, is likely to provide strong support for Hawaii's future development. This bill has therefore been passed unamended.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 909, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representative Santiago.

SCRep. 985 Energy and Environmental Protection on S.B. No. 837

The purpose of this bill is to authorize the issuance of special purpose revenue bonds to assist Pacific International Center for High Technology Research (PICHTR) in the development of an ethanol and energy conversion facility. The bond financing is intended to provide incentives that will facilitate major corporate participation.

PICHTR is a legislatively established nonprofit corporation which is dedicated to the development of sustainable technology alternatives. The mission it is addressing concerns three interwoven concepts:

- (1) Harnessing wastewater to irrigate energy-producing crops that can be produced in the fallow cane fields of failed sugar companies;
- (2) Enhancing Hawaii's self-sufficiency by converting those crops into ethanol and electricity; and
- (3) Using municipal waste as a source of energy stock by converting organic solid waste and sludge into methane, electricity, and various useful by-products of anaerobic digestion.

Testimony in support of this measure was presented by representatives of PICHTR, as well as by an individual whose mainland company has expressed interest in developing integrated biomass facilities in partnership with Hawaii businesses.

While this bill found ample support among your Committee members, some reservations were expressed concerning PICHTR being the only entity named within it; acknowledgment was made that the bill may need to be amended to name a specific company as the object of this authorization bill. Further acknowledgment was made that questions concerning the financial ramifications of this measure need to be addressed by a committee whose focus is primarily within the financial arena.

Finally, concern was expressed that annual reporting requirements are not included in the bill; this may be an amendment that the next committee to hear this measure may want to consider.

Therefore, mindful of the legislature's commitment to the concept of resource conservation and enhancement that is implicit within this bill, your Committee on Energy and Environmental Protection has passed it for further consideration, with a minor amendment that changes Section 1 (4) to indicate that "the declining profitability of existing agricultural production and the need to develop new uses for agricultural products" are some of the significant environmental and economic issues facing the State.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 837, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 837, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Santiago.

SCRep. 986 Education on S.B. No. 942

The purpose of this bill is to:

- (1) Transfer the administration of school security attendants from the Department of Education to the Department of Public Safety; and
- (2) Establish a program for the initial and ongoing training of school security attendants within the Department of Public Safety.

Supporting testimony was received from the Hawaii State Teachers Association and Kaimuki High School's Political Process class. The Department of Education and the Department of Public Safety submitted comments on this measure.

Your Committee has amended this bill by:

- (1) Deleting the provisions that transfer the administration of school security attendants from the Department of Education to the Department of Public Safety;
- (2) Providing that school security attendant training is to be conducted by the Department of Education, the Department of Public Safety, and the county police departments;
- (3) Stating that the training of security attendants should be conducted on school grounds whenever feasible;

- (4) Involving the individual schools, the School/Community-Based Management Councils, the school administration, other school support personnel, and the school community in developing school security attendant training;
- (5) Providing that school security attendant training will consist of at least seventy hours of training;
- (6) Requiring the Department of Education to develop criteria to identify one security attendant per school who has supervisory status and arrest powers;
- (7) Requiring that the Department of Education, the Department of Public Safety, and the county police departments must utilize existing resources to minimize expenses; and
- (8) Making technical, nonsubstantive amendments for purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 942, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 942, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Arakaki, Lee, Morihara, Takamine, Yonamine and Halford.

SCRep. 987 Education on S.B. No. 1298

The purpose of this bill is to establish a Hawaii Teachers Standard Board within the Department of Education for administrative purposes.

The College of Education at the University of Hawaii and the Hawaii State Teachers Association submitted testimony in support of this measure. The Board of Education and a concerned citizen submitted testimony in opposition to this measure.

Your Committee has amended this bill by deleting the substance and inserting the general language reflected in H.B. No. 1582, H.D. 1, which was reported out earlier by your Committee on Education. As amended, the purpose of this bill is to transfer the responsibility for setting public school teacher certification standards from the Department of Education to a Hawaii Teacher Standards Board.

More specifically, your Committee has also made the following revisions:

- (1) Adding a penalty of \$500 for persons who engage in the profession of teaching in a public or private school without first being issued a license or credential;
- (2) Clarifying that the three certified teachers who serve on the Hawaii Teacher Standards Board are representative of the elementary, intermediate, and high school grade levels;
- (3) Providing that an educational officer is to serve on the Hawaii Teacher Standards Board;
- (4) Deleting the provision that the standards may be appealed to the Board of Education within ten days;
- (5) Inserting language to allow the Hawaii Teacher Standards Board to establish licensing and credentialing fees in accordance with Chapter 91, Hawaii Revised Statutes;
- (6) Providing that in addition to appropriations, grants, or donations, fees collected will also be deposited into the Teacher Standards Board Special Fund; and
- (7) Making technical, nonsubstantive amendments for purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1298, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1298, S.D. 2, H.D. 1, and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

Signed by all members of the Committee except Representatives Arakaki, Lee, Takamine, Yonamine and Halford.

SCRep. 988 Judiciary on H.C.R. No. 30

The purpose of this concurrent resolution is to request the Legislative Reference Bureau to conduct a study of the different modes of public financing of political campaigns in Hawaii elections.

The Campaign Spending Commission, Common Cause Hawaii, the Hawaii Green Party and the Working Group on Electoral Democracy testified in support of this measure.

Your Committee finds that public funding of political campaigns would reduce the public's perception that special interest groups have greater influence on elected officials by virtue of their campaign contributions. Based upon the testimony received, including that of the Campaign Spending Commission indicating that the current law is ineffective in

bringing about the desired results of public financing of campaigns, your Committee finds that this measure is timely and necessary to help maintain the integrity of the electoral process.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 30 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Cachola, Hamakawa, Menor and Kawanakoa.

SCRep. 989 Water and Land Use Planning on S.B. No. 1936

The purpose of this bill is to better address the flood control problem in the Kahuku region of Oahu.

This bill would formally designate the Department of Land and Natural Resources (DLNR) as the lead agency to coordinate the development of the Kahuku master flood control plan. An unspecified sum would also be appropriated for this purpose.

Certain portions of the Kahuku region are particularly vulnerable to flooding. In 1992, the Legislature adopted House Concurrent Resolution No. 276 and House Resolution No. 286 which requested DLNR to serve as the sponsoring agency for the preparation of the Kahuku master flood control plan. The purpose of this plan is to identify the problems, causes, alternatives, and solutions necessary to mitigate the flooding problem.

The City and County of Honolulu's Department of Housing and Community Development and a Kahuku resident testified in support of this measure. DLNR also submitted comments.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1936, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Intergovernmental Relations and International Affairs.

Signed by all members of the Committee except Representatives Kanohe and Yoshinaga.

SCRep. 990 Hawaiian Affairs and Housing on S.B. No. 1892

The purpose of this bill is to extend the authority of the Housing Finance and Development Corporation (HFDC) to issue revenue bonds to finance the acquisition of the Queen Emma Gardens Apartment Complex (QEGAC) for another year.

The Queen Emma Gardens Tenants' Association (QEGTA), the Kokua Council for Senior Citizens, and the Sisters of Saint Joseph of Carondelet testified in support of this measure. The HFDC also supported the intent of this measure, but suggested adding a provision to allow the purchase by voluntary sale of the QEGAC with the approval of the QEGTA's consultants, the HFDC, and the Legislature.

Your Committee has amended this bill by incorporating the recommendation of the HFDC. Other technical, nonsubstantive amendments were made for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1892, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1892, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hamakawa, Kawakami and Stegmaier.

SCRep. 991 Hawaiian Affairs and Housing on S.B. No. 1819

The purpose of this bill is to provide for the civil eviction of persons engaged in or who permit others to engage in drug-related criminal activity on or near leased residential property. The measure also allows the court to restrain persons other than the tenants of the property who engage in drug-related criminal activity from entering the property.

The Department of Health, the Honolulu Prosecuting Attorney's Office, the Honolulu Police Department, members of the Makaha Beach Loops Neighborhood Security Watch Program, a member of the Neighborhood Security Watch Association of Hawaii Community Coalition for Neighborhood Safety, and a number of concerned citizens testified in support of this measure.

Your Committee finds that all citizens have the right to feel safe and secure in their residences and that drug dealers who conduct criminal activities in residential areas endanger the health, safety, and welfare of all law-abiding citizens in the neighborhood. This measure provides a method for the prompt eviction of persons engaged in specific drug-related activity on or near residential premises and will send a clear message to those persons that drug trafficking on or near leased residential property will not be tolerated.

While your Committee supports the intent of this bill, it has concerns regarding its procedural framework. Under its present language, the bill minimizes application of the exclusionary rule, discovery rules, and other procedural rules, such as requests for continuances. Moreover, where both civil and criminal proceedings are initiated, it is unclear whether the evidence, findings, and other matters raised in a civil action may be utilized against parties in a criminal case. Generally, your Committee is concerned that this bill, if enacted, may impinge upon the civil liberties of individuals who

are subject to it. Since these issues fall within the purview of the Committee on Judiciary, to which this bill is referred next, your Committee suggests that the Committee on Judiciary consider these issues.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1819, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Stegmaier.

SCRep. 992 Agriculture on S.B. No. 363

The purpose of this bill is to appropriate funds to expand implementation of the livestock waste management guidelines.

Your Committee notes that livestock waste management is a critical problem facing the livestock industry. Government mandates have imposed strict environmental standards on the industry to adhere to the mandates. It is your Committee's belief that the livestock waste management guidelines contained in this bill will provide livestock operators with an overview of pollution prevention planning and offer guidance on effective alternative management practices.

Testimony in support of the bill was submitted by the Hawaii Farm Bureau and the Hawaii Association of Conservation Districts. The University of Hawaii College of Tropical Agriculture and Human Resources testified in support of the intent of the bill. Comments were received from the Governor's Agriculture Coordinating Committee, the Department of Agriculture, and the Department of Health.

Your Committee notes that this bill is similar in general purpose and intent to H.B. No. 1144, "MAKING AN APPROPRIATION FOR LIVESTOCK WASTE MANAGEMENT".

Your Committee has amended this bill by inserting the language reflected in H.B. No. 1144, thereby:

- (1) Deleting an appropriation for fiscal year 1996-1997;
- (2) Inserting the appropriation of \$100,000 for fiscal year 1995-1996; and
- (3) Deleting the provision whereby no funds will be allocated under this bill unless the funds are matched by funds from the livestock industry.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 363, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 363, S.D. 1, H.D. 1, and be referred to the Committee on Energy and Environmental Protection.

Signed by all members of the Committee except Representative Herkes.

SCRep. 993 Agriculture on S.B. No. 466

The purpose of this bill is to appropriate funds for deposit into the Coffee Inspection Revolving Fund (Fund), provided that funds are matched by the coffee growing industry.

It is the belief of your Committee that establishment of the Fund will enable the Department of Agriculture (DOA) to provide the necessary coffee inspection services to support the coffee growing industry. It is your Committee's understanding that this bill will allow the DOA to provide certification services, with the costs of the program to be incurred by the coffee industry through fees that coffee farmers and processors are assessed from having their coffee inspected and certified by the DOA.

The County of Hawaii submitted testimony in support of this bill. Comments were received from the DOA.

Your Committee notes that this bill is similar in general purpose and intent to H.B. No. 2107, "A BILL FOR AN ACT RELATING TO COFFEE".

Your Committee has amended this bill by inserting the language reflected in H.B. No. 2107, thereby:

- (1) Making the fees and charges established by the DOA subject to the Administrative Procedures Law under Chapter 91, Hawaii Revised Statutes;
- (2) Inserting the sum of \$1 for fiscal year 1995-1996, for deposit into the Coffee Inspection Revolving Fund; and
- (3) Deleting the provision whereby funds appropriated under this bill must be matched by funds from the coffee growing industry.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 466, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 466, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Herkes.

SCRep. 994 Agriculture on S.B. No. 1141

The purpose of this bill is to appropriate funds for agricultural research and development to be performed by the Hawaiian Sugar Planters' Association (HSPA) Experiment Station, provided that:

- (1) No funds for sugarcane research is to be released unless on a dollar-for-dollar basis; and
- (2) No funds for nonsugarcane research is to be released unless the beneficiaries of nonsugarcane research contribute one dollar for every three dollars that the States provides.

Your Committee notes that agricultural research is becoming increasingly important for maintaining and improving existing crops statewide and for developing new crops so that the State can best utilize the vast acres of lands left vacant by the closure of several sugar companies. In light of this, your Committee recognizes the importance of restoring the original funding request of \$2.5 million to this bill for each year of the 1995-1997 fiscal biennium to facilitate efforts by the HSPA Experiment Station to maintain research staff facilities and programs at current levels.

Testimony in support of the bill was received from The Estate of James Campbell, the Hawaii Farm Bureau, and the Pineapple Growers Association of Hawaii. Testimony in support of the intent of the bill was submitted by: the President and Chief Executive Officer of Alexander & Baldwin-Hawaii, Inc., and its two plantations, Hawaiian Commercial and Sugar Company and McBryde Sugar Company; HSPA and its member companies, the researchers and technical staff of the HSPA Experiment Station; and the President and Manager of Gay & Robinson, Inc. on behalf of the Board of Directors of HSPA and its member companies: A&B-Hawaii, Inc.; AMFAC/JMB, Inc.; C. Brewer & Co., Ltd.; Dole Food Co., Inc.; and Gay & Robinson, Inc. Comments were received from the Department of Agriculture, the Maui County Farm Bureau, and two private citizens.

Your Committee has amended this bill by:

- (1) Clarifying that the funding provision relating to sugar cane research is to be made on a dollar-for-dollar basis by HSPA;
- (2) Inserting the appropriation sums of \$1 for each year of the 1995-1997 fiscal biennium to facilitate continued discussion on the funding aspect of the bill; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1141, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1141, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Herkes.

SCRep. 995 Agriculture on S.B. No. 1931

The purpose of this bill is to appropriate funds to establish a full-time, temporary faculty nursery research position in the University of Hawaii College of Tropical Agriculture and Human Resources.

This position would be used to assist the growth of the nursery and foliage industry by conducting research on potted plant culture and management, and post-harvest physiology of nursery plants.

Testimony in support of this bill was received from the Hawaii Association of Nurserymen and two small businesspersons in the nursery industry. The University of Hawaii College of Tropical Agriculture and Human Resources submitted comments on this measure.

Your Committee notes that this bill is similar in general purpose and intent to H.B. No. 2232, H.D. 1, which was earlier reported out of your Committee.

Your Committee has amended this bill by inserting the language reflected in H.B. No. 2232, H.D. 1, thereby changing the faculty nursery research position for which funds are appropriated, from a temporary to a permanent position.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1931, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1931, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Herkes.

SCRep. 996 Higher Education and the Arts on S.B. No. 634

The purpose of this bill is to give the University of Hawaii more oversight and control over the Research Corporation of the University of Hawaii (RCUH).

The University of Hawaii Board of Regents testified in support of S.B. No. 634, S.D. 2. The Research Corporation of the University of Hawaii also testified in support of the measure. The Office of the State Attorney General submitted testimony supporting the measure in part, but expressed concerns that the President of the University would be placed in a position of potential conflict of interest if he became the president of RCUH also.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 634, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Takumi, Yonamine and Halford.
(Representative Shon voted no.)

SCRep. 997 Higher Education and the Arts on S.B. No. 4

The purpose of this bill is to establish a special University of Hawaii Kapolei development zone in Kapolei, Oahu.

The Estate of James Campbell testified in support of SB 4 SD1. The University of Hawaii and the State of Hawaii Land Use Commission provided comments on the measure. The Office of State Planning submitted testimony supporting the intent of the bill, but had reservations about it. The State of Hawaii Office of Hawaiian Affairs (OHA) strongly objected to exempting the University from laws in the construction of the new campus, calling instead for more deliberative planning and review in the development process as well as observance of laws regarding respectful and appropriate treatment of known or inadvertently discovered burials.

Your Committee has amended this bill by:

- (1) Deleting Section 4 exempting the University from observing all statutes, ordinances, charter provisions and rules of any governmental agency.
- (2) Deleting the word "exclusive" from Section 3 in order that the University not have sole authority and responsibility for the development, planning, construction, operation, and maintenance of the higher educational facility to be known as the University of Hawaii, West Oahu.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 4, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 4, S.D. 1, H.D. 1, and be referred to the Committee on Water and Land Use Planning.

Signed by all members of the Committee except Representatives Takumi, Yonamine and Halford.

SCRep. 998 Higher Education and the Arts on S.B. No. 1467

The purpose of this bill is to assist the University of Hawaii in achieving its mission and delivering improved educational services throughout the state.

More specifically, this bill, among other things, would:

- (1) Repeal the Systemwide Computer Services Special Fund for the University of Hawaii systemwide consortium and replace it with the Systemwide Information Technology Services Special Fund; and
- (2) Allow the Board of Regents of the University of Hawaii to charge an information technology user fee.

Testimony in support of this bill was received from the University of Hawaii.

Although the provisions contained in this bill deserves serious consideration, your Committee has concerns regarding the establishment of the user fee proposed in the measure.

After carefully considering the merits of the bill and the testimony submitted, your Committee has amended the measure by:

- (1) Deleting the appropriation sections; and
- (2) Making technical, nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1467, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1467, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Morihara, Takumi, Yonamine and Halford.

SCRep. 999 Higher Education and the Arts on S.B. No. 1920

The purpose of this bill is to establish the Waikiki Aquarium as the State Aquarium.

More specifically, this bill also authorizes the University of Hawaii to contract with a private nonprofit entity for the operation and management of the State Aquarium.

The Friends of Waikiki Aquarium; the San Francisco Zoo; the National Aquarium in Baltimore; the Vancouver Aquarium; and several concerned citizens submitted testimony in support of this measure. The University of Hawaii submitted comments on this measure.

Upon careful consideration, your Committee has amended this bill by:

- (1) Deleting the provision requiring the University of Hawaii to provide all full-time general fund employees assigned to the State Aquarium not more than two reasonable offers to transfer to another University of Hawaii department or unit;
- (2) Allowing the State Aquarium to charge the public a fee for admission to the aquarium;
- (3) Clarifying that there are twenty-five full-time, non-state employees instead of twenty-three;
- (4) Clarifying that the transition of aquarium management will be to the Friends of Waikiki Aquarium, a nonprofit entity;
- (5) Including that the Board of Regents of the University of Hawaii is to establish and at all times maintain the State Aquarium for research;
- (6) Clarifying that all revenues derived from the collection of admission fees is to be deposited into the State Aquarium Special Fund;
- (7) Adding language that all full-time general fund employees assigned to the State Aquarium may remain as employees of the State Aquarium, subject to collective bargaining agreements; and
- (8) Making technical, nonsubstantive amendments for purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1920, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1920, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Morihara, Santiago, Takumi, Yonamine and Halford.

SCRep. 1000 Transportation on S.B. No. 567

The purpose of this bill, as received by your Committee on Transportation, is to extend the scope of the traffic code to include privately-owned roads used by the general public.

Your Committee finds that there are 1,477 private roads on the island of Oahu, and many others on the Neighbor Islands. Many of these private roads are used by the public as thoroughfares. Your Committee further finds that many complaints about traffic law infractions are received by the police, but that jurisdictional disputes over control of these private roadways hamper appropriate action by the police. Law-abiding citizens, then, blame the inefficiency of the police for not responding to their complaints.

This bill would remedy the jurisdictional issue by extending the applicability of the traffic code to private roads used by the general public.

Supportive testimonies were heard from the Police Department of the City and County of Honolulu, and from the Office of the Corporation Council, County of Hawaii.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 567, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 1001 Transportation on S.B. No. 1602

The purposes of this bill, as received by your Committee on Transportation, are to authorize requiring a criminal history record check of all persons hired to provide armed security at airports within the State, and that all applicants for such positions consent to a criminal history check by the Federal Bureau of Investigation (FBI).

Your Committee finds that the Federal Aviation Administration requires the Department of Transportation to provide armed security at airports. Criminal history record checks of applicants for armed security positions are required by federal and state law. These applicants are subject to the penalty for false swearing when submitting criminal history statements, and must consent to fingerprinting and criminal history record checks by the FBI.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1602, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 1002 Health on S.B. No. 1674

The purpose of this bill is to provide increased autonomy for the community hospital system by allowing greater flexibility in such areas as fiscal and personnel matters.

The Department of Health (DOH) submitted testimony in support of the bill. In its testimony, DOH noted that, as introduced, this bill and H.B. No. 1976 were identical. Both the Senate and House of Representatives subsequently amended their respective bills so that the current drafts are substantially different, and DOH described the differences.

Upon consideration of these differences, your Committee feels that H.B. No. 1976, H.D. 1, is generally the preferable alternative. In this regard, S.B. No. 1674, S.D. 2, has been amended by:

- (1) Deleting its substance and replacing it with the substance of H.B. No. 1976, H.D. 1;
- (2) Deleting Section 11, and replacing it with Section 8 of S.B. No. 1674, S.D. 1, to refer to the proper part of the Hawaii Public Procurement Code and to prohibit a physician from referring a patient to an entity in which the physician has a financial interest; and
- (3) Making technical, nonsubstantive revisions for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1674, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1674, S.D. 2, H.D. 1, and be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee except Representative Stegmaier.

SCRep. 1003 Human Services on S.B. No. 385

The purpose of this bill is to redefine that any public assistance obtained by fraud be considered as an act of theft.

The Department of Human Services submitted testimony in support of the intent of this measure.

It is noted in your Committee that by amending Hawaii Revised Statutes (HRS) 346 and 708-830 of the Hawaii Penal Code, the Department of Human Services will be able to classify crimes identified in HRS 346 as misdemeanors or felonies, as determined by the monetary amount involved and as identified in the Hawaii Penal Code. Furthermore, under the theft provisions of the Hawaii Penal Code, both the person committing the theft and the person receiving the "stolen" property are chargeable with the offense.

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

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 385, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 385, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Arakaki and Hamakawa.

SCRep. 1004 Public Safety and Military Affairs and Judiciary on S.B. No. 87

The purpose of this bill is to amend the Emergency Release Program authorized by the 1993 Legislature and amended by the 1994 Legislature by:

- (1) Excluding persons eligible for release who are accused of committing a violent crime against another person;
- (2) Requiring the Director of Public Safety or a designee to notify the prosecuting authority of the release of an inmate;
- (3) Requiring the Director of Public Safety to submit a written report of the program's effectiveness to the Legislature in 1996 and 1997; and
- (4) Extending the the repeal date of the Emergency Release Program to June 30, 1996.

Testimony in support of this measure was received from the State Attorney General, the American Civil Liberties Union of Hawaii, and the Professional Bail Agents of Hawaii. The Department of Public Safety supported the intent of the bill. Comments were also received from the Judiciary, the Prosecuting Attorney of the City and County of Honolulu, and the City and County of Honolulu Police Department. The Corrections Population Management Commission submitted testimony opposing the amendments to the bill made by the Senate in Senate Draft 1, and requested that the bill be amended to incorporate the language of the House version of this bill--H.B. No. 144, H.D.1.

Your Committees recognize the need to address the problem of prison overcrowding. The intent of this measure is to release pretrial inmates--inmates who have not been convicted of the crime of which they are accused--and thereby ease prison overcrowding and avoid possible Federal actions. Federal actions could result in the release of convicted criminals, or the levying of extreme fines against the State. The imposition of Federal fines could further diminish the fiscal ability of the State to build new prisons.

Your Committees view this measure as a temporary solution to prison overcrowding, and by passing this bill do not intend to allow, or advocate, the release of persons accused of serious crimes such as murder in the first degree, murder

or attempted murder in the second degree, rape, attempted rape, or other violent crimes. Releasing selected, non-violent pretrial inmates presents a practical short-term solution to prison overcrowding until more prisons are built.

Upon consideration, your Committees have amended this bill by:

- (1) Increasing the bail ceiling for pretrial inmates eligible for release to \$10,000;
- (2) Extending the repeal date of the Act which established the Emergency Release Program to June 30, 1997; and
- (3) Making technical amendments for purposes of clarity, style and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety and Military Affairs and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 87, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 87, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives White, Cachola, Herkes, Menor and Swain. (Representatives Kawanakoa, Meyer and Thielen voted no.)

SCRep. 1005 Education on S.B. No. 424

The purpose of the bill is to establish an interim study group consisting of representatives from the Departments of Budget and Finance, the Attorney General, Land and Natural Resources, Education, and Accounting and General Services to address concerns and develop legislation which would provide the Department of Education with the authority to enter into lease agreements for public school facilities.

The Department of Education and Department of Budget and Finance testified in support of the intent of the bill. The Board of Land and Natural Resources submitted comments on the measure.

Your Committee finds that the demand for additional classrooms and support facilities within the public school system has outpaced the State's ability to construct the necessary facilities. Your Committee is also aware that other states have authorized school districts to enter into lease agreements with private developers and landowners. Recent experience has demonstrated that these lease agreements have enabled school facilities to be constructed cheaper and faster. Further, your Committee believes that the results of the interim study group will help determine whether the use of lease agreements by the Department of Education may be a viable permanent method of providing for public school facilities where appropriate.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 424, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Lee, Shon, Takamine and Halford.

SCRep. 1006 Education on S.B. No. 647

The purpose of this bill is to adopt the mandates of the Federal Gun-Free Schools Act of 1994 in order for the State to continue to receive federal funds.

The Department of Education and the Hawaii State Teachers Association submitted testimony in support of this measure.

Your Committee has amended this bill by:

- (1) Requiring the Superintendent of Education to provide alternative educational services; and
- (2) Making a technical, nonsubstantive amendment to correct a spelling error.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 647, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 647, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Arakaki, Lee, Morihara, Yonamine and Halford.

SCRep. 1007 Hawaiian Affairs and Housing on S.B. No. 102

The purpose of this bill is to appropriate funds to the Department of Education for the expansion of the Hawaiian Language Immersion Program, Papahana Kaiapuni Hawaii, in the public school system, including providing teaching positions, instructional materials, teacher preparation, and facilities; and to create a task force to study and make recommendations for the development of a single Papahana Kaiapuni Hawaii campus system.

Testimony from the Department of Education supported the intent of the bill to the extent it does not interfere with meeting basic educational program needs. Testimony was received in full support of the bill from the Office of Hawaiian Affairs, the Democratic Party of Hawaii, Na Leo Kako'o o Maui, the Hawaiian Political Action Council of Hawaii, the

Immersion Teachers of Pu'ohala School, several parents whose children attend Punana Leo o Waianae, and many concerned citizens.

Testimony expressed pressing concern that as elementary students graduate from upper grades, there may not be additional facilities to allow them to continue studies within the Hawaiian language immersion environment. Expanding the programs would address this concern as well as diminish the extensive waiting lists of students wishing to enroll in the immersion schools.

Your Committee is in full agreement and support of the intent of this measure to expand the Hawaiian Language Immersion Program. It has amended the bill by:

- (1) Authorizing the Department of Education to establish a Hawaiian Language Immersion Program in Holualoa Elementary School in Kona; and
- (2) Directing the Department of Education to study the feasibility of establishing an immersion program in Anuenue Elementary School in Honolulu.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 102, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 102, S.D. 1, H.D. 1, and be referred to the Committee on Education.

Signed by all members of the Committee except Representatives Kawakami, Saiki and Kawanakoa.

SCRep. 1008 Transportation on S.B. No. 868

The purpose of this bill is to resolve uncertainties relating to which sections are subject to automatic statutory repeal of the law regarding high occupancy vehicle (HOV) lanes.

Your Committee on Transportation finds that the Police Department has had difficulties establishing an acceptable citation procedure to enforce Act 224 regarding the use of HOV lanes. Now that the system of enforcement that has been established, mailing citations to violators of HOV lanes, it deserves an analysis pursuant to Act 224. Therefore, your Committee recommends extending the repeal date for two years to collect data on HOV violations and usages and to evaluate the value of mail citations as an HOV enforcement strategy.

Your Committee received testimony in support of this bill from the Department of Transportation.

Testimony in opposition to this bill was received from the Honolulu Police Department which recommended extending the repeal date to 1997 to allow it time to enforce the law. Testimony was provided by the Leeward Oahu Transportation Management Association which also recommended extending the repeal date until 1997.

Your Committee has amended this bill to:

- (1) Delete Section 1 which explains the purpose of the proposed bill;
- (2) Extend the repeal date of Act 224 from 1995 to 1997; and
- (3) Delete the language reenacting sections 26-19, 291C-53, and 291C-165.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 868, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 868, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 1009 Transportation on S.B. No. 1557

The purposes of this bill are to eliminate unnecessary government requirements and to make motor vehicle licensing services more efficient.

The bill, as received by your Committee, proposes to:

- (1) Increase the driver licensing period from four to six years for persons between the ages of 19 through 64;
- (2) Increase the driver licensing period from two to four years for persons between the ages of 15 through 18 and 65 through 69;
- (3) Extend the age where driver licenses need to be renewed every two years from 65 to 70;
- (4) Eliminate the requirement that an applicant take a rules of the road knowledge test upon renewal of a driver's license; and
- (5) Permit the waiver of the actual road demonstration test for a driver who failed to renew a license within 90 days after expiration.

Your Committee on Transportation finds that the rules of the road knowledge test is given at the time of driver license renewal to promote good driving habits. However, your Committee further finds that there is no evidence that renewal testing reduces traffic accidents, and the frequency of renewal testing does not lower accident rates. The County of Honolulu stated that the passage rate for renewal testing is above 90%. However, your Committee recognizes that this figure is high due to the number of people that refresh their knowledge of the driving rules prior to taking the renewal test; therefore your Committee recommends continuing the requirement for the rules of the road knowledge test.

In the event that a driver fails to renew his license within 90 days after expiration, the current law requires that the person be treated like a new applicant. These drivers are required to successfully complete permit applications and road tests to renew their license. Your Committee finds that the road test serves as a deterrent to forgetting to renew a driver's license, and therefore recommends elimination of the section permitting a waiver of the road demonstration test in this instance.

Your Committee received testimony in support of this bill from the City and County of Honolulu.

Testimony in opposition to the differential treatment of citizens over the age of seventy was received from a concerned senior citizen.

In hopes of keeping this bill alive for further discussion, your Committee has amended the bill to:

- (1) Decrease the driver licensing period from six to five years for persons between the ages of 19 through 64;
- (2) Decrease the driver licensing period from four to three years for persons between the ages of 15 through 18 and ages 65 through 74;
- (3) Extend the age where driver licenses need to be renewed every two years from 70 to 75;
- (4) Retain the requirement that drivers take a rules of the road knowledge test upon renewal of a license; and
- (5) Eliminate the provision permitting the waiver of the actual road demonstration test for a driver who failed to renew a license within 90 days after expiration.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1557, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1557, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.
(Representative Ward voted no.)

SCRep. 1010 Transportation on S.B. No. 1559

The purpose of this bill, as received by your Committee on Transportation, is to make motor vehicle licensing and registration more efficient for the government and more convenient for consumers by:

- (1) Requiring motor vehicle weight taxes and fees due on a Saturday, Sunday, or legal holiday to be payable on the following business day;
- (2) Allowing the county director of finance to contract new car dealerships for the registration of new motor vehicles;
- (3) Increasing the fees for tax lien and encumbrance entries;
- (4) Repealing provisions for refunds of taxes for vehicles which are junked, stored, stolen or removed from the State;
- (5) Eliminating as a condition for registration of motor vehicles, the payment of outstanding citations and traffic fines; and
- (6) Deleting statutory provisions which will no longer be applicable upon the passage of this measure.

Your Committee finds that government efficiency in motor vehicle licensing and registration will be increased by allowing the county finance directors to contract for the registration of new vehicles, by increasing fees for each entry made in the tax lien and encumbrance record commensurate with costs of providing these services, and by removing the provisions for refunds of taxes for vehicles which are junked, stolen, placed in storage, or removed from the State.

Your Committee further finds that convenience for consumers will be increased by expediting the registration of new vehicles by allowing new car agencies or other providers to be contracted to issue registrations, and by eliminating the requirement for payment of outstanding fines as a condition for registration. By eliminating this provision, the new owner registering the transfer of a vehicle will not have to prove the ownership of the vehicle at the time the citation was issued.

Testimonies in support of this bill were heard from the City and County of Honolulu and the Hawaii Automotive Dealers' Association.

Your Committee has amended this bill by removing the limitation that only new car dealerships could be contracted for the registration of new vehicles. Such removal, as recommended by the City and County, will permit rental companies or other providers to be contracted for such registration.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1559, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1559, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 1011 Transportation on H.R. No. 17

The purpose of this House Resolution is to support highway traffic improvements on the island of Kauai.

Your Committee on Transportation finds that traffic congestion is a serious problem during rush hours along the State highway in Kapaa on Kuhio Highway and on the westside of Kauai on Kaumualii Highway. Your Committee further finds that additional highway lanes or alternative traffic flow routes should relieve the present traffic congestion situation.

The proposed House Resolution is requesting the Department of Transportation (DOT) to examine the current traffic situation along the State highways in the designated areas, and to recommend and implement improvements which will relieve the present traffic congestion situation.

The DOT testified that it is presently working on several projects to help relieve traffic congestion on Kuhio Highway in Kapaa and on Kaumualii Highway west of Lihue, namely:

- (1) To provide short-term traffic relief in Kapaa by constructing a temporary Kapaa Bypass to provide an alternate route between Kapaa Town and Waipouli by upgrading an existing cane haul road from the vicinity of the Kuhio Highway/Papaloa Street intersection to Olohena Road in the vicinity of the Olohena Road/Mapu Road intersection;
- (2) To provide long-term traffic relief in Kapaa, the Kapaa Bypass Project will include widening the existing Kuhio Highway from Kapule Highway to Wailua River, building a new bridge across Wailua River, and building a new bypass road between Wailua River and Kapaa Stream;
- (3) To provide short-term traffic relief on Kaumualii Highway, west of Lihue, a temporary Puhi Bypass from Kipu to Nawiliwili Road will be constructed by utilizing portions of Kipu Road, Hulemalu Road and Halehaka Road to connect to Mawiliwili Road; and
- (4) To provide long-term traffic relief on Kaumualii Highway, west of Lihue, Kaumualii Highway from the Kuhio Highway/Rice Street intersection in Lihue to the vicinity of Maluhia Road, which leads to the Poipu area will be widened.

Your Committee has amended this House Resolution by making technical, nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 17, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 17, H.D. 1.

Signed by all members of the Committee.

SCRep. 1012 Transportation on H.C.R. No. 13

The purpose of this House Concurrent Resolution is to support highway traffic improvements on the island of Kauai.

Your Committee on Transportation finds that traffic congestion is a serious problem during rush hours along the State highway in Kapaa on Kuhio Highway and on the westside of Kauai on Kaumualii Highway. Your Committee further finds that additional highway lanes or alternative traffic flow routes should relieve the present traffic congestion situation.

The proposed House Concurrent Resolution is requesting the Department of Transportation (DOT) to examine the current traffic situation along the State highways in the designated areas, and to recommend and implement improvements which will relieve the present traffic congestion situation.

The DOT testified that it is presently working on several projects to help relieve traffic congestion on Kuhio Highway in Kapaa and on Kaumualii Highway west of Lihue, namely:

- (1) To provide short-term traffic relief in Kapaa by constructing a temporary Kapaa Bypass to provide an alternate route between Kapaa Town and Waipouli by upgrading an existing cane haul road from the vicinity of the Kuhio Highway/Papaloa Street intersection to Olohena Road in the vicinity of the Olohena Road/Mapu Road intersection;
- (2) To provide long-term traffic relief in Kapaa, the Kapaa Bypass Project will include widening the existing Kuhio Highway from Kapule Highway to Wailua River, building a new bridge across Wailua River, and building a new bypass road between Wailua River and Kapaa Stream;

- (3) To provide short-term traffic relief on Kaumualii Highway, west of Lihue, a temporary Puhi Bypass from Kipu to Nawiliwili Road will be constructed by utilizing portions of Kipu Road, Hulemalu Road and Halehaka Road to connect to Mawiliwili Road; and
- (4) To provide long-term traffic relief on Kaumualii Highway, west of Lihue, Kaumualii Highway from the Kuhio Highway/Rice Street intersection in Lihue to the vicinity of Maluhia Road, which leads to the Poipu area will be widened.

Your Committee has amended this House Concurrent Resolution by making technical, nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 13, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 13, H.D. 1.

Signed by all members of the Committee.

SCRep. 1013 Transportation on H.R. No. 51

The purpose of this House Resolution is to request the Department of Transportation (DOT) to devote greater emphasis on highway aesthetics and beautification as part of its highway policy.

Your Committee on Transportation recognizes the importance of a pleasing physical environment to our economy, and for the enjoyment of both residents and visitors. Your Committee finds that highway beautification, which complements the surrounding environment, enhances the positive impact of the visual impressions of our State. It is this aspect of environmental improvement to which the attention of the DOT is directed in this House Resolution.

Testimonies in support of this measure were heard from the DOT and from The Outdoor Circle. The DOT reported that greater emphasis is being placed on highway beautification, balancing this element of highway planning with highway safety and budgetary limitations. The Outdoor Circle emphasized that extending the beautification theme from parks and natural vistas to our streets and highways seems a natural step to take, and imperative as our legacy to following generations.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 51 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1014 Transportation on H.C.R. No. 43

The purpose of this House Concurrent Resolution is to request the Department of Transportation (DOT) to devote greater emphasis on highway aesthetics and beautification as part of its highway policy.

Your Committee on Transportation recognizes the importance of a pleasing physical environment to our economy, and for the enjoyment of both residents and visitors. Your Committee finds that highway beautification, which complements the surrounding environment, enhances the positive impact of the visual impressions of our State. It is this aspect of environmental improvement to which the attention of the DOT is directed in this House Concurrent Resolution.

Testimonies in support of this measure were heard from the DOT and from The Outdoor Circle. The DOT reported that greater emphasis is being placed on highway beautification, balancing this element of highway planning with highway safety and budgetary limitations. The Outdoor Circle emphasized that extending the beautification theme from parks and natural vistas to our streets and highways seems a natural step to take, and imperative as our legacy to following generations.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 43 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1015 Human Services on S.B. No. 1684

The purpose of this bill is to clarify that the Department of Human Services (DHS) has the authority to secure a lien against real property that is not a residence of an individual to whom an overpayment of assistance benefits is made.

DHS submitted testimony supporting the intent of the bill. According to DHS, the bill allows a lien to be established only when there is an overpayment and only when the real property is not used as a family home by the persons receiving public assistance.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1684 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Hamakawa and Kawanakoa.

SCRep. 1016 Transportation on H.R. No. 12

The purpose of this House Resolution, as received by your Committee on Transportation, is to request a study of the effectiveness of the Department of Transportation's Motor Vehicle Safety Inspection Program.

Your Committee finds, that while it is assumed that annual safety inspections of motor vehicles reduce the number of accidents, that there is no clear evidence that a relationship between safety inspections and accident rates exists. Your Committee further finds that vehicle owners feel that only perfunctory examinations are made by some inspection stations.

This House Resolution requests the Legislative Reference Bureau to conduct a study of the Safety Check Inspection Program to include a clear statement of its objectives, an analysis as to how the Program is meeting these objectives, a review of any enforcement problems encountered by the counties, and recommendations on how to improve the Program to ensure that it meets the stated objectives.

Supportive testimonies for this House Resolution were heard from the Department of Transportation which pointed out that it is responsible for two different inspection programs; from the Police Department of the City and County of Honolulu, which testified as to the large numbers of defects found through inspections, but that it could not cite any statistics to indicate that safety checks prevent unsafe vehicles from causing accidents; and from the Hawaii Automotive and Retail Gasoline Dealers Association, which stated that more complex inspections could be made by the inspection stations, but that they would cost more money.

Your Committee has amended this House Resolution by amending the title to remove "on the effectiveness," since there was some question as to whether safety check inspections, as now being conducted, are effective. After much discussion about perfunctory inspections, the Committee wanted the Committee Report to reflect its desire to have a citizen group monitor the adequacies of the inspections, since some persons felt that their inspection stations did a thorough job, while others felt that their stations did little more than check headlights, horns, and tires, and then affixed the safety check decals.

Your Committee further amended this House Resolution to specify that the study is to concentrate only on motor vehicles with a gross weight of 10,000 pounds or less, since the Department of Transportation also has an inspection program for large trucks.

Your Committee also added an amendment to permit a recommendation for discontinuance of the Safety Check Program should the study indicate the desirability of this action.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 12, as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.R. No. 12, H.D. 1.

Signed by all members of the Committee.

SCRep. 1017 Transportation on H.C.R. No. 9

The purpose of this House Concurrent Resolution, as received by your Committee on Transportation, is to request a study of the effectiveness of the Department of Transportation's Motor Vehicle Safety Inspection Program.

Your Committee finds, that while it is assumed that annual safety inspections of motor vehicles reduce the number of accidents, that there is no clear evidence that a relationship between safety inspections and accident rates exists. Your Committee further finds that vehicle owners feel that only perfunctory examinations are made by some inspection stations.

This House Concurrent Resolution requests the Legislative Reference Bureau to conduct a study of the Safety Check Inspection Program to include a clear statement of its objectives, an analysis as to how the Program is meeting these objectives, a review of any enforcement problems encountered by the counties, and recommendations on how to improve the Program to ensure that it meets the stated objectives.

Supportive testimonies for this House Concurrent Resolution were heard from the Department of Transportation which pointed out that it is responsible for two different inspection programs; from the Police Department of the City and County of Honolulu, which testified as to the large numbers of defects found through inspections, but that it could not cite any statistics to indicate that safety checks prevent unsafe vehicles from causing accidents; and from the Hawaii Automotive and Retail Gasoline Dealers Association, which stated that more complex inspections could be made by the inspection stations, but that they would cost more money.

Your Committee has amended this House Concurrent Resolution by amending the title to remove "on the effectiveness," since there was some question as to whether safety check inspections, as now being conducted, are effective. After much discussion about perfunctory inspections, the Committee wanted the Committee Report to reflect its desire to have a citizen group monitor the adequacies of the inspections, since some persons felt that their inspection stations did a thorough job, while others felt that their stations did little more than check headlights, horns, and tires, and then affixed the safety check decals.

Your Committee further amended this House Concurrent Resolution to specify that the study is to concentrate only on motor vehicles with a gross weight of 10,000 pounds or less, since the Department of Transportation also has an inspection program for large trucks.

Your Committee also added an amendment to permit a recommendation for discontinuance of the Safety Check Program should the study indicate the desirability of this action.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 9, as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.C.R. No. 9, H.D. 1.

Signed by all members of the Committee.

SCRep. 1018 Energy and Environmental Protection on S.B. No. 1739

The purpose of the bill as originally written was to provide further clarification of legislative intent and operational authority for the Clean Hawaii Center and its board.

Your Committee heard testimony from the Department of Health and the Department of Business, Economic Development and Tourism, both of which supported the bill, and the University of Hawaii Environmental Center, which provided comments on it. The Department of Business, Economic Development and Tourism recommended changes to the bill that involved using language from H.B. No. 731, H.D. 1; after discussion, your Committee decided instead to substitute the entire body of that bill in place of the body of S.B. No. 1739, S.D. 2.

When the Legislature enacted Act 202, Session Laws of Hawaii 1994, which created the Clean Hawaii Center, it envisioned a partnership between business and government to help foster further growth of environmental businesses and technologies through the creation, development and expansion of commercial markets for recyclable products. The center has since provided technical and financial assistance to both counties and businesses in the use of recycling as one way to reduce significantly the levels of solid waste produced in this state. Senate Bill No. 1739, S.D. 2, H.D. 1, will provide further clarification of Act 202, Session Laws of Hawaii 1994 which, if enacted, will:

- (1) Give the Department of Business, Economic Development, and Tourism the necessary authority to carry out its provisions;
- (2) Make the Clean Hawaii Center and its board fully operational with authority to guarantee loans (through the Small Business Administration) and manage recycling parks; and
- (3) Provide that any remaining balances in the Clean Hawaii Fund when the Center is disbanded are transferred to the Hawaii Capital Loan Program.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1739, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1739, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Santiago.

SCRep. 1019 Economic Development and Business Concerns on S.B. No. 559

The purpose of this bill is to extend to twenty years, the period during which all census tracts within the County of Kauai are eligible for designation as enterprise zones.

This bill also specifies that designations be made by January 1, 1997.

Your Committee notes that Kauai Census Tract #405, comprised of Lihue and vicinity, was the only Kauai County Census Tract not eligible for inclusion in an enterprise zone based on unemployment and income data from the 1990 census. However, following Hurricane Iniki, Kauai Census Tract #405 was made eligible for inclusion in an enterprise zone until January 1, 1996. This bill would make Lihue and vicinity eligible for inclusion in an enterprise zone for the twenty-year maximum currently authorized by the State Enterprise Zones Law under Chapter 209E, Hawaii Revised Statutes.

Testimony in support of this bill was received from the Department of Business, Economic Development, and Tourism. Comments were also received from the Tax Foundation of Hawaii.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 559, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1020 Economic Development and Business Concerns on S.B. No. 1738

The purpose of this bill is to support the Community-Based Economic Development (CBED) Program by:

- (1) Clarifying CBED Program definitions and functions;
- (2) Differentiating the Hawaii CBED Program from other programs that are labeled "community-based";
- (3) Providing additional financing mechanisms to ensure continued success of the CBED Program; and
- (4) Increasing the number of CBED Advisory Council members to 12 members to include the administrator of the Office of Hawaiian Affairs (OHA).

Testimony in support of this bill was received from the Department of Business, Economic Development, and Tourism. Your Committee also received testimony in support of this bill from OHA, with a proposed amendment.

Your Committee has amended this bill by:

- (1) Including the Chairperson of OHA, rather than the administrator of OHA, or a designee, to serve on the CBED Advisory Council; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1738, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1738, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1021 Consumer Protection and Commerce on S.B. No. 928

The purpose of this bill is to address the present and any future changes of the appraisal laws of the Federal Deposit Insurance Corporation as they relate to depository financial services loan companies as well as the ability of these companies to lend their capital and surplus by, among other things:

- (1) Clarifying that for loans and extensions of credit that are fully secured by real property, depository financial services loan companies may advance up to ninety-five percent of the appraised value or real property evaluation required under the Federal Deposit Insurance Act and the rules of the Federal Deposit Insurance Corporation of the real property securing the loan;
- (2) Clarifying that for loans and extensions of credit that are fully secured by mortgages on unimproved raw land, the maximum loan-to-value ratio shall not exceed seventy percent of the appraised value or real property evaluation required under the Federal Deposit Insurance Act and the rules of the Federal Deposit Insurance Corporation of the unimproved raw land;
- (3) Requiring depository financial services loan companies that make loans that are fully secured by real property in excess of twenty percent of their capital and surplus, to obtain appraisals of the real property securing the loans; and
- (4) Repealing the current appraisal requirements for depository financial services companies to make certain types of loans.

Testimony in support of this bill was received from the Division of Financial Institutions in the Department of Commerce and Consumer Affairs.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 928, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Herkes, Hiraki and Tom.

SCRep. 1022 Consumer Protection and Commerce on S.B. No. 1712

The purpose of this bill is to ensure that adequate funding will be available to compensate and reimburse independent contractor examiners and Insurance Division staff examiners to conduct examinations of insurers by, among other things:

- (1) Restoring the Insurance Examiners Revolving Fund (Fund), which is crucial for Hawaii to become accredited under the National Association of Insurance Commissioners' Financial Regulation Standards and Accreditation Program; and
- (2) Providing that when the Fund is terminated in 1999, it will be replaced with statutory provisions requiring that the funds needed to compensate and reimburse examiners to conduct examinations of insurers be allocated by the Legislature through appropriations out of the general fund.

Testimony supporting this bill was received from the Insurance Division of the Department of Commerce and Consumer Affairs and the Hawaii State Association of Life Underwriters.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1712, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Herkes, Hiraki and Tom.

SCRep. 1023 Consumer Protection and Commerce on S.B. 1572

The purpose of this bill is to delete the provisions for the allocation and separate accounting for financial institutions when the institution has income that is taxable both within and without Hawaii.

With the repeal of these provisions, financial institutions will be required to allocate and apportion their income under the Uniform Division of Income for Tax Purposes Act, which is in effect in Hawaii as Part II of Chapter 235, Hawaii Revised Statutes. With the advent of interstate banking activity, this bill will allow for more accurate reporting and allocation of out-of-state income of financial institutions.

The Department of Taxation supported this measure. The Tax Foundation of Hawaii commented on this bill.

Your Committee has amended this measure by changing the effective date and the application of the provisions of the bill to January 1, 1997.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1572, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1572, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Herkes, Hiraki and Tom.

SCRep. 1024 Consumer Protection and Commerce on S.B. No. 1751

The purpose of this bill, as received by your Committee, is to provide the Consumer Advocate the flexibility in staffing to proactively advance the cause of utility consumers by repealing:

- (1) The limit on the number of utility analysts exempt from the Civil Service law that the Consumer Advocate is authorized to hire; and
- (2) The cap on the annual compensation for the aforementioned analysts.

Testimony supporting this measure was received from the Consumer Advocacy Division of the Department of Commerce and Consumer Affairs and the Hawaiian Electric Company, Inc.

Although your Committee believes that exemption from civil service status and the ability to offer salaries comparable to industry standards will better enable the Consumer Advocate to compete with industry in hiring individuals with technical expertise, your Committee is also cognizant of the fiscal constraints currently facing the State. Therefore, your Committee has amended this bill by:

- (1) Limiting the number of staff exempt from the Civil Service law that the Consumer Advocate is authorized to hire, to four;
- (2) Restoring the annual compensation cap, but increasing it to \$65,000; and
- (3) Making technical, nonsubstantive amendments for purposes of style, clarity, and consistency.

Your Committee would like to note that the bill as amended, is consistent with the House position as reflected in H.B. No. 1950, H.D. 2, the House companion to this bill, which passed Third Reading in the House.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1751, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1751, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Herkes, Hiraki and Tom.

SCRep. 1025 Consumer Protection and Commerce on S.B. No. 1760

The purpose of this bill, as received by your Committee, is to assist the Medical Claims Conciliation Panels (MCCP) and the Design Professional Conciliation Panels (DPCP) in becoming more self-sufficient by, among other things:

- (1) Requiring parties to MCCP claims to make a deposit to the Department of Commerce and Consumer Affairs (Department), similar to the deposit currently required of parties to DPCP claims;
- (2) Reducing the deposit amount required from parties to DPCP claims;
- (3) Specifying that a non-refundable filing fee shall be retained from each party's deposit, to help defray the administrative costs of both the MCCP and DPCP programs; and
- (4) Reducing the compensation rate paid to members of MCCP and DPCP panels.

Currently, the MCCP panel members are paid from the general funds, while the DPCP panel members are paid from funds deposited by the parties to DPCP claims. Additionally, the Department bears all of the costs of both the MCCP and DPCP programs, including administrative costs, secretarial support, copying costs, postage, travel, and other panel expenses.

Testimony supporting this bill was received from the Department of Commerce and Consumer Affairs and the Hawaii Medical Association.

After carefully considering the merits of the bill and testimony received, your Committee has amended the measure by:

- (1) Restoring the current level of compensation for both M CCP and D PCP panel members;
- (2) Restoring the current deposit amount required from parties to D PCP claims;
- (3) Increasing the proposed deposit amount that would be required from parties to M CCP claims to the same amount currently required from parties to D PCP claims;
- (4) Providing the Director of Commerce and Consumer Affairs the option of waiving the filing fee for indigent claimants; and
- (5) Making technical, nonsubstantive amendments for purposes of style, clarity, and consistency.

Your Committee would like to note that the bill as amended, is consistent with the House position reflected in H.B. No. 1959, H.D. 2, the House companion to this bill, which passed Third Reading in the House.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1760, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1760, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Herkes, Hiraki and Tom.

SCRep. 1026 Hawaiian Affairs and Housing on S.B. No. 828

The purpose of the bill is to allow the Office of Hawaiian Affairs to establish a successor determination program that would allow those with an interest or presumed interest in homestead leases to determine their legal claim in a 999-year lease.

The range of services provided by a successor determination program would include:

- (1) Genealogy research assistance and guidance;
- (2) Research services;
- (3) Mediation services; and
- (4) Binding and nonbinding arbitration.

The Office of Hawaiian Affairs (OHA) testified in support of this bill. According to OHA, many lessee families find it difficult to determine who the rightful successor are to the leases. It stated that some do not understand how the descent scheme works while others lack accurate records and documentation that could assist them in determining rightful successorship.

Your Committee also received testimony in support of this measure from the Board of Land and Natural Resources. The Board concurs that many conflicts could be avoided if this bill were enacted. It testified that the cost to resolve the successorship issue through Probate court could be prohibitive to some lessees. Providing alternative solutions to resolving rightful successors would prevent expensive litigation.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 828, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Kawakami, Saiki and Kawanakoa.

SCRep. 1027 Hawaiian Affairs and Housing on S.B. No. 1699

The purpose of this bill is to increase the authorized amount of tax exempt revenue bonds to be issued for the Hula Mae single family mortgage purchase program.

Specifically, this bill increases the authorized amount by an additional \$500,000,000 from \$1,275,000,000 to 1,775,000,000.

The Housing Finance and Development Corporation (HFDC) is authorized to issue these mortgage revenue bonds and to make funds available through mortgage lenders at affordable rates to low- and moderate-income households in Hawaii purchasing their first homes. Since 1980, almost six thousand five hundred such Hawaii households have received assistance from the mortgage loan program to achieve their dream of owning their own homes. Your Committee finds that the HFDC has issued revenue bonds aggregating \$1,225,055,000, leaving only \$49,945,000 of bond authority available to HFDC and private developers.

Testimony in support of this bill was received from the HFDC and from the City and County of Honolulu's Department of Housing and Community Development. Your Committee, upon careful consideration, has agreed to pass this bill unamended.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1699, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Stegmaier.

SCRep. 1028 Hawaiian Affairs and Housing on S.B. No. 458

The purpose of this bill is to provide housing assistance to the former employees of Waialua Sugar Company.

While supporting the intent of the bill, the Housing Finance and Development Corporation (HFDC), testified that it could not support the appropriations made by the bill.

ILWU Local 142 submitted testimony in support of the bill.

The Office of State Planning (OSP) testified that it is directing a new initiative with the HFDC to coordinate services to dislocated workers across the state.

OSP noted that, in addition to Waialua Sugar Company, other sugar companies are also either closing or downsizing. In consideration of this broader concern, OSP suggested expanding the scope of the bill to include the former employees of all sugar companies that are closing or downsizing.

Your Committee supports the intent of this bill. Also heard at the same hearing was S.B. No. 459, S.D. 1, which also provides housing assistance, but of a different nature, to the former employees of Waialua Sugar Company. This bill also has merit.

S.B. No. 458, S.D. 1, has been amended as follows:

- (1) Incorporated the substance of S.B. No. 459, S.D. 1, which appropriates funds for the development and implementation of strategies to provide affordable housing for the former employees of Waialua Sugar Company;
- (2) Expanded the scope of the activities funded by the bill to apply to all former workers of sugar companies that have closed or downsized;
- (3) Allowed the appropriations until June 30, 1997 to be encumbered;
- (4) Revised the statement of purpose to reflect the new intent; and
- (5) Made technical, nonsubstantive revisions for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 458, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 458, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Stegmaier.

SCRep. 1029 Hawaiian Affairs and Housing on S.B. No. 459

The purpose of this bill is to appropriate funds for the development and implementation of strategies to provide affordable housing for the former employees of Waialua Sugar Company.

ILWU Local 142 submitted testimony in support of the bill. The Housing Finance and Development Corporation supported the intent of the bill, but not the appropriations contained within it. The Office of State Planning submitted comments on the bill.

Your Committee supports the intent of the bill. Also heard at the same hearing was S.B. No. 458, S.D. 1, which also provides housing assistance to the former employees of Waialua Sugar Company, though of a different kind. S.B. No. 458, S.D. 1, was amended to incorporate the substance of S.B. No. 459, S.D. 1.

Your Committee intends to use S.B. No. 459, S.D. 1, as a vehicle for another worthy measure. In this regard, H.B. No. 2176, H.D. 1, was heard and approved earlier in the session by this Committee. This measure provides a source of revenues to the Rental Housing Trust Fund (RHTF) by requiring the Legislature to appropriate to RHTF all or a portion of the excess of general excise tax revenues received from landlords on amounts received from rentals over the aggregate amount of tax credits claimed by low-income renters.

S.B. No. 459, S.D. 1, has been amended by deleting its substance and replacing it with the substance of H.B. No. 2176, H.D. 1.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 459, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 459, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Stegmaier.

SCRep. 1030 Hawaiian Affairs and Housing on S.B. No. 596

The purpose of this bill is to provide funds to the Housing Finance and Development Corporation for a home construction and improvement loan program for the residents of Maunaloa, Makiki Heights, Oahu. The bill also calls for discussion between the Department of Land and Natural Resources (DLNR) and the Office of Hawaiian Affairs (OHA) regarding the transfer of the land to the OHA.

Your Committee finds that residents of this area of Makiki Heights have long term leases with the DLNR and have been unable to qualify for loans to improve their property because they do not own their land and because the subdivision is an unimproved one which does not meet county standards.

Testimony was received in support of this measure from the members of the Maunaloa Valley Community Association and the OHA. The Housing Finance and Development Corporation supports the intent of this legislation to the extent it does not jeopardize current budget priorities.

Your Committee recognizes the need to improve infrastructure in the area. It was recognized that the OHA may prove to be a more enthusiastic advocate and agent for improving the homes and infrastructure of the homes in Maunaloa Valley.

Upon careful consideration, it was believed that authorizing discussion regarding the transfer of lands may not expeditiously fulfill the intent of the bill. Consequently, the bill was amended to stipulate that the DLNR would begin the transfer of Maunaloa subdivisions to the OHA.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 596, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 596, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hamakawa, Saiki and Stegmaier.

SCRep. 1031 Hawaiian Affairs and Housing on S.B. No. 1686

The purpose of this bill is to clarify certain provisions for homeless facilities programs authorized under the Homeless Families Assistance Act.

This bill clarifies that homeless facilities programs are not subject to state procurement code. The Hawaii Housing Authority (HHA) is authorized to establish rules for eligibility and also granted authority to establish when exceptions to these eligibility rules should be made based on circumstance. Providing the HHA with some leeway regarding eligibility and procurement will allow them to meet the needs of those who participate in these programs. This bill also provides for increases in homeless shelter stipends.

Testimony was received in strong support of this bill from the HHA and a retired nurse. The Affordable Housing Alliance testified in support of the bill and suggested consideration be given to include programs which address the needs of the homeless people at the Honolulu International Airport.

Your Committee recognized the need to streamline the administrative and logistical barriers involved in implementing programs for the homeless. It also concurs with the recommendation that the pressing issue of a growing homeless population at the airport could be addressed in this bill.

Upon careful consideration, the bill was amended by including the language found in HB 970 H.D. 1, into this measure.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1686, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1686, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Stegmaier.

SCRep. 1032 Hawaiian Affairs and Housing on S.B. No. 1698

The purpose of this bill is to permit residents of Lanai and Niihau to seek a seat on the Board of Trustees of the Office of Hawaiian Affairs (OHA) that requires residency on Molokai and Kauai respectively.

Currently, residents of Lanai and Niihau may become candidates for the OHA Board of Trustees by either running for an at-large seat or by moving to another island. Section 13D-1, Hawaii Revised Statutes, prevents a Lanai resident from representing Molokai and a Niihau resident from representing Kauai.

The following agencies and organizations supported this bill: OHA, the Association of Clerks and Election Officers, and the Kawaihae Hawaiian Homes Homeowners Community Association. HPACH also supported this measure with certain amendments.

Upon further consideration, your Committee has amended the bill by adding:

- (1) The contents of H.B. No. 1776, which was reported out of your Committee on February 17, 1995. H.B. No. 1776 specifies that the salaries of the OHA Board of Trustees be paid equally by OHA and the State;
- (2) The contents of H.B. No. 1314, which was reported out of your Committee on February 8, 1995. H.B. No. 1314 provides members of the OHA Board of Trustees with the option of electing to become members of the State Retirement System; and
- (3) A purpose section.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1698, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1698, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Kawakami, Saiki and Kawanakoa.

SCRep. 1033 Hawaiian Affairs and Housing on S.B. No. 1692

The purpose of this bill is to allow the Director of Human Services and the Special Assistant for Housing to each appoint a designee to represent them as an ex-officio voting member of the Hawaii Housing Authority (HHA).

Testimony in support of this measure was submitted by the Hawaii Housing Authority.

Your Committee finds that the enactment of this measure will result in the quorum requirement being fulfilled more frequently at meetings, thereby facilitating the efficiency of the operations of HHA.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1692, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hamakawa, Kawakami and Stegmaier.

SCRep. 1034 Higher Education and the Arts on S.B. No. 1262

The purpose of this bill is to provide that bonds, notes, and other obligations of the Secondary Market Services Corp.--Hawaii are exempt from all state, county, and municipal taxation, except inheritance, transfer, and estate taxes.

Supportive testimony was received from the USA Group, Inc. The Department of Taxation submitted comments on this measure.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1262 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Santiago, Shon, Stegmaier, Yonamine and Halford.

SCRep. 1035 Higher Education and the Arts on S.B. No. 1624

The purpose of this bill is to:

- (1) Increase the interest rate for loans made under the State Higher Education Loan Fund (SHELF); and
- (2) Increase the expenditure ceiling for loan collection and administrative expenses.

The University of Hawaii submitted testimony on this measure.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1624 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Santiago, Shon, Stegmaier, Yonamine and Halford.

SCRep. 1036 Human Services on S.B. No. 68

The purpose of this bill is to appropriate funds to the Department of Human Services (DHS) in order that the Department may contract for a feasibility study for implementation of the Electronic Benefit Transfer System (EBT).

It is noted in your Committee that EBT systems (which have been demonstrated in several states) have been an improvement over the paper benefit delivery systems. This has resulted in the federal government encouraging other states to move toward an EBT system.

Your Committee finds that thirty-five states have already implemented the EBT system. Several states have reported significant reductions in their incidences of food stamp trafficking, and have also reported that services to their recipients and overall efficiency of the benefit delivery system have improved dramatically.

Since a wealth of information is readily available, costs can be minimized in the design of an EBT system for Hawaii. Your Committee urges DHS to consider this information in negotiating the amount of the contract for consultants to develop a Request for Service.

Your Committee is in full support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 68, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Hamakawa and Kahikina.

SCRep. 1037 Tourism on S.B. No. 368

The purpose of this bill is to consolidate the different state tourism promotion sections in the Hawaii Revised Statutes and to require that all general fund appropriations for tourism marketing by the Hawaii Visitors Bureau or any other contractor be used exclusively for tourism advertising, marketing and promotion.

Your Committee received testimony in support of this bill from the Department of Business, Economic Development, and Tourism and the Hawaii Visitors Bureau.

Your Committee finds that exclusive dedication of public funds for tourism promotion and marketing by the Hawaii Visitors Bureau would greatly increase accountability for these funds, and is in accord with the internal restructuring of the bureau. To soften the transition to the new funding requirement and prevent a shortfall of about \$500,000 for administrative expenses, your Committee finds that a more gradual process would be less disruptive to HVB operations, to which both DBEDT and HVB stated their agreement.

Your Committee revised the bill by:

- (1) Restoring the provision calling for contracts to be for a length of at least two years whenever possible;
- (2) Providing that the requirement of using state funds exclusively for promotion begin on July 1, 1997;
- (3) Listing the allowed uses as tourism advertising, marketing, public relations and communications, sales promotion, direct/response marketing, market research, and special projects/provisos;
- (4) Providing that prohibited uses include accounting, human resources management, mailroom, administrative secretary and membership department staff positions, the lease or rent of accounting, human resources, mailroom, administrative secretary and membership department office space, and other administrative expenses;
- (5) Making technical, non-substantive changes for the purposes of style and clarity.

Although the new guidelines for division of funding will take effect in 1997, the HVB has already begun internal reorganization measures in this direction, and all parties, HVB, DBEDT and the legislature, agree on the need to maintain public confidence in its visitor marketing contractor and assure prudent expenditure of public funds.

The intention of your Committee is for the Department of Business, Economic Development, and Tourism to immediately require the HVB, through the promotion contract, to implement the division of spending this year, with private funds covering administrative and other non-promotion/marketing expenses, to the extent possible, and state funds covering all promotion and marketing activity and making up for shortfalls in private funds during the transition period.

By making appropriate contract provisions, DBEDT will oversee the process of phasing in the division of spending of HVB funds in time for the 1997 beginning date of the statutory requirement.

Your Committee intends that the allowed uses include island chapter and regional office expenses, MCI and main office marketing support, but not the salaries of the President or the Vice President for Marketing. It is also the intent of the Committee that, for uses that are not clearly marketing/promotion, for which state funds may be used, or administrative, for which state funds may not be used, the Department of Business, Economic Development, and Tourism shall determine whether such use shall be permitted.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 368, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 368, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.

SCRep. 1038 Consumer Protection and Commerce and Judiciary on S.B. No. 1717

The purpose of this bill is to require captive insurance companies to meet the same statutory standards imposed upon other insurance companies concerning financial reporting, the penalty for the late filing of financial reports, and the due date for premium taxes.

The State Insurance Commissioner testified in support of this bill. The amendments describe the information that must be included in the financial statement and provide for a penalty for a late filing or for the failure to file a report. The premium tax due date is also amended to match the due date for all of the other insurance companies.

Your Committees find that the proposed changes will enable the State Insurance Commissioner to regulate the insurance industry in a consistent manner by providing that captive insurance companies adhere to the same requirements imposed upon the rest of the insurance industry where appropriate.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1717 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Herkes, Cachola, Hiraki, Saiki, Tom, Kawanakoa and Thielen.

SCRep. 1039 Higher Education and the Arts on S.B. No. 161

The purpose of this bill is to exempt the University of Hawaii from the procurement code for the purchase of travel arrangements for its intercollegiate athletic programs.

The University of Hawaii Athletics Department submitted supportive testimony.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 161, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Morihara, Takumi, Tarnas and Anderson.

SCRep. 1040 Economic Development and Business Concerns on S.B. No. 1275

The purpose of this bill is to create the Hawaii Information Congress '95 Task Force (Task Force), to recommend steps to be taken to accelerate the deployment of Hawaii's "Information Superhighway."

Testimony in support of this bill was received from the Public Utilities Commission (PUC) and the Aloha Chapter of the Association of Information and Image Management. Testimony was also submitted by the Executive Director the Division of Consumer Advocacy, Department of Commerce and Consumer Affairs (Consumer Advocate), and GTE Hawaiian Telephone Incorporated.

Your Committee notes that this bill is similar in general purpose to H.B. No. 1579, H.D. 2.

Your Committee has amended this bill by inserting the language reflected in H.B. No. 1579, H.D. 2, thereby:

- (1) Decreasing the members of the Task Force from 25 members to 15 members;
- (2) Changing the appointment of the Task Force members to:
 - (a) Five members to be appointed by the Governor;
 - (b) Five members to be appointed by the Senate President; and
 - (c) Five members to be appointed by the House Speaker;
- (3) Encouraging, rather than requiring, representation from the various interest groups named in the bill, and referring specifically to the PUC, rather than state regulatory agencies, as one of the interest groups represented on the Task Force;
- (4) Placing the Task Force for administrative purposes within the Office of the Legislative Reference Bureau, rather than within the PUC;
- (5) Adding another purpose of the Task Force to determine the level of demand, timing, and user capability in the State;
- (6) Requiring the Task Force to make recommendations to implement another proposal, to customize the telecommunications system in Hawaii to meet the identified needs of the business and government sectors in the State; and
- (7) Deleting the appropriation from the bill.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1275, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1275, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Herkes and Cachola.

SCRep. 1041 Higher Education and the Arts on S.B. No. 937

The purpose of this bill is to provide authority to the Board of Regents to establish the mechanisms by which the UH can begin to adopt an integrated plan for the development of UH programs with the generation of income. (SB 937, SD 2)

Your Committee has amended this bill by deleting its entire contents and inserting the general language reflected in H.B. No. 1257, H.D. 2, which was reported out earlier by your Committee on Finance. As amended, the purpose of this bill is to:

- (1) Create a special fund for the University of Hawaii, into which will be deposited fees for tuition and other income and from which will be made expenditures for income-producing activities and tuition waivers,
- (2) Establish a formula for legislative appropriations; and
- (3) Provide that upon the effective date of this act, tuition waivers or any programs that incur costs to the University budget will not be effective without full appropriation therefor.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 937, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 937, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Santiago, Shon, Stegmaier, Takumi and Yonamine.

SCRep. 1042 Higher Education and the Arts on S.B. No. 1626

The purpose of this bill is to extend the termination date for the deposit of overhead funds into the University of Hawaii Housing Assistance Revolving Fund from 1995-1996 to 1997-1998.

The University of Hawaii submitted testimony in support of this measure. The Director of the University of Hawaii Student Housing Services submitted comments on this measure.

Your Committee has amended this bill by adding the contents of H.B. No. 293, which was reported out of the House Committee on Higher Education and the Arts earlier this session. H.B. No. 293:

- (1) Creates a new Student Housing Revolving Fund to allow for expenditures made for student housing extracurricular activities including the purchase of flowers, leis, food and refreshment, prizes, certificates, and plaques; and
- (2) Provides that the University of Hawaii is to maintain the financial integrity and viability of the Student Housing Revolving Fund.

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

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1626, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1626, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Morihara, Takumi, Tarnas and Anderson.

SCRep. 1043 Higher Education and the Arts on S.B. No. 1627

The purpose of this bill is to establish the UH Graduate Application Revolving Fund to be used for graduate program application processing. (SB 1627)

The University of Hawaii submitted comments regarding the establishment of the fund and suggested that the last five words in the proposed amendment, "within the university's graduate division," be deleted because graduate applications are processed by professional schools other than the University's graduate division. This has been done in S.B. No. 1627, H.D. 1.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1627, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1627, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Santiago, Shon, Stegmaier and Yonamine.

SCRep. 1044 Health on S.B. No. 728

The purpose of this bill is to require that all health insurance policies issued in this state which provide for pregnancy-related services also contain contraceptive services.

Your Committee finds that family planning is an important health and social issue. By adding the requirement of contraceptive services, individuals will have a wider range of choices covered by their health insurance programs.

This bill was supported in testimony submitted by the Department of Health, Hawaii State Commission on the Status of Women, University of Hawaii-School of Public Health, Hawaii Nurses Association, and Healthy Mothers-Healthy Babies Coalition.

Your Committee agrees with Legislative Auditor's Report 93-27 which studied this issue and concluded "The evidence strongly suggests that mandating coverage for contraceptive services could reduce the cost of health care." Several health plans including Kaiser already offer these services to policy holders.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 728, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1045 Health and Human Services on S.B. No. 1082

The purpose of this bill is to require the Departments of Health and Human Services to develop less restrictive rules regulating community based adult day health centers in order to encourage their expansion as a viable long-term care alternative.

This bill requires these departments to adopt rules which would unify licensing requirements, scope of services, programs, etc. of both adult day health and adult day care centers. In addition, the departments are required to work together to ensure equality in terms of medicaid reimbursement for intermediate care level patients.

Your Committee finds that adult day health centers are regulated by the Department of Health while adult day care centers are regulated by the Department of Human Services. Consequently, the needs of the elderly may not be sufficiently coordinated to allow for medicaid compensation to freestanding adult day health centers because rules governing them do not cover intermediate care facility (ICF) clients.

Only facilities with dual licenses can qualify for medicaid compensation if services are provided to ICF level clients. If properly executed, the actions required by this bill will correct these types of gaps for the benefit of ICF level clients and facilities which provide freestanding adult day health care.

Testimony in support of this bill was received from the Department of Human Services, Wilcox Memorial Hospital, Commission on Persons with Disabilities, Adult Day Centers Hawaii, and an interested individual.

As affirmed by the record of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1082 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committees except Representative Arakaki.

SCRep. 1046 Health and Human Services on S.B. No. 1667

The purpose of this bill is to allow respite care services for persons with developmental disabilities to continue to be available in the community rather than at Waimano Training School and Hospital.

Testimony was received in support of this bill from the Department of Health and the Commission on Persons with Disabilities. The State Planning Council on Developmental Disabilities testified in support of the intent of the bill. Your Committee agrees that respite care services are needed on the community level, and that this legislation is needed in order for the existing program not to sunset.

As affirmed by the record of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1667, S.D. 1, and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committees except Representative Saiki, Arakaki and Kawanakoa.

SCRep. 1047 Health and Hawaiian Affairs and Housing on S.B. No. 1396

The purpose of this bill is to clarify that the term "residential facility" as defined in existing law includes the Hale Mohalu Elderly Housing Project of Pearl City.

This bill amends chapter 326, Hawaii Revised Statutes, to allow the Department of Health to provide residential housing for Hansen's disease patients at the Hale Mohalu Elderly Housing Project. If funded at some point in the future, this will give Hansen's disease patients the option of leaving Kalaupapa Settlement and Hale Mohalu Hospital.

Testimony in favor of this bill was received from the Department of Health, Commission on Persons with Disabilities, Coalition for Specialized Housing, and from an interested individual. Your Committee agrees that there should be a site on Oahu for Hansen's disease patients who wish to live the remaining years of their lives near family.

As affirmed by the record of votes of the members of your Committees on Health and Hawaiian Affairs and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1396, S.D. 1, and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Arakaki and Stegmaier.

SCRep. 1048 Finance on S.B. No. 304

The purpose of this bill is to authorize the issuance of general obligation bonds and to declare that the total amount of principal and interest estimated and calculated for all bonds issued and outstanding will not cause the State's debt limit to be exceeded at the time of issuance.

This bill is intended to meet the requirements of Article VII, section 13, of the Constitution of the State of Hawaii, which specifies that the Legislature must include a declaration of findings that the debt limit will not be exceeded by legislatively authorized general obligation issuances.

The Department of Budget and Finance submitted testimony on this measure.

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 304, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 304, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Kanoho.

SCRep. 1049 Finance on S.B. No. 305

The purpose of this bill is to comply with the requirements of Article VII, section 6, of the Constitution of the State of Hawaii. This section requires the Legislature to provide either a tax refund or a tax credit to qualified taxpayers whenever the state general fund balance at the close of each of two successive fiscal years exceeds five percent of the general fund revenues for each of the two fiscal years.

Your Committee finds that these factors have been met for the fourteenth consecutive year, and the tax credit established by this bill complies with the constitutional requirements.

The Department of Taxation and the Tax Foundation of Hawaii submitted comments on this measure.

Upon further consideration, your Committee has amended this measure by establishing the amount of the tax credit at \$1 per resident individual taxpayer.

Other technical, nonsubstantive amendments were made for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 305, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 305, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Kanoho.

SCRep. 1050 Finance on S.B. No. 923

The purpose of this bill is to change the fixed and graduated amounts of the food/excise income tax credit to unspecified amounts.

The Democratic Party of Hawaii submitted supportive testimony. Your Committee also received testimony from the Department of Taxation, the Tax Foundation of Hawaii, and the Chamber of Commerce of Hawaii.

Your Committee has amended this bill by deleting its substance and instead inserting the substance of H.B. No. 1472, H.D. 1, which was also reported from this Committee. As amended, the purpose of this bill is to:

- (1) Lower the income tax credit for low-income household renters from \$50 to \$25;
- (2) Lower the food/excise income tax credit from \$55 to \$27.50; and
- (3) Lower the medical services excise income tax credit from four to two percent of qualified medical expenses.

In addition, your Committee corrected a drafting error in H.B. No. 1472, H.D. 1, to clarify that a resident taxpayer may claim a food/excise income tax credit of \$27.50 under Section 235-55.8(b)(1), Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 923, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 923, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Kanoho.
(Representatives Marumoto and Ward voted no.)

SCRep. 1051 Finance on S.B. No. 1575

The purpose of this bill is to change the computation period for establishing the penalty for underestimating income tax from a daily basis to a monthly basis.

The Director of Taxation testified in favor of this bill. Testimony was also received from the Tax Foundation of Hawaii.

Your Committee has amended this measure by making technical, nonsubstantive amendments for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1575, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1575, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Kanoho.

SCRep. 1052 Finance on S.B. No. 1567

The purpose of this bill is to update the provisions relating to service charges and penalties for dishonored checks by:

- (1) Increasing the service charge for dishonored checks tendered to the State from \$7.50 to \$15;
- (2) Providing for the enforcement of the service charge;
- (3) Providing for an interest on the penalty at the rate of two-thirds of one percent per month; and
- (4) Providing that all penalties and interest be debts due the State and shall be collected by the Department of Taxation.

The Department of Taxation and the Judiciary testified in support of this measure.

Your Committee has amended this bill by:

- (1) Deleting all new references to drafts, certificates of deposit, or other negotiable instruments; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1567, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1567, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Kanoho.

SCRep. 1053 Finance on S.B. No. 1566

The purpose of this bill is to bring the Hawaii tax code into compliance with changes in the federal tax code.

The Director of Taxation and the Chamber of Commerce of Hawaii testified in support of this measure. The Tax Foundation of Hawaii also testified on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1566 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Kanoho.

SCRep. 1054 Intergovernmental Relations and International Affairs on H.R. No. 26

The purpose of this resolution is to request the Employees' Retirement System to begin reinvestment in South Africa in accordance with the Code of Conduct for Businesses Operation in South Africa, as adopted by the National Conference of the South African Council of Churches.

Testimony in support was received by the Employees' Retirement System and the Hawaii Committee on Africa.

Your Committee recognizes that reinvestment in South Africa is needed to reverse the destructive legacy of apartheid and restore economic justice in that country, and that many states and cities have already responded to President Nelson Mandela of the Republic of South Africa's call for the lifting of sanctions.

Your Committee also notes that several organizations, such as the African National Congress and the South African Council of Churches, have indicated that reinvestment should be done in a way that is socially responsible, yet not so restrictive as to discourage reinvestment.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 26 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Alcon, Nakasone and Ward.

SCRep. 1055 Intergovernmental Relations and International Affairs on H.C.R. No. 23

The purpose of this concurrent resolution is to request the Employees' Retirement System to begin reinvestment in South Africa in accordance with the Code of Conduct for Businesses Operation in South Africa, as adopted by the National Conference of the South African Council of Churches.

Testimony in support was received by the Employees' Retirement System and the Hawaii Committee on Africa.

Your Committee recognizes that reinvestment in South Africa is needed to reverse the destructive legacy of apartheid and restore economic justice in that country, and that many states and cities have already responded to President Nelson Mandela of the Republic of South Africa's call for the lifting of sanctions.

Your Committee also notes that several organizations, such as the African National Congress and the South African Council of Churches, have indicated that reinvestment should be done in a way that is socially responsible, yet not so restrictive as to discourage reinvestment.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 23 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Alcon, Nakasone and Ward.

SCRep. 1056 Intergovernmental Relations and International Affairs on H.R. No. 65

The purpose of this resolution is to request the insurance commissioner to investigate the advisability of entering into interstate compacts with other states for certain perils.

Testimony in support of the resolution's intent was received by the Department of Commerce and Consumer Affairs.

Your Committee finds that the State has entered into interstate compacts in many areas of mutual concern including meat inspection, adoption assistance, milk control and corrections. Investigating the possibility of an interstate compact in homeowner's insurance seems prudent in light of the difficulty Hawaii residents have in obtaining coverage.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 65 and recommends that it be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Alcon, Nakasone and Ward.

SCRep. 1057 Intergovernmental Relations and International Affairs on H.C.R. No. 58

The purpose of this concurrent resolution is to request the insurance commissioner to investigate the advisability of entering into interstate compacts with other states for certain perils.

Testimony in support of the concurrent resolution's intent was received by the Department of Commerce and Consumer Affairs.

Your Committee finds that the State has entered into interstate compacts in many areas of mutual concern including meat inspection, adoption assistance, milk control and corrections. Investigating the possibility of an interstate compact in homeowner's insurance seems prudent in light of the difficulty Hawaii residents have in obtaining coverage.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 58 and recommends that it be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Alcon, Nakasone and Ward.

SCRep. 1058 Education on S.B. No. 516

The purpose of this bill is to:

- (1) Develop, implement, and maintain a comprehensive educational assessment and accountability system for Hawaii public education; and
- (2) Appropriate funds to establish a comprehensive educational assessment and accountability system within the Department of Education.

The Hawaii Business Roundtable submitted testimony in support of this measure. The Department of Education submitted testimony in support of the intent of this measure. The Hawaii State Teachers Association submitted comments on this measure.

Upon careful consideration, your Committee has amended this bill by:

- (1) Making an appropriation for the State of Hawaii to join the New Standards Project to develop a student assessment system designed to gauge student progress in achieving the statewide performance standards as part of the comprehensive educational assessment and accountability system to be implemented within the Department of Education; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 516, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 516, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Lee and Morihara.

SCRep. 1059 Education on S.B. No. 1814

The purpose of this bill is to delete the representative selection panel to be appointed by the Board of Education to select schools for participation in School/Community-Based Management.

The Department of Education submitted testimony in support of this measure.

Upon careful consideration, your Committee has amended this bill by deleting the substance and inserting the general language reflected in H.B. No. 1328, H.D. 1, which was reported out earlier by your Committee on Education. As amended, the purpose of this bill is to initiate steps in working toward a disciplined school environment by:

- (1) Making it unlawful for any person sixteen years or older to possess or threaten to use a firearm or other dangerous weapon on public school property;
- (2) Authorizing a principal to suspend or expel for a period of time determined by the principal any student who:
 - (A) Physically harms or threatens another person;
 - (B) Has damaged or stolen property belonging to the another person or to the school; or
 - (C) Otherwise poses a danger to others;
- (3) Requiring all parents or guardians of school-age children to attend adult and community education programs pursuant to a court order;
- (4) Authorizing a family court judge to impose a fine of not more than \$1,000 to the person responsible for the child if the child persists in absenting oneself from school; and
- (5) Having the option of suspending the child's driving privileges for one year.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1814, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1814, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Shon, Takamine, Takumi and Yonamine.

SCRep. 1060 Hawaiian Affairs and Housing on S.B. No. 109

The purpose of this bill is to appropriate funds to the Department of Hawaiian Home Lands (DHHL) to develop an incremental plan to place native Hawaiians on Hawaiian home lands and also to authorize the director of the Department of Finance to issue general obligation bonds for infrastructure improvements on Hawaiian Home Lands. The funds are to be expended by the DHHL.

Testimony in strong support of this bill was received from the Office of Hawaiian Affairs and the Democratic Party of Hawaii. The DHHL supports the bill to the extent that it does not displace current budget requests.

Your Committee recognized the importance of proper planning in the process of developing Hawaiian home lands. It was emphasized that the DHHL should continue its ongoing communication with State and county planning agencies.

This companion bill, H.B. 109, had been heard previously by your Committee on January 28, 1995. Upon consideration, the amendments incorporated into H.B. 109 as outlined in HSCR 214 would be incorporated into S.B. 109.

Your Committee has amended the bill to:

- (1) Stipulate that the funds appropriated from general revenues shall be used to update the DHHL General Plan and to develop an incremental plan for infrastructure development and strategies to place qualified Hawaiians on Hawaiian home lands; and
- (2) Require the DHHL to consult with State and county planning agencies in the update of its General Plan.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 109, as amended herein, and

recommends that it pass Second Reading in the form attached hereto as S.B. No. 109, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami, Saiki and Kawanakoa.

SCRep. 1061 Hawaiian Affairs and Housing on S.B. No. 1336

The purpose of this bill is to formally reauthorize the Hui 'Imi Task Force (Task Force) for the implementation phase of the recommendations contained in The Hui 'Imi Task Force on Hawaiian Services report by:

- (1) Establishing the Task Force permanently within the Office of the Lieutenant Governor; and
- (2) Renaming the Task Force as the Hui 'Imi Advisory Council (Advisory Council).

This bill also appropriates \$1 for each year of the 1995-1997 fiscal biennium to staff the Advisory Council.

Testimony in support of this bill was received from the Office of the Lieutenant Governor, the Hui 'Imi Task Force for Hawaiian Services, Catholic Charities, Kamehameha Schools/Bishop Estates, and E Ola Mau.

Your Committee has amended this bill by:

- (1) Deleting the requirement that certain organizations advise the Governor on the appointment of members to the Advisory Council;
- (2) Replacing references to the Senate and House committees with more generic language for flexibility purposes;
- (3) Deleting the staffing requirements;
- (4) Inserting the amount of \$40,500 for each year of the fiscal biennium;
- (5) Requiring that, to the extent possible, the Advisory Council secure external matching funds from nonmembers;
- (6) Adding the word "pono", which means "to see and make right", to the formal name of the Advisory Council; and
- (7) Making technical, nonsubstantive amendments for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1336, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1336, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami, Saiki and Kawanakoa.

SCRep. 1062 Hawaiian Affairs and Housing on S.B. No. 1701

The purpose of this bill is to authorize the Housing Finance and Development Corporation (HFDC) to transfer moneys from the rental assistance revolving fund to the downpayment loan program special fund and the Rental Housing Trust Fund (RHTF).

Your Committee finds that although the downpayment loan program revolving fund was created in 1992, thus far, no appropriations have been made by the Legislature to capitalize the fund. It was further found that because of the high demand for rental housing construction funding, the RHTF is currently on the verge of exhausting its resources. The flexibility to transfer funds will enable the HFDC to use available funds more efficiently and effectively. Currently, the bill transfers \$2.4 million dollars from the rental assistance revolving fund into the RHTF.

Testimony was received in strong support of this bill from the HFDC and the Rental Housing Trust Fund Commission. The Office of Hawaiian Affairs, American Association of Retired Persons, The Carondelet Community of the Sisters of Saint Joseph of Carondelet, Hawaii Catholic Conference, Catholic Charities, and the Affordable Housing Alliance all supported the intent of the bill but recommended that the \$1.5 million dollars allocated to the downpayment loan program revolving fund also should be transferred to the RHTF. This would amount to a total transfer of funds to the RHTF of \$3.9 million. A retired nurse testified in support of the bill.

Upon consideration, your Committee has amended the bill by transferring \$1,500,000 from the rental assistance revolving fund to the Rental Housing Trust Fund rather than the downpayment loan program revolving fund. Section 3 was deleted due to the removal of references to the downpayment loan program revolving fund.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1701, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1701, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Stegmaier.

SCRep. 1063 Education on H.R. No. 62

The purpose of this resolution is to request that public school principals ensure that the operation and maintenance of safe, sanitary, and pleasant restroom facilities is adhered to.

The Department of Education submitted testimony agreeing in principle with the measure, adding that there are already procedures that in effect comply with the resolution. However, should the resolution be adopted, the Department will transmit a copy of the resolution to each principal as part of a directive to emphasize the need to maintain safe, sanitary, and pleasant restroom facilities.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 62 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Lee, Shon, Takamine and Halford.

SCRep. 1064 Education on H.C.R. No. 54

The purpose of this concurrent resolution is to request that public school principals ensure that the operation and maintenance of safe, sanitary, and pleasant restroom facilities is adhered to.

The Department of Education submitted testimony agreeing in principle with the measure, adding that there are already procedures that in effect comply with the resolution. However, should the concurrent resolution be adopted, the Department will transmit a copy of the concurrent resolution to each principal as part of a directive to emphasize the need to maintain safe, sanitary, and pleasant restroom facilities.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 54 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Lee, Shon, Takamine and Halford.

SCRep. 1065 Transportation on S.B. No. 853

The purposes of this bill is to encourage more aesthetically pleasing highways and improve public safety.

This bill seeks to require the Director of Transportation to provide for underground utility facilities when Federal Highway Administration (FHWA) funds are available. Exceptions could be made only after a public hearing is held on the matter after the Director of Transportation determines exceptions are appropriate.

Your Committee on Transportation finds that there is great public support in preserving Hawaii's unparalleled beauty and in saving trees which are currently trimmed in an unsightly manner to make way for utility lines. The use of overhead utility facilities require utility poles which are unsightly and unsafe. Decisions to underground these utility facilities are made on a case by case by the Director of Transportation, in consultation with the utility companies. In some instances however, undergrounding utilities can cost as much as four to nine times the cost of placing them above ground.

Your Committee recognizes the cost concerns of the Director of Transportation and the utility companies. Under the implementation of current law, HRS 264-33, subject to a \$10,000 deductible paid by the utilities, all costs for relocation of utility facilities are shared equally by the State and the utility facility. The FHWA covers 80% of the State's portion and nothing of the utilities' portion. The Director of Transportation expressed concern that since the FHWA provides the State a set amount of monies, as more of the federal subsidy is used for the undergrounding of utilities, the State may have less to fund the cost of highways. The Director expressed a willingness to review the policies of the FHWA and its inclination towards financing undergrounding of utilities.

Since the utilities bear a great amount of the financial burden, they would recover their costs directly from customers through reimbursements or through rate making. If HRS 264-33 were changed to allow the 80% computation be applied before determining the state/utility sharing ratio, more of the undergrounding costs could be borne by the FHWA. Furthermore, in order to stretch the State's dollars even more, and in respect of the fact that the utilities' share is decreased by the 80% sharing with FHWA, the state/utility sharing ratio could be set at a rate that would result in the State's share to be no more than what it computed under current law.

Your Committee received testimony in support of this bill from several members of The Outdoor Circle and a concerned citizen.

Testimony in opposition to this bill was received from the Department of Transportation which indicates that although aesthetics are valued, the bill is too inclusive, without leaving it enough discretion to waive undergrounding. Further testimony in opposition to this bill was received from GTE Hawaiian Tel which recommended an amendment clarifying the language pertaining to exceptions.

Testimony was also received from the Hawaiian Electric Company, Inc. which is not opposed to the concept of underground utilities, but has a conflict when it, as a public utility, is committed to providing reliable service at the lowest practicable cost.

Your Committee has amended this bill to:

- (1) Substitute the word "or" for the word "and" in the exceptions paragraph because it is unreasonable to require the entire list of conditions be satisfied before an exception is granted; and
- (2) Include "economic feasibility" as an additional grounds for exemption in recognition that costs may be prohibitive in certain situations; and
- (3) Require that the Director of Transportation submit an annual report of the hearings rather than a report of each individual hearing.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 853, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 853, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1066 Transportation on S.B. No. 1200

The purpose of this bill, as received by your Committee on Transportation, is to amend the definitions of "thrill craft" and "commercial high speed boating".

Your Committee finds that current definitions of thrill craft and commercial high speed boating are inadequate for providing the Department of Land and Natural Resources (DLNR) the necessary flexibility for regulating such craft.

This bill corrects the inadequacies of present definitions for thrill craft and commercial high speed boating by:

- (1) Expanding the definition of "thrill craft" by adding: "Is designed to provide similar operating performance as a personal watercraft through a combination of small size, power plant, and hull design;"
- (2) Providing that only one of the four defining categories (length, speed, power plant, and design) needs to be present for a personal watercraft to be considered a thrill craft; and
- (3) Broadening the definition of "commercial high speed boating" by replacing the reference to "an open ocean racing boat" with "an open power boat" to allow the State the flexibility of regulating new model designs of the boat manufacturing industry.

Testimony in favor of this bill was heard from the Department of Land and Natural Resources, which also requested an additional revision to the specific reference to "an open ocean racing boat" in the present law.

Your Committee has amended section 2 of this bill by deleting reference to "an open ocean racing boat" and replacing it with "an open power boat" to provide needed flexibility in regulating such watercraft.

Your Committee has further amended section 2 of this bill by adding the words "capable of exceeding 40 miles per hour" after the word "boat."

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1200, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1200, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1067 Human Services and Health on S.B. No. 1028

The purpose of this bill is to ensure, through the establishment of a representative payee system by the Department of Health, that direct cash welfare payments are used by alcohol and other drug addicted General Assistance (GA) recipients for day-to-day living expenses rather than for the purchase of drugs.

The Salvation Army submitted testimony in support of this measure. The Department of Health and the Hawaii Advisory Commission on Drug Abuse and Controlled Substances submitted testimony in support of the intent of the bill. The Department of Human Services and the Legal Aid Society of Hawaii supported the concept of the establishment of a representative payee system, but opposed the deduction of the proportional amount of the cost of the representative payee system from each recipient's payment award. The Protection and Advocacy Agency of Hawaii submitted testimony in opposition to this bill.

It is noted by your Committees that the current method of supporting people disabled by addiction requires modification. Direct cash welfare payments to alcohol and other drug addicted persons can result in money being spent on alcohol and other drugs instead of day-to-day living expenses. Requiring professional representative payees who are not personal friends or relatives of the clients to disburse welfare checks to clients would alleviate this problem.

Your Committees recognize that recipients need access to the full amount of their GA benefits to meet their daily needs. The federal SSI representative payee system allows for the deduction of \$50.00 per month to pay for the cost of an organizational representative payee. However, SSI benefit amounts are annually adjusted to reflect the increase in the cost of living, while GA benefit amounts have been frozen at \$418.00 per month for a single person. Taking into consideration the high cost of living in Hawaii, it would add an additional burden on GA recipients if the cost of the representative payee program were deducted from their payments.

Your Committees also note that there may be legal repercussions of requiring a service as a condition of eligibility and then mandating that the recipient pay for the service.

Your Committees have amended this bill by:

- (1) Clarifying that the GA recipients referred to in this bill are disabled by addictions to "alcohol and other" drugs, rather than just "drugs";
- (2) Adding a purpose clause stating that intent of this Act is to ensure that direct cash welfare payments are used for day-to-day living expenses rather than for the purchase of alcohol and other drugs; and
- (3) Deleting the requirement that the amount necessary to cover the costs of funding the system be deducted from each recipient's payment award.

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1028, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1028, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Arakaki and Stegmaier.

SCRep. 1068 Human Services on H.C.R. No. 4

The purpose of this resolution is to request the Auditor to perform a sunrise review of the regulation of Marriage and Family Therapists.

Kona Coast Internal Medicine, Inc., Comprehensive Counseling Services, the Family Psychologist, Inc., the Hawaii County Community Mental Health Center and sixteen individuals submitted testimony in support of this measure.

It is noted by your Committee that Marriage, Family and Child Therapy is a recognized and regulated Master's or PhD level profession in thirty-five states, and that thirty-three of these states utilize a national examination.

It is also noted by your Committee that there is an immediate need to provide for the standardization of education, experience, and training for Marriage and Family Therapists to ensure the health, safety and welfare of the people of this State.

Your Committee understands that the limited number of referral sources prevents access, by many, in need of family therapy. Currently, only licensed psychologists may accept referrals of families with limited or no resources. The public agencies serving individuals and families with need for therapy services are experiencing difficulty meeting current needs.

Your Committee has amended this resolution by providing the proper House Bill number.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 4, as amended herein, and recommends that it be referred to the Committee on Consumer Protection and Commerce, in the form attached hereto as H.C.R. No. 4, H.D. 1.

Signed by all members of the Committee except Representatives Hamakawa and Pepper.

SCRep. 1069 Higher Education and the Arts on S.B. No. 1398

The purpose of this bill is to transfer the income and capital gains of the State of Hawaii Endowment Fund on a quarterly basis to the State Foundation on Culture and the Arts for the production of music by an Oahu-based symphony orchestra.

Supportive testimony was received from the Executive Director of the Hawaii Symphony Orchestra; the International Longshoremen's and Warehousemen's Union, Local 142; the University of Hawaii Director of Bands; Hanalei School; the Department of Accounting and General Services; and several concerned citizens. The Chairperson of the Honolulu Symphony Society and the Bank of Hawaii submitted testimony in opposition to this measure.

The Bank of Hawaii testified that the Society has assigned the income from the State Endowment to pay off a loan, of which \$298,000 remains outstanding. If the income from the State Endowment was included in the assignment, the loan may be paid off in one year, without it, the loan will be repaid in three years.

The Department of Accounting and General Services stated that according to the Department of the Attorney General, the Legislature established the State Endowment by statute and is competent to change it by statute. The Department of Accounting and General Services recommended that the Committee insert the language from H.B. No. 1409, H.D. 2.

Members of the Committee questioned the high administrative expenses of the Society: \$1,381,000 in fiscal year 1994 and \$450,000 in the last eight months, when the Society has not presented any symphonic concerts since May 1993. The Society still has five employees with a payroll of \$250,000.

Your Committee has amended this bill by deleting the substance and inserting the language reflected in H.B. No. 1409, H.D. 2, which was passed out earlier by the House of Representatives. As amended, the purpose of this bill is to clarify that the income and capital gains of the \$2,000,000 contributed by the State of Hawaii is to be transferred on a quarterly

basis to the State Foundation on the Culture and the Arts to be used for the production of music by an Oahu-based symphony orchestra.

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

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1398, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1398, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Morihara, Takumi, Tarnas and Anderson.

SCRep. 1070 Education on S.B. No. 371

The purpose of this bill is to clarify that the incentive and innovation grants program be used solely for grants.

This bill also requires the submission of an annual report to the Legislature and requires the inclusion of specified information.

The Department of Education submitted testimony supporting the measure and added that their annual report to the Legislature would include, but not be limited to, project evaluations and panel recommendations and the purpose and amount of expenditures of funds.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 371 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Lee and Morihara.

SCRep. 1071 Education on S.B. No. 954

The purpose of this bill is to fund the expansion of the parent-community networking center (PCNC) program in the Department of Education.

Specifically, this bill appropriates \$564,672 and \$1,019,320 in fiscal years 1995-1996 and 1996-1997, respectively, to expand the PCNC program to an additional fifty-one and thirty-four schools in the next fiscal biennium.

The Department of Education testified in support of the intent of the bill and would welcome legislative support if funding is above and beyond the Board of Education's budget priorities. Several concerned parents and educators also testified in support of the bill.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 954, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Shon, Takamine, Takumi and Yonamine.

SCRep. 1072 Education on S.B. No. 1868

The purpose of this bill is to establish mechanisms to study and create a new Education title in the Hawaii Revised Statutes by:

- (1) Establishing an Education Statutory Revision Interim Study Group to be co-chaired by the chairpersons of the Senate and House Committees on Education to:
 - (A) Identify guiding principles for statewide education policies that can be adopted and used to evaluate future education legislation; and
 - (B) Submit a report of its findings and recommendations to the co-chairs prior to the convening of the 1996 Regular Session; and
- (2) Requesting the Legislative Reference Bureau to identify statutes that should be consolidated, amended, or repealed to conform with recent education policy initiatives for the purposes of recodification of the education statutes.

Testimony was submitted by the Department of Education in support of this measure. The Hawaii Business Roundtable added comments on this measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1868, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representative Lee.

SCRep. 1073 Water and Land Use Planning on S.B. No. 889

The purpose of this bill is to make various amendments to the Stadium Authority law.

This bill would:

- (1) Establish a new salary calculation method for Stadium Authority (Authority) management personnel;
- (2) Authorize the stadium manager to hire a secretary;
- (3) Transfer the duties exercised by the Department of Business, Economic Development, and Tourism (DBEDT) with respect to the marketing and promotion of stadium events to the Authority;
- (4) Appropriate an unspecified amount of revenues to carry out the purposes of this bill; and
- (5) Require a management audit of all other sports promotion activities currently performed by DBEDT to determine whether the transfer of those activities to the Authority would be more efficient and cost effective.

The Authority testified in support of this bill and proposed an amendment. DBEDT opposed the provisions that would transfer the promotion and marketing duties to the Authority.

Based on discussions with both parties, your Committee was generally dissatisfied with DBEDT's overall efforts to promote and market the stadium. However, rather than transferring these duties to the Authority, your Committee determined that a collaborative arrangement will bring about the desired outcomes. Accordingly, your Committee has amended this bill by:

- (1) Providing that DBEDT and the Authority shall share, on an equal basis, the powers and duties relating to the planning, promotion, and marketing of the stadium previously performed by DBEDT; in addition, decisions on these matters are to be made by DBEDT in conjunction with the Authority;
- (2) Expanding the Authority's formal powers and duties to include planning, promoting, and marketing the stadium in conjunction with DBEDT;
- (3) Requiring DBEDT to report back to the 1996 Legislature on its efforts to work together with the Authority;
- (4) Deleting general fund support for the hiring of the secretary; and
- (5) Making technical, nonsubstantive revisions for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 889, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 889, S.D. 2, H.D. 1, and be referred to the Committee on Tourism.

Signed by all members of the Committee except Representatives Kanoho, M. Oshiro and Yoshinaga.
(Representatives Meyer and Thielen voted no.)

SCRep. 1074 Consumer Protection and Commerce on S.B. No. 1720

The purpose of this bill is to clarify and correct corporate and partnership provisions in the law and to correct minor inconsistencies between corporate and partnership statutes by:

- (1) Clarifying the procedures of filing certain types of documents with the Department of Commerce and Consumer Affairs, with respect to the Partnerships law;
- (2) Clarifying the purposes and merger provisions of the Hawaii Business Corporation Act;
- (3) Clarifying the definition of "professional service" within the context of the Professional Corporation Act;
- (4) Repealing redundant language from the Articles of Dissolution provision in the Hawaii Nonprofit Corporation Act;
- (5) Clarifying the Hawaii Nonprofit Corporation Act's procedures for companies to withdraw from the state; and
- (6) Clarifying the registration procedures of the Uniform Limited Partnership Act.

These clarifications are intended to assist the Business Registration Division of the Department of Commerce and Consumer Affairs in operating in a more efficient manner in handling documents relating to corporations and partnerships.

Testimony in general support of this administration housekeeping measure was received from the Business Registration Division of the Department of Commerce and Consumer Affairs.

The Hawaii Society of Certified Public Accountants and Coopers & Lybrand L.L.P. submitted testimony requesting that the substantive contents of H.B. No. 668, be incorporated into this bill.

H.B. No. 668 provides for limited liability partnerships (LLP) as an authorized business entity in Hawaii. Basically, the provisions contained in H.B. No. 668 would provide protection of the personal assets of innocent partners in a firm in the event of a malpractice lawsuit. If a partner in a limited liability partnership commits malpractice, that partner would be personally liable without any limitation. Any other partners who participated in the malpractice, or supervised the individuals who committed malpractice would also be personally liable without limit. However, because the personal assets of innocent partners would be protected, only the investment in the firm of the innocent partners would be exposed to liability.

Your Committee would like to emphasize that the substantive provisions contained in H.B. No. 668 would not deprive any injured plaintiff of the right to sue or collect on a judgment. If a plaintiff is injured by the acts of a partner in an LLP, the plaintiff may sue that partner individually, and may also sue the firm. All the assets of the firm would be available to satisfy any judgment obtained by the plaintiff. The entire firm could be liquidated and forced into bankruptcy if the judgment were large enough. Even the innocent partners could lose their entire investment in the firm. The only assets that would be protected would be the personal assets of the innocent partners.

After carefully considering the merits of the bill and the testimony received, your Committee has amended the measure by:

- (1) Deleting the section that proposed to repeal the Business Development Corporations law (chapter 420, Hawaii Revised Statutes);
- (2) Incorporating a modified version of the provisions contained in H.B. No. 668; and
- (3) Making technical, nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1720, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1720, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Herkes, Hiraki, Swain, Tom and White.

SCRep. 1075 Education on S.B. No. 995

The purpose of this bill is to give private schools the sole responsibility in developing a mechanism for credentialing and licensing.

Supportive testimony was submitted by the Department of Education and the Hawaii Association of Independent Schools.

Upon careful consideration, your Committee has amended this bill by deleting the substance and inserting the language reflected in H.B. No. 1819, H.D. 2, which was passed out earlier by the House of Representatives. As amended, the purpose of this bill is to transfer the authority and supervision of independent private schools from the Department of Education to a commission for the purposes of licensing private schools and teacher certification.

Your Committee finds that this bill would provide some guidance and structure for private schools to assume the responsibility for independent governance, including the certification of teachers.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 995, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 995, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Arakaki and Lee.

SCRep. 1076 Education on S.B. No. 1296

The purpose of this bill is to amend certain provisions related to the establishment and operation of student-centered schools by:

- (1) Repealing the limit of twenty-five student-centered schools;
- (2) Exempting student-centered schools from Board of Education policies and Hawaii administrative rules;
- (3) Exempting student-centered schools from state procurement laws; and
- (4) Providing that the implementation plan for a student-centered school be approved by a simple majority of parents attending a public meeting at which a vote is taken on the plan; provided that the local school board has made multiple attempts to inform the parents about the plan and given sufficient notice about the public meeting.

The Department of Education testified that it did not concur with this measure.

Upon careful consideration, your Committee has amended this bill by:

- (1) Retaining the provision that limits up to twenty-five student-centered schools;

- (2) Providing that the implementation plan be approved by three-fifths of the school's students;
- (3) Providing that the implementation plan be approved by three-fifths of the parents voting at the public meeting either in person or by proxy;
- (4) Clarifying that the local school board make various attempts to inform the parents about the plan, instead of multiple attempts; and
- (5) Making technical, nonsubstantive amendments for purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1296, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1296, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki and Lee.

SCRep. 1077 Education on S.B. No. 1906

The purpose of this bill is to allow the Department of Education to initiate the next viable capital improvement project from a supplemental "B" project list if a project from the priority "A" list is delayed.

Supporting testimony was received from the Hawaii State Teachers Association, the Department of Education, and the Department of Accounting and General Services.

Your Committee has amended this bill by:

- (1) Clarifying that the supplemental "B" list will consist of all projects in the budget that are approved by the Board of Education and submitted to the Legislature that fall beyond the \$90 million ceiling; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1906, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1906, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Lee, Shon, Takamine, Yonamine and Halford.

SCRep. 1078 Hawaiian Affairs and Housing on S.B. No. 926

The purpose of this bill is to allow financial services loan companies to charge nonrefundable discount, points, loan fees, and loan origination charges, on consumer loans made to a lessee of land subject to the Hawaiian Homes Commission Act.

Your Committee finds that under the Hawaiian Homes Commission Act, a loan on a lessee's leasehold interest is permitted only through those few lenders who are insured by the Farmers Home Administration, Federal Housing Administration, or Veterans Administration. Until recently, those lenders have provided only permanent long-term loans, and no financing for construction or home improvement loans were available. Your Committee further finds that financial services loan companies are interested in making unsecured and home equity loans to Hawaiian home lands lessees but they find it uneconomical to provide these loans because points cannot be charged pursuant to section 412:9-304(4)(b), Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 926 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Kawakami, Saiki and Kawananaoia.

SCRep. 1079 Hawaiian Affairs and Housing on S.B. No. 1748

The purpose of this bill is to amend section 521-64, Hawaii Revised Statutes (HRS), to increase the tenant's remedy of repair and deduction for minor defects from \$300 to \$500.

Under the Residential Landlord-Tenant Code, Section 521-64, HRS, a tenant, in the circumstances specified, may perform repairs to the rented premises and deduct the cost from the following month's rent. The amount deducted presently may not exceed \$300. When the Residential Landlord-Tenant code was first enacted in 1972, the amount was \$100. The amount was raised to \$200 in 1975. The current \$300 figure was put into the law in 1981.

Testimony in support for this bill was received by the Department of Commerce and Consumer Affairs and the Legal Aid Society of Hawaii. Your Committee finds that the incremental increase does not keep up with inflation but agrees that the adjustment to \$500 is timely and appropriate.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1748, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representative Stegmaier.

SCRep. 1080 Hawaiian Affairs and Housing on S.B. No. 1817

The purpose of this bill is to amend chapter 521, Hawaii Revised Statutes (HRS), to establish provisions relating to a tenant's remedy for a landlord's failure to honor tenancy before occupancy.

Favorable testimony was received by the Department of Commerce and Consumer Affairs and the Legal Aid Society of Hawaii.

The scenario addressed in the bill arises when a landlord and a prospective tenant reach an agreement to rent a dwelling unit. Before the commencement of the tenancy, however, one of the parties decides not to go through with the bargain. If it is the tenant who reneges, the landlord has a remedy provided in section 521-70(e), HRS. If it is the landlord who reneges, however, there presently is no remedy set forth in chapter 521, HRS.

Your Committee finds that the enactment of this measure will address the imbalance that currently exists in chapter 521, HRS, by creating a tenant's remedy which is parallel to the existing landlord's remedy and provide the tenant with relief that may otherwise be denied.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1817, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representative Stegmaier.

SCRep. 1081 Hawaiian Affairs and Housing on S.B. No. 1910

The purpose of this bill is to provide residents of the Del Monte pineapple plantation camps at Poamoho and Kunia with some assurance of stability in their housing situation.

This bill appropriates an unspecified amount of funds to plan for the transfer of these camps from pineapple plantation housing to collective ownership.

Your Committee finds that Del Monte operates two pineapple plantation camps in Kunia and Poamoho in central Oahu. Although the houses are owned by Del Monte, the Galbraith Estate owns the land. Currently, Del Monte has no plans to close down its pineapple operations. However, the situation could quickly change, given the pineapple industry's fragile nature and the fact that the plantation operates on leased land.

Past experience indicates that there may be difficulties involved in making the transition from plantation camp rental homes to resident control. Because considerable planning, coordination, and funds will be required, your Committee finds that it is prudent to begin developing a plan for this eventual possibility.

The ILWU Local 142 testified in support of this bill.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1910, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami, Saiki and Stegmaier.

SCRep. 1082 Consumer Protection and Commerce on S.B. No. 1670

The purpose of this bill is to allow the Radiologic Technology Board (Board) to regulate the licensure of technologists efficiently and consistently with nationally-accepted essentials to ensure public health and safety by, among other things:

- (1) Specifying a continuing education requirement for license renewal;
- (2) Requiring licensure of nuclear medicine technologists;
- (3) Adding to the Board, a member who is certified and engaged in the practice of nuclear medicine technology; and
- (4) Updating the eligibility requirements for licensure of technologists in radiography and radiation therapy technology.

The establishment of continuing education for licensees and the addition of nuclear medicine technologists to the Board is intended to provide the basis for the profession to stay abreast with technological advances and introduce qualifications for those administering radiopharmaceuticals.

Testimony in support of this measure was received from the Department of Health, the Radiologic Technology Board, and a concerned citizen.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1670, S.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Herkes, Hiraki, Swain, Tom and White.

SCRep. 1083 Consumer Protection and Commerce on S.B. No. 1714

The purpose of this bill is to implement the requirements under the Omnibus Budget Reconciliation Act of 1993, that mandates states to implement certain group health insurance and Medicaid program requirements that impact states' insurance laws.

More specifically, among other things, this bill:

- (1) Prohibits health insurers from taking Medicaid eligibility into account, when enrolling individuals or in making any benefit payments;
- (2) Sets forth the state's right to third party payments with respect to the state's medical assistance plan;
- (3) Enumerates the requirements of insurers and the obligations of employers, regarding health care coverage for children;
- (4) Provides for the recoupment of amounts spent on child medical care; and
- (5) Establishes requirements for health care coverage of adopted children.

Your Committee notes that failure to enact the provisions contained in this bill will result in the withholding of certain federal Medicaid matching funds.

Testimony in support of this measure was received from the Insurance Commissioner.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1714 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Herkes, Hiraki, Swain, Tom and White.

SCRep. 1084 Hawaiian Affairs and Housing on H.R. No. 48

The purpose of this resolution is to urge the Department of Education to continue the Hawaiian Immersion Program and establish cultural sensitivity programs for all of its employees to improve the cultural competence of staff.

Testimony was received in support of this measure from the Department of Education and the Association of Hawaiian Civic Clubs.

It was clarified that a copy of this resolution would be transmitted to all legislators. Consequently, your Committee amended this bill by removing the requirement that certified copies be transmitted to Native Hawaiian legislators.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 48, as amended herein, and recommends that it be referred to the Committee on Education, in the form attached hereto as H.R. No. 48, H.D. 1.

Signed by all members of the Committee except Representatives Hamakawa, Saiki and Stegmaier.

SCRep. 1085 Hawaiian Affairs and Housing on H.C.R. No. 40

The purpose of this concurrent resolution is to urge the Department of Education to continue the Hawaiian Immersion Program and establish cultural sensitivity programs for all of its employees to improve the cultural competence of staff.

Testimony was received in support of this measure from the Department of Education and the Association of Hawaiian Civic Clubs.

It was clarified that a copy of this concurrent resolution would be transmitted to all legislators. Consequently, your Committee amended this bill by removing the requirement that certified copies be transmitted to Native Hawaiian legislators.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 40, as amended herein, and recommends that it be referred to the Committee on Education, in the form attached hereto as H.C.R. No. 40, H.D. 1.

Signed by all members of the Committee except Representatives Hamakawa, Saiki and Stegmaier.

SCRep. 1086 Water and Land Use Planning on S.B. No. 75

The purpose of this bill is to provide for the expansion of the Hanalei Elementary School campus on Kauai, by approving a proposed land exchange of 4.8 acres of ceded State-owned lands at Hanalei for 2.87 acres of privately-held lands at Waioli.

The undersized Hanalei Elementary School is in desperate need for additional space to accommodate a new library, cafeteria, and playground area to meet the needs of its growing student body. Given the State's financial limitations, a land exchange is a preferable option to the outright purchase of the land.

The following agencies and organizations testified in support of this bill: Hanalei Elementary School; the Department of Education; the Department of Accounting and General Services; and the Department of Land and Natural Resources. The Office of Hawaiian Affairs also submitted comments.

On February 7, 1995, your Committee held a public hearing on its companion bill, H.B. No. 131, and supported the passage of that measure.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 75 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kanoho and Yoshinaga.

SCRep. 1087 Water and Land Use Planning on S.B. No. 287

The purpose of this bill is to ensure that irrigation projects are maintained as the agricultural industry goes through the transition from sugar production to diversified agriculture.

This bill would:

- (1) Authorize the Department of Agriculture (Department) to utilize revenue bonds to finance the cost of construction, acquisition, or maintenance of any water facility or irrigation project;
- (2) Establish an irrigation water development special fund, into which shall be deposited revenues derived from the issuance of revenue bonds; and
- (3) Authorize the Department to issue an unspecified amount of revenue bonds and appropriate an unspecified sum from the irrigation water development special fund.

The following agencies and organizations testified on this bill: the Board of Agriculture; the Hawaii Farm Bureau Federation; Kamehameha Schools/Bishop Estate; the City and County of Honolulu's Board of Water Supply; and Koolau Agricultural Co.

Upon further consideration, your Committee has amended this bill by deleting the substance, and inserting therefor, the substance of H.B. No. 704, H.D. 3. This bill authorizes the Board of Agriculture to plan for the transition of existing agricultural water systems of plantations ceasing or planning to cease sugar operations.

Your Committee notes that H.B. No. 704 passed out of the House of Representatives earlier this session after public hearings before your Committee as well as the Committees on Agriculture and Finance.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 287, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 287, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kanoho and Yoshinaga.
(Representatives Meyer and Thielen voted no.)

SCRep. 1088 Water and Land Use Planning on S.B. No. 593

The purpose of this bill is to expedite the negotiation process to provide long-term State leases to certain permittees who have occupied those State lands on a month-to-month basis for long periods of time.

This bill would amend Act 237, Session Laws of Hawaii 1988, by:

- (1) Extending the repeal date of Act 237 from July 1, 1995, to July 1, 1996; and
- (2) Providing that if the necessary appraisals are not completed before December 31, 1995, the annual lease rent shall be based on real property assessed valuations of the respective properties as of December 31, 1995, at an annual rate of return of three percent.

Your Committee concurs with the recommendation of the Department of Land and Natural Resources and has amended this bill by increasing the annual rate of return from three percent to three and one-half percent. The amended rate of return reflects the current rate that the Department utilizes.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 593, S.D. 1, as amended herein, and

recommends that it pass Second Reading in the form attached hereto as S.B. No. 593, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kanoho and Yoshinaga.

SCRep. 1089 Water and Land Use Planning on S.B. No. 1650

The purpose of this bill is to enable the Department of Land and Natural Resources (DLNR) to complete a land exchange with the George Galbraith Estate involving private lands north of Wahiawa, Oahu, for public lands in Kapolei, Oahu.

Act 177, Session Laws of Hawaii 1994, provided legislative approval for this land exchange. However, Act 177 is automatically repealed on June 30, 1995. This bill would extend the repeal date of this authorization to June 30, 1996, to provide additional time for this land exchange to be completed.

DLNR and the Office of Hawaiian Affairs testified in support of this bill.

Your Committee has amended this bill to make June 29, 1995, the effective date of this bill. The purpose of this amendment is to avoid the possibility of having this bill become law after Act 177 has already been repealed. This is consistent with the amendment made by the House to its companion bill, H.B. No. 2017, H.D. 1.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1650, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1650, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kanoho and Yoshinaga.

SCRep. 1090 Ocean Recreation and Marine Resources on S.B. No. 1642

The purpose of the bill is to establish criminal penalties for any person operating a recreational vessel in state waters while under the influence of intoxicating liquor. This bill provides for testing and establishes penalties for refusal to submit to testing.

Testimony in support to this bill was received from the Department of Public Safety expressing their belief that impaired operators should not operate vessels in state waters. The Department of Land and Natural Resources testified in support of the bill insofar as Hawaii is one of only eight states that does have legislation in place to address this issue. Written testimony was also received from The National Coast Guard, Mothers Against Drunk Driving and a concerned citizen.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1642, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Nekoba, Shon and Anderson.

SCRep. 1091 Legislative Management on S.B. No. 1291

The purpose of this bill is to provide greater openness in the proceedings of the State Ethics Commission (Commission) by:

- (1) Increasing the statute of limitations for violations of Chapter 84 (Chapter 84), Hawaii Revised Statutes, to begin from the date of discovery by the Commission;
- (2) Repealing the provision making it felony offense, or making a legislator subject to discipline under the State Constitution, to:
 - (A) Divulge information about a charge prior to the issuance of the complaint by the Commission;
 - (B) Divulge information about a charge at any time, if the investigation discloses that a complaint should not be issued by the Commission; or
 - (C) Divulge the contents of the disclosures except as permitted by Chapter 84;
- (3) Making the Commission's proceedings public upon the Commission's determination of probable cause that a Chapter 84 violation may have occurred;
- (4) Requiring hearings to be open to the public and providing that Commission decisions and findings are matters of public record;
- (5) Making public any disciplinary action taken against a state official or employee who has violated Chapter 84;
- (6) Providing sanctions for frivolous charges; and
- (7) Authorizing the Commission to prevent the disclosure of the identity of a person in published decisions or opinions when the identity of the person is not otherwise a matter of public record.

The State Ethics Commission, the Office of Information Practices, the League of Women Voters, and Common Cause Hawaii submitted testimony supporting the intent of this measure. The State Ethics Commission also recommended amending the provision regarding frivolous charges.

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

- (1) Clarifying that if an informal advisory opinion indicates probable cause that there has been a violation, the person charged must request a formal opinion or comply with the informal advisory opinion within a reasonable time; and
- (2) Providing clarification that there is a sanction for frivolous charges and defenses on the part of either party.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1291, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1291, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Say, Okamura, Souki and Thielen.

SCRep. 1092 Labor and Public Employment on S.B. No. 1218

The purpose of this bill is to require the following bargaining units:

- (1) Bargaining Unit 2 (Supervisory Employees in Blue Collar Positions);
- (2) Bargaining Unit 3 (Nonsupervisory Employees in White Collar Positions);
- (3) Bargaining Unit 4 (Supervisory Employees in White Collar Positions);
- (4) Bargaining Unit 6 (Educational Officers and Other Personnel of the Department of Education under the same salary schedule);
- (5) Bargaining Unit 8 (Personnel of the University of Hawaii and the Community College System, other than Faculty);
- (6) Bargaining Unit 9 (Registered Professional Nurses);
- (7) Bargaining Unit 10 (Institutional, Health, and Correctional Workers); and
- (8) Bargaining Unit 13 (Professional and Scientific Employees, other than Registered Professional Nurses),

to rely on binding arbitration as a means of settling disputes over the terms of an initial or renewed agreement.

Testimony in support of this measure was submitted by the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO, and the Hawaii State Fire Fighters Association.

The Department of Personnel of the City and County of Honolulu supported the extension of binding arbitration for Bargaining Units 9 and 10.

The United Public Workers, AFSCME, Local 646, AFL-CIO, requested that Bargaining Unit 10 be removed from the provisions of this measure because H.B. No. 1586, H.D. 2, specifically includes only Bargaining Unit 10 in the binding arbitration process.

The State of Hawaii Organization of Police Officers supported this measure but expressed opposition to any changes to the existing tripartite arbitration panel.

The Office of Collective Bargaining and the Department of Human Resources Development supported the intent of this measure, but suggested that it might be more prudent to first review any impacts on the State's Collective Bargaining law.

Upon further consideration, your Committee has amended this measure so that Bargaining Unit 10 would not be subject to binding arbitration. Other technical, nonsubstantive amendments were made for purposes of consistency, style, and clarity.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1218, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1218, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1093 Labor and Public Employment on S.B. No. 1749

The purpose of this bill is to give the Hawaii Public Broadcasting Authority (HPBA) more managerial and financial flexibility in the administration of its exempt employees by providing that:

- (1) Full-time permanent exempt professional and technical employees of the HPBA be hired on a contractual basis not to exceed one year;
- (2) Renewal or nonrenewal notification be given thirty days before the contract expires; and
- (3) Nonrenewals would not be subject to review by the HPBA Board.

The HPBA submitted testimony in support with recommendations for revisions. The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO, submitted testimony in opposition.

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

- (1) Providing that nonrenewals would be subject to review by the HPBA Board; and
- (2) Deleting the effective date of this bill.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1749, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1749, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1094 Labor and Public Employment on H.C.R. No. 49

The purpose of this concurrent resolution is to request the Auditor to study the administration and functioning of the Special Compensation Fund (Fund) of the Workers' Compensation System.

Specifically, the Auditor is requested to determine whether the Fund would function more effectively and efficiently:

- (1) As a separate entity with its own administrator and staff devoted solely to its specific purposes; or
- (2) Placed administratively in an agency other than the Department of Labor and Industrial Relations.

The Fund is a critical component of the existing workers' compensation system. Because there are several responsible agencies involved in the Fund's operation, your Committee agrees that a study is necessary to determine how to best facilitate the timely collection of assessments and payment of workers' compensation benefits.

The Hawaii Nurses' Association and the ILWU Local 142 submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 49 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee.

SCRep. 1095 Higher Education and the Arts on S.B. No. 875

The purpose of this bill is to provide that Section 4 of Act 281, Session Laws of Hawaii 1994, is to take effect retroactive to June 29, 1994.

The University of Hawaii submitted testimony in support of this measure. The Legislative Reference Bureau and the Department of Budget and Finance submitted comments on this measure.

Your Committee is concerned that the University of Hawaii, with its increased autonomy, has not always performed with prudence or competence. Specifically, your Committee cites the recent problems associated with the faculty housing project in Manoa, in which the project was built without legislative authority to issue bonds. Your Committee expresses its desire to see a more professional demonstration of its autonomy.

Your Committee has amended this bill by:

- (1) Extending the repeal date to June 30, 2000;
- (2) Deleting the provision where Section 4 of Act 281, Session Laws of Hawaii 1994, is to take effect on June 29, 1994; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 875, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 875, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Morihara, Takumi, Tarnas and Anderson.

SCRep. 1096 Higher Education and the Arts on S.B. No. 987

The purpose of this bill is to extend the carryover provision of up to five percent of the University of Hawaii's general fund appropriation until June 30, 2000.

The University of Hawaii submitted testimony in support of this measure.

Upon careful consideration, your Committee has amended this bill by:

- (1) Providing that Sections 37-34, 37-35, 37-36, 37-37, and 37-74, Hawaii Revised Statutes, be reenacted in the form in which those sections read on June 29, 1994; and as further amended by Sections 5, 6, 7, 8, and 9 of Act 281, Session Laws of Hawaii 1994; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 987, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 987, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Morihara, Shon, Stegmaier, Yonamine and Halford.

SCRep. 1097 Health on S.B. No. 588

The purpose of this bill is to authorize the issuance of special purpose revenue bonds to finance the costs of improvements and asbestos removal at the Maunalani Nursing Center and to assist with the compliance with current and anticipated legal requirements of the American with Disabilities Act.

Your Committee finds that the nursing center provides necessary skilled nursing and intermediate care services to residents. The center serves patients with coverage under medicare, medicaid, and private insurance. The purposes for this additional source of revenue appear to be valid, but it would be helpful as this bill went through the legislative process, if more information was obtained as to exactly what these funds would be used for and if it will result in the expansion of the center.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 588, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Chun Oakland, Saiki and Stegmaier.

SCRep. 1098 Health on S.B. No. 1245

The purpose of this bill is to decrease the size of the Hawaii State Coordinating Council on Deafness and the Commission on Persons with Disabilities.

Specifically, this bill:

- (1) Reduces the membership of the Hawaii State Coordinating Council on Deafness from twenty one to thirteen persons;
- (2) Repeals the provisions:
 - (A) Requiring the council to consist of (i) seven representatives of state or county agencies, and (ii) seven members of the public who have an interest in deaf, hard-of-hearing, or deaf-blind persons; and
 - (B) Requiring council members who are certified or locally screened interpreters to also be (i) deaf, hard-of-hearing, or deaf-blind, or immediate family members of deaf, hard-of-hearing, or deaf-blind persons, or (ii) members of the public who have an interest in deaf, hard-of-hearing, or deaf-blind persons;
- (3) Reduces the number of council members who may be certified or locally screened interpreters from four to two persons;
- (4) Requires the council to consist of at least one resident from each of the counties;
- (5) Specifies that seven council members constitute a quorum to conduct business, and that a concurrence of the majority of the members of the quorum is necessary to validate any act of the council;
- (6) Reduces the size of the Commission on Persons with Disabilities from twenty-three voting and nonvoting members to nine voting members;
- (7) Requires (A) all nine members of the commission to be appointed by the Governor, and (B) the commission to consist of at least five, rather than nine, persons with disabling conditions, or parents or guardians of the same;

- (8) Repeals the provisions (A) requiring the Directors of Health, Human Services, Labor and Industrial Relations, Human Resources Development, and Transportation; the Comptroller; the Superintendent of Education; and the President of the University of Hawaii, or their representatives, to be ex officio nonvoting members of the commission, and (B) allowing only nongovernmental members to be elected chairperson of the commission; and
- (9) Specifies that five, rather than eight, members of the commission constitutes a quorum to do business.

Your Committee finds that this bill will streamline the operations of the Hawaii State Coordinating Council on Deafness and the Commission on Persons with Disabilities. Your Committee also finds that decreasing the size of the council and the commission will enable each to function more effectively and efficiently. Although the size of the council and commission will decrease, your Committee believes that it is very important that state agency input be continued.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1245, S.D. 2, and recommends that it pass Second Reading and be referred to Committee on Finance.

Signed by all members of the Committee except Representatives Chun Oakland, Saiki and Stegmaier.

SCRep. 1099 Health on S.B. No. 1742

The purpose of this bill is to strengthen licensing requirements for pharmacists, including requiring each applicant for license as a pharmacist to submit evidence to the Board of Pharmacy that the applicant has not had any disciplinary action taken when licensed in any other state. The bill also allows pharmacists to fill prescriptions from any practitioner licensed to prescribe prescription drugs rather than specifying classifications of practitioners.

Your Committee supports the intent of the bill, but prefers H.B. No. 1940, H.D. 1, which was approved by the House earlier in the session and incorporates amendments that improve the bill.

S.B. No. 1742 has been amended by:

- (1) Requiring applicants to submit evidence of not having a pending disciplinary action or unresolved complaint when licensed by any other state;
- (2) Removing automatic eligibility for licensure in Hawaii under reciprocity provisions for pharmacists from other states who have disciplinary action pending or unresolved complaints; and
- (3) Making technical, nonsubstantive revisions for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1742, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1742, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representative Saiki.

SCRep. 1100 Health and Human Services on S.B. No. 1688

The purpose of this bill is to specify reimbursement amounts provided to operators of adult residential care homes.

These amounts reflect those appropriations contained in the budget proposed by the Governor.

The Department of Human Services testified in support of the intent of this measure. The Kokua Council for Senior Citizens submitted testimony strongly supporting this measure.

Your Committees find that this measure clarifies the amount of the current state supplement approved by various budget acts and updates the minimum state supplements which Hawaii is required to pay by federal regulations.

Your Committees have amended this bill by specifying that the payment amounts are maximum amounts, rather than specific amounts.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1688, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1688, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Arakaki and Stegmaier.

SCRep. 1101 Health on S.B. No. 484

The purpose of this bill is to establish a procedure for the selection of the members of the Physician Assistant Advisory Committee.

Testifying in support of the bill, the Board of Medical Examiners noted that it worked with the Hawaii Association of Physician Assistants in developing language for the bill.

Your Committee has amended the bill as follows:

- (1) Stating that the Chairperson of the Board of Medical Examiners should be encouraged to "appoint," rather than "nominate," one member from the Neighbor Islands;
- (2) Considering all members of the Physician Assistant Advisory Committee in the selection of the representative to the Board of Medical Examiners rather than requiring the Chairperson to be the representative; and
- (3) Making technical, nonsubstantive revisions for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 484, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 484, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee.

SCRep. 1102 Tourism on H.R. No. 146

The purpose of this resolution is to request the governor to convene an advisory task force to study the feasibility of establishing in Hawaii an annual National Collegiate Athletic Association football championship.

Your Committee received testimony in support of this resolution from the Department of Business, Economic Development, and Tourism, and the Hawaii Visitors Bureau.

Your Committee finds that the proposal would fill a need for a system to determine a national collegiate football champion. Having the event in Hawaii would generate additional travel to Hawaii, provide considerable media exposure of Hawaii, and develop Hawaii as a sports center, diversifying the tourism industry away from the casual vacation travel market.

The success of the NFL Pro Bowl has already set a precedent, demonstrating the feasibility of large-scale events in Hawaii.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 146 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.

SCRep. 1103 Tourism on H.C.R. No. 141

The purpose of this concurrent resolution is to request the governor to convene an advisory task force to study the feasibility of establishing in Hawaii an annual National Collegiate Athletic Association football championship.

Your Committee received testimony in support of this concurrent resolution from the Department of Business, Economic Development, and Tourism, and the Hawaii Visitors Bureau.

Your Committee finds that the proposal would fill a need for a system to determine a national collegiate football champion. Having the event in Hawaii would generate additional travel to Hawaii, provide considerable media exposure of Hawaii, and develop Hawaii as a sports center, diversifying the tourism industry away from the casual vacation travel market.

The success of the NFL Pro Bowl has already set a precedent, demonstrating the feasibility of large-scale events in Hawaii.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 141 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.

SCRep. 1104 Tourism on H.R. No. 154

The purpose of this resolution is to request the Office of the Auditor to evaluate the Tourism Training Council and review the following areas:

- (1) The council's objectives;
- (2) Whether the council should remain within the Department of Labor and Industrial Relations or be transferred to the Department of Business, Economic Development, and Tourism;
- (3) Whether the council should continue to exist; and
- (4) Other areas deemed appropriate by the Auditor.

Your Committee received testimony offering comments on this resolution from the Department of Labor and Industrial Relations, the Tourism Training Council, the Hotel Employees and Restaurant Employees Union, and Kapiolani Community College Office of Community Services.

Your Committee finds that the Tourism Training Council has a long history of effectively initiating and developing visitor industry training programs, such as the Big Island circuit rider, travel and tourism academies in high schools, management classes on neighbor islands, tour guide certification, and aloha spirit training. After successful initialization, the programs transferred to other agencies to avoid duplication and minimize cost.

Your Committee revised this resolution by:

- (1) Removing from the areas to be covered by the Auditor the item on the continued existence of the council; and
- (2) Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 154, as amended herein, and recommends that it be referred to the Committee on Labor and Public Employment, in the form attached hereto as H.R. No. 154, H.D. 1.

Signed by all members of the Committee except Representative Lee.

SCRep. 1105 Tourism on H.C.R. No. 148

The purpose of this concurrent resolution is to request the Office of the Auditor to evaluate the Tourism Training Council and review the following areas:

- (1) The council's objectives;
- (2) Whether the council should remain within the Department of Labor and Industrial Relations or be transferred to the Department of Business, Economic Development, and Tourism;
- (3) Whether the council should continue to exist; and
- (4) Other areas deemed appropriate by the Auditor.

Your Committee received testimony offering comments on this concurrent resolution from the Department of Labor and Industrial Relations, the Tourism Training Council, the Hotel Employees and Restaurant Employees Union, and Kapiolani Community College Office of Community Services.

Your Committee finds that the Tourism Training Council has a long history of effectively initiating and developing visitor industry training programs, such as the Big Island circuit rider, travel and tourism academies in high schools, management classes on neighbor islands, tour guide certification, and aloha spirit training. After successful initialization, the programs transferred to other agencies to avoid duplication and minimize cost.

Your Committee revised this concurrent resolution by:

- (1) Removing from the areas to be covered by the Auditor the item on the continued existence of the council; and
- (2) Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 148, as amended herein, and recommends that it be referred to the Committee on Labor and Public Employment, in the form attached hereto as H.C.R. No. 148, H.D. 1.

Signed by all members of the Committee except Representative Lee.

SCRep. 1106 Hawaiian Affairs and Housing on H.R. No. 119

The purpose of this resolution is to encourage all of the state's educational systems to promote bilingualism for all citizens, especially with regard to the native languages of Hawaii and the Pacific.

Your Committee notes that both the State Constitution as well as statutory law provide that the Hawaiian language is one of the official languages of the state. Therefore, special emphasis should be given to the teaching and study of the Hawaiian language.

Your Committee received testimony in support of this resolution from the Superintendent of Education and from the Chair of the Department of Hawaiian and Indo-Pacific Languages and Literatures at the University of Hawaii at Manoa.

As affirmed by the records of votes of the members of your Committee on Hawaiian Affairs and Housing, that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 119 and recommends that it be referred to the Committees on Education and Higher Education and the Arts.

Signed by all members of the Committee except Representatives Hamakawa, Saiki and Stegmaier.

SCRep. 1107 Hawaiian Affairs and Housing on H.C.R. No. 111

The purpose of this concurrent resolution is to encourage all of the state's educational systems to promote bilingualism for all citizens, especially with regard to the native languages of Hawaii and the Pacific.

Your Committee notes that both the State Constitution as well as statutory law provide that the Hawaiian language is one of the official languages of the state. Therefore, special emphasis should be given to the teaching and study of the Hawaiian language.

Your Committee received testimony in support of this concurrent resolution from the Superintendent of Education and from the Chair of the Department of Hawaiian and Indo-Pacific Languages and Literatures at the University of Hawaii at Manoa.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing, that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 111 and recommends that it be referred to the Committees on Education and Higher Education and the Arts.

Signed by all members of the Committee except Representatives Hamakawa, Saiki and Stegmaier.

SCRep. 1108 Hawaiian Affairs and Housing on H.R. No. 191

The purpose of this resolution is to request a study by the Legislative Auditor into the management and operation of the Kupuna Program within the Hawaiian Studies Program of the Department of Education, in light of reports that the intentions of the Hawaiian Studies/Kupuna Program are not being implemented in some school districts and schools, and that the designated funds are being used for purposes unrelated to Hawaiian studies.

The Office of Hawaiian Affairs and the Oahu District Council - Association of Hawaiian Clubs submitted testimony in support of this measure. The Department of Education submitted testimony reflecting its opinion that the resolution was unnecessary, but that it would cooperate if the Legislature proceeds with the legislative audit.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 191 and recommends that it be referred to the Committee on Education.

Signed by all members of the Committee except Representatives Saiki, Stegmaier and Kawanakoa.

SCRep. 1109 Hawaiian Affairs and Housing on H.C.R. No. 191

The purpose of this concurrent resolution is to request a study by the Legislative Auditor into the management and operation of the Kupuna Program within the Hawaiian Studies Program of the Department of Education, in light of reports that the intentions of the Hawaiian Studies/Kupuna Program are not being implemented in some school districts and schools, and that the designated funds are being used for purposes unrelated to Hawaiian studies.

The Office of Hawaiian Affairs and the Oahu District Council - Association of Hawaiian Clubs submitted testimony in support of this measure. The Department of Education submitted testimony reflecting its opinion that the concurrent resolution was unnecessary, but that it would cooperate if the Legislature proceeds with the legislative audit.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 191 and recommends that it be referred to the Committee on Education.

Signed by all members of the Committee except Representatives Saiki, Stegmaier and Kawanakoa.

SCRep. 1110 Hawaiian Affairs and Housing on H.R. No. 194

The purpose of this resolution is to urge the Department of Education to look into the possibility of establishing a voyaging program with Na Kalaiwa'a Moku O Hawai'i and report its findings and recommendations to the Legislature no later than twenty days prior to the convening of the Regular Session of 1996.

The State of Hawai'i, Office of Hawaiian Affairs submitted testimony in support of the passage of this resolution. The Department of Education (Department) submitted testimony stating that this resolution is not necessary as this area of study is already integrated into the Department's Hawaiian studies curriculum.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 194 and recommends that it be referred to the Committee on Education.

Signed by all members of the Committee except Representatives Kawakami, Saiki and Stegmaier.

SCRep. 1111 Hawaiian Affairs and Housing on H.C.R. No. 197

The purpose of this concurrent resolution is to urge the Department of Education to look into the possibility of establishing a voyaging program with Na Kalaiwa'a Moku O Hawai'i and report its findings to the Legislature no later than twenty days prior to the convening of the Regular Session of 1996.

The State of Hawai'i, Office of Hawaiian Affairs submitted testimony in support of the passage of this measure. The Department of Education (Department) submitted testimony stating that this concurrent resolution is not necessary as this area of study is already integrated into the Department's Hawaiian studies curriculum.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 197 and recommends that it be referred to the Committee on Education.

Signed by all members of the Committee except Representatives Kawakami, Saiki and Stegmaier.

SCRep. 1112 Hawaiian Affairs and Housing on H.R. No. 216

The purpose of this resolution is to request that public agencies charged with the development of public lands give appropriate consideration to native Hawaiian cultural concerns in addition to their consideration of such things as environmental, economic, and technical impacts, and that this be made a part of their approval and permitting processes.

Your Committee finds that existing state laws do not contain specific provisions mandating an analysis of the effects of land development on the specific rights of native Hawaiians, their culture, and their traditions. Agencies charged with land development responsibilities often fail to assess the impacts of such development on these specifically Hawaiian concerns.

Your Committee received testimony in support of the measure from the Chair of the Board of Land and Natural Resources.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 216 and recommends that it be referred to the Committee on Water and Land Use Planning.

Signed by all members of the Committee except Representatives Saiki, Stegmaier and Kawanakoa.

SCRep. 1113 Hawaiian Affairs and Housing on H.C.R. No. 221

The purpose of this concurrent resolution is to request that public agencies charged with the development of public lands give appropriate consideration to native Hawaiian cultural concerns in addition to their consideration of such things as environmental, economic, and technical impacts, and that this be made a part of their approval and permitting processes.

Your Committee finds that existing state laws do not contain specific provisions mandating an analysis of the effects of land development on the specific rights of native Hawaiians, their culture, and their traditions. Agencies charged with land development responsibilities often fail to assess the impacts of such development on these specifically Hawaiian concerns.

Your Committee received testimony in support of the measure from the Chair of the Board of Land and Natural Resources.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 221 and recommends that it be referred to the Committee on Water and Land Use Planning.

Signed by all members of the Committee except Representatives Saiki, Stegmaier and Kawanakoa.

SCRep. 1114 Hawaiian Affairs and Housing on H.R. No. 266

The purpose of this resolution is to seek the establishment of a task force to study the feasibility of amending Chapter 571, Hawaii Revised Statutes, to make the chapter more culturally sensitive to native Hawaiians and native Hawaiian children.

No written testimony was received regarding this resolution.

Upon consideration, your committee decided to pass the resolution.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 266 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Kawakami, Saiki and Stegmaier.

SCRep. 1115 Hawaiian Affairs and Housing on H.C.R. No. 279

The purpose of this concurrent resolution is to seek the establishment of a task force to study the feasibility of amending Chapter 571, Hawaii Revised Statutes, to make the chapter more culturally sensitive to native Hawaiians and native Hawaiian children.

No written testimony was received regarding this concurrent resolution.

Upon consideration, your committee decided to pass the concurrent resolution.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 279 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Kawakami, Saiki and Stegmaier.

SCRep. 1116 Hawaiian Affairs and Housing on H.R. No. 136

The purpose of this resolution is to urge the U.S. Congress to return ceded lands at Bellows Air Force Station deemed excess by the General Services Administration to the Office of Hawaiian Affairs to be held in trust for native Hawaiians.

Testimony was received in support of this measure by the Office of Hawaiian Affairs (OHA), Department of Land and Natural Resources (DLNR), Association of Hawaiian Civic Clubs, Ka Lahui Hawaii, and a private citizen.

The DLNR recommended that a provision be included for settlement of land claims with the State at Waimanalo, Oahu. They requested that references be made regarding the Memorandum of Understanding which gives the Hawaiian Homes Commission first selection of up to 200 acres of ceded lands comprising all or a portion of Bellows Air Force Station.

Upon further consideration, your Committee has amended the bill by:

- (1) Incorporating language referencing the settlement of land claims relating to Waimanalo pursuant to the Memorandum of Understanding;
- (2) Acknowledging the efforts of Hawaii's Congressional delegation in dealing expeditiously with the return of ceded lands at Bellows Air Force Station;
- (3) Establishing an ad hoc task force to-
 - (a) assist and expedite the transfer of ceded lands at Bellows Air Force Station, and
 - (b) work to promote and improve relations between the community and the military; and
- (4) Making technical nonsubstantive changes.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 136, as amended herein, and recommends that it be referred to the Committee on Water and Land Use Planning, in the form attached hereto as H.R. No. 136, H.D. 1.

Signed by all members of the Committee except Representatives Hamakawa, Saiki and Stegmaier.

SCRep. 1117 Hawaiian Affairs and Housing on H.C.R. No. 129

The purpose of this concurrent resolution is to urge the U.S. Congress to return ceded lands at Bellows Air Force Station deemed excess by the General Services Administration to the Office of Hawaiian Affairs to be held in trust for native Hawaiians.

Testimony was received in support of this measure by the Office of Hawaiian Affairs (OHA), Department of Land and Natural Resources (DLNR), Association of Hawaiian Civic Clubs, Ka Lahui Hawaii, and a private citizen.

The DLNR recommended that a provision be included for settlement of land claims with the State at Waimanalo, Oahu. They requested that references be made regarding the Memorandum of Understanding which gives the Hawaiian Homes Commission first selection of up to 200 acres of ceded lands comprising all or a portion of Bellows Air Force Station.

Upon further consideration, your Committee has amended the bill by:

- (1) Incorporating language referencing the settlement of land claims relating to Waimanalo pursuant to the Memorandum of Understanding;
- (2) Acknowledging the efforts of Hawaii's Congressional delegation in dealing expeditiously with the return of ceded lands at Bellows Air Force Station;
- (3) Establishing an ad hoc task force to-
 - (a) assist and expedite the transfer of ceded lands at Bellows Air Force Station, and
 - (b) work to promote and improve relations between the community and the military; and
- (4) Making technical nonsubstantive changes.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 129, as amended herein, and recommends that it be referred to the Committee on Water and Land Use Planning, in the form attached hereto as H.C.R. No. 129, H.D. 1.

Signed by all members of the Committee except Representatives Hamakawa, Saiki and Stegmaier.

SCRep. 1118 Hawaiian Affairs and Housing on H.R. No. 187

The purpose of this concurrent resolution is to improve the quality of education in rural and at-risk schools by requesting that:

- (1) The Department of Education develop and implement a plan to address the problems of these schools; and
- (2) The Hawaii Housing Authority develop a plan and timetable to provide additional housing for teachers at these schools.

Improving the quality of public education is a high priority, and the lack of available housing affects educational quality at certain schools because experienced teachers are likely to transfer to other schools. These teachers are more likely to remain if housing were easily available.

The Department of Education proposed amendments to the concurrent resolution, to which your Committee agrees. The concurrent resolution has been amended as follows:

- (1) Requested the Hawaii State Teachers Association and the Hawaii Government Employees Association to contribute to the plan developed by the Department of Education to address the problems of rural and at-risk schools;
- (2) Requested the Hawaii State Teachers Association and the Hawaii Government Employees Association to contribute to the plan and timetable developed by the Hawaii Housing Authority to provide additional housing for teachers at rural and at-risk schools;
- (3) Resolved to transmit copies of the resolution to the Executive Director of the Hawaii State Teachers Association and the Executive Director of the Hawaii Government Employees Association; and
- (4) Made technical, nonsubstantive revisions for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 187, as amended herein, and recommends that it be referred to the Committee on Education, in the form attached hereto as H.R. No. 187, H.D. 1.

Signed by all members of the Committee except Representatives Kawakami, Saiki and Stegmaier.

SCRep. 1119 Hawaiian Affairs and Housing on H.C.R. No. 183

The purpose of this concurrent resolution is to improve the quality of education in rural and at-risk schools by requesting that:

- (1) The Department of Education develop and implement a plan to address the problems of these schools; and
- (2) The Hawaii Housing Authority develop a plan and timetable to provide additional housing for teachers at these schools.

Improving the quality of public education is a high priority, and the lack of available housing affects educational quality at certain schools because experienced teachers are likely to transfer to other schools. These teachers are more likely to remain if housing were easily available.

The Department of Education proposed amendments to the concurrent resolution, to which your Committee agrees. The concurrent resolution has been amended as follows:

- (1) Requested the Hawaii State Teachers Association and the Hawaii Government Employees Association to contribute to the plan developed by the Department of Education to address the problems of rural and at-risk schools;
- (2) Requested the Hawaii State Teachers Association and the Hawaii Government Employees Association to contribute to the plan and timetable developed by the Hawaii Housing Authority to provide additional housing for teachers at rural and at-risk schools;
- (3) Resolved to transmit copies of the concurrent resolution to the Executive Director of the Hawaii State Teachers Association and the Executive Director of the Hawaii Government Employees Association; and
- (4) Made technical, nonsubstantive revisions for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 183, as amended herein, and recommends that it be referred to the Committee on Education, in the form attached hereto as H.C.R. No. 183, H.D. 1.

Signed by all members of the Committee except Representatives Kawakami, Saiki and Stegmaier.

SCRep. 1120 Hawaiian Affairs and Housing on H.C.R. No. 192

The purpose of the concurrent resolution is to urge the evaluation of the usage and return of surplus federal ceded lands to the State of Hawaii and to include participation by representatives of the Hawaiian community.

Your Committee is aware of the Defense Base Closure Realignment Act enacted under Public Law 101-510 in 1990, which describes a process for the timely closure and realignment of selected military installations in the United States. The Act calls for the return of ceded lands deemed excess at military installations to be returned in fee to the State of Hawaii as 5(f) public trust ceded lands.

It was also determined that Public Law 88-233 Stat. 472 provides for the return to the State of Hawaii of ceded and territorial lands retained by the United States whenever such lands become surplus to the needs of the federal government.

Testimony in support of the measure was received by the Board of Land and Natural Resources and the Kamehameha Schools Bernice Pauahi Bishop Estate. Bishop Estate testified that many lands belonging to Native Hawaiian public and private trusts, often lands of great size and value, have fallen directly into federal ownership. In these instances, it would be appropriate that the previous owners have priority to reacquire such lands in order to further their trust purposes.

Upon careful consideration, your Committee has amended this bill by:

- (1) Amending the title of the resolution to include the return of surplus federal private lands to their previous owners;
- (2) Adopting the suggested amendments of Bishop Estate which calls for the recognition of Native Hawaiian trusts in considering the return of surplus federal private lands to their previous owners;
- (3) Stipulating that the Department of Land and Natural Resources and the Office of Hawaiian Affairs are to work together in evaluating the usage and return of surplus federal lands; and
- (4) Requiring certified copies of this concurrent resolution also be transmitted to the trustees of the Office of Hawaiian Affairs and private Native Hawaiian trusts.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 192, as amended herein, and recommends that it be referred to the Committee on Water and Land Use Planning, in the form attached hereto as H.C.R. No. 192, H.D. 1.

Signed by all members of the Committee except Representatives Hamakawa, Saiki and Stegmaier.

SCRep. 1121 Health on S.B. No. 27

The purpose of this bill as received repeals the limit on the amount of medical services excise tax credit an individual can claim against income tax liability. The bill also moved up the repeal date of the tax credit from December 31, 1996, to December 31, 1995.

Your Committee agrees with testimony submitted by the Chamber of Commerce of Hawaii that eliminating the medical services excise tax increase is the same as a tax increase. The public is entitled to relief from the excise tax imposed on medical services which has a detrimental effect on those coping with medical illnesses.

Consequently, the bill has been amended by returning the sunset date to December 31, 1996 which is the sunset date in existing law. The provision which deletes the limitation for the amount of the tax credit was kept in the bill in order to assist those who face very large medical expenses.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 27, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 27, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami, Saiki and Stegmaier.

SCRep. 1122 Health on S.B. No. 258

The purpose of this bill is to appropriate funds to renovate Kona Community Hospital.

Your Committee fully supports the intent of this bill, and is distressed that the Department of Health (DOH) has not met the requirements of a consent decree. In 1983, a class action lawsuit was filed against the hospital administrator based on an inability to provide mental health services for involuntary psychiatric patients. The suit was settled out of court in 1986 with an obligation to fulfill consent decree requirements. However, DOH has not been able to meet the conditions of the consent decree.

A motion has been recently filed against the hospital administrator for being in contempt of court. It has been reported that the court will be asked to appoint a master to assure that the hospital will comply with the court orders.

Improvements should be made to the hospital that will enable all necessary services to be provided.

The bill has been amended by inserting an amount of \$9,368,000 as the appropriation.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 258, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 258, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Saiki, Stegmaier and Anderson.

SCRep. 1123 Health on S.B. No. 1256

The purpose of this bill, as amended, is to permit a patient's spouse or companion to reside with the patient without having to work at Hansen's disease treatment facilities.

Testimony was received in support of this bill from spouses of Hansen's disease patients. The Department of Health also submitted testimony in support of relieving spouses of patients from the work requirement.

Your Committee believes that patients wishing to live the remaining years of their lives at Kalaupapa should be able to do so with a spouse, family member, or other companion of the patient's choice. Existing law which was written many years ago needs to be amended to make visiting and residential requirements more flexible. Consequently, this bill has been amended so that individuals other than a patient's spouse, such as a family member or friend, would be eligible to reside with the patient.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1256, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1256, S.D. 2, H.D. 1, and be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee except Representative Stegmaier.

SCRep. 1124 Health on S.B. No. 1746

The purpose of this bill is to establish a permit requirement to practice as an acupuncture intern within the State.

Under this bill, the issuance of a permit would entitle an acupuncture intern to engage in the practice of acupuncture for a period of four years under the immediate supervision of a licensed acupuncturist. Your Committee amended this bill by holding that the permit can be reissued once for a period of up to one year only instead of two years as in the original bill.

Your Committee believes that further regulation of acupuncture will protect the health and welfare of the general public by ensuring that only qualified acupuncture practitioners are administering treatment. Your Committee is concerned, however, about the length of time training takes.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1746, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1746, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee.

SCRep. 1125 Energy and Environmental Protection on S.B. No. 202

The purpose of this bill is to promote and support comprehensive environmental education initiatives and programs as a matter of state policy. It removes the discretion of state agencies to consider the practicability of state environmental policy guidelines in development of programs, requires those agencies to consider specific guidelines for education and culture, and allows all agencies to receive monetary donations and gifts, from sources other than the Legislature or federal government, for the conservation and preservation of natural resources.

Environmental awareness among Hawaii's citizenry is the best way of solving existing environmental problems, preventing new problems and maintaining a high-quality, sustainable environment for future generations. Your Committee finds that making the commitment to raising public consciousness through comprehensive education initiatives and programs a matter of state policy is the best and most practical way to further that goal, and is thus inclined to pass S.B. No. 202, S.D. 2, unamended.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 202, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Santiago, Takamine, Yamane and Yoshinaga.

SCRep. 1126 Energy and Environmental Protection on S.B. No. 1204

The purpose of this bill is to restore the position of Deputy Director for Environmental Health to the Department of Health, which had been eliminated during the 1994 legislative session.

The elimination of the position was in anticipation of the creation of a Department of Environmental Protection, which was ultimately never realized. So, until such time as that department is created, the Department of Health remains the

lead agency in enforcing regulations pertaining to environmental health and conditions, and it is therefore imperative that the position of Deputy Director be restored to the department. This bill accomplishes this by substituting this position for that of the present Deputy Director for Administration.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1204, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Takamine, Yamane and Yoshinaga.

SCRep. 1127 Energy and Environmental Protection on S.B. No. 64

The purpose of this bill, as received by your Committee, is to clarify that utility and street light poles are not to be used for unlawful posting, and to provide that each separate posting constitutes a separate offense under Chapter 445, Hawaii Revised Statutes.

Testimony in support of the measure was received from the Department of Transportation, the Outdoor Circle, the Haleiwa Main Street Association, the Kaimuki Neighborhood Board, Hawaiian Electric Company, and several concerned citizens, including one who displayed to the members of your Committee two bags of old leaflets, posters, tacks, nails, staples, and other assorted remainders of postings from only three utility poles in Kaimuki.

The latter was certainly a graphic display of what has undoubtedly become a problem, albeit one that is extremely hard to control, given the overstretched resources of local law enforcement. Still the safety and aesthetic issues concerning this situation are hard to ignore.

Your Committee has decided to amend the bill by eliminating language found on page 1, lines 15 through 18, which made each separate posting a separate offense under Chapter 445, and by adding the option of community service by offenders in addition to the mandatory fine, which was restored to its original language.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 64, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 64, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Santiago, Takamine, Yamane and Yoshinaga.

SCRep. 1128 Energy and Environmental Protection on S.B. No. 1410

The purpose of this bill is to authorize the issuance of special purpose revenue bonds to finance the development of a medical waste incineration and disposal facility.

Your Committee recognizes that several questions remain about this project, namely whether:

- (1) The authorization of special purpose revenue bonds at another site constitute a competitive advantage over the operation of the incinerator at the Waipahu site;
- (2) The law suit, which challenged the City and County of Honolulu's determination that improvements in the Waipahu site constituted a "minor" permit and thus did not require City Council action, might have successfully "shut down" the Waipahu facility;
- (3) There is any scientific basis for community concerns over medical waste incinerators in residential neighborhoods; and
- (4) The need for incineration of medical wastes and the economics of incineration might render this project financially incapable of paying off the revenue bonds.

Your Committee has concluded that this bill represents the only leverage the State of Hawaii may have to reduce the possibility that this medical waste facility would ever burn either specialty or hazardous wastes, a scenario your Committee seeks to avoid. Since it appears imminent that a major medical waste facility will be in operation either at the current Waipahu site or a Campbell Industrial Park site, issues relating to economic advantage are less compelling than issues relating to environmental protection from the burning of more toxic substances.

Therefore, your Committee has decided to amend S.B. No 1410, S.D. 2, by substituting the substance of text of H.B. No. 1658, H.D. 2, which attaches specific conditions to the issuance of the special purpose revenue bonds, and by adding the requirement that the bonds be used only for the actual costs incurred in the physical transfer of the facility's infrastructure, and not for site acquisition at Campbell Industrial Park.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1410, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1410, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Takamine, Yamane and Yoshinaga.
(Representative Thielen voted no.)

SCRep. 1129 Energy and Environmental Protection on S.B. No. 1846

The purpose of this bill is to specify requirements relating to mammography facilities, exposure limits, use of physicists in the healing arts, and radiation protection programs. Civil penalties are also provided.

Testimony in favor of the bill was received from was heard from the Hawaii Health Physics Society, the Gamma Corporation, and the Hawaii Federation of Physicians and Dentists. Much of the testimony pointed out the need to make Hawaii law consistent with national standards and statutes.

Your Committee is, for the most part, in accord with the provisions in this bill that allow only those mammography facilities which have optimal screening and diagnostic services to operate in the State of Hawaii, and provide for a notification requirement for suspected overexposure; it has amended the bill by deleting lines 16 through 21 on page 2 of the bill, which was determined through the testimony given as unnecessary, and has expanded the scope of subsection (4) on page 5 by just using the word "fluoroscopy" instead of attempting to define what types of fluoroscopy would be covered by a physicist.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1846, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1846, S.D. 1, H.D. 1, and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

Signed by all members of the Committee except Representatives Takamine, Yamane and Yoshinaga.

SCRep. 1130 Agriculture on S.B. No. 1488

The purpose of this bill is to authorize the Department of Agriculture to negotiate the conversion of existing agricultural park revocable permits to long-term leases without public auction, to certain permittees who hold revocable permits.

Your Committee notes that one of the intents of this bill is to support the rehabilitation of workers from Kahuku Sugar Plantation as a result of its closure in 1971. This bill will allow farmers in the Kahuku Agricultural Park to negotiate 15- to 55-year long-term leases, instead of a month-to-month lease basis. It is the belief of your Committee that this bill will enable farmers to further develop their land and use their land more productively. In addition, farmers would also be better able to obtain financing for improving their farms because of the stability of their tenure. For these reasons, your Committee believes that a twenty-five percent premium requirement assessed for the number of years permittees have resided on the land, would be counterproductive to the intent of the bill.

Your Committee notes that Article XI, Section 10, of The Constitution of the State of Hawaii states that ". . . public lands shall be used for the development of farm and home ownership on as widespread a basis as possible, in accordance with procedures and limitations prescribed by law." In addition, Section 5(f) of The Admission Act also asserts that lands granted or conveyed to the State are for several purposes, including "the development of farm and home ownership on as widespread a basis as possible for the making of public improvements, and for the provision of lands for public use." In this regard, your Committee believes that this bill is in agreement with current law to support agriculture and strengthen the growth and development of farming in Hawaii on an extensive basis.

Your Committee received testimony in support of this bill from the Hawaii Farm Bureau, the President of Waianae Valley Ranch, Inc., and an interested citizen. The Department of Agriculture also submitted testimony on this measure.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1488, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Herkes.

SCRep. 1131 Agriculture on S.B. No. 358

The purpose of this bill is to exempt amounts received from governmental agricultural crop disaster assistance programs from the General Excise Tax Law. These amounts would be exempted as a result of a disaster declared by the Governor under Section 209-2, Hawaii Revised Statutes.

Your Committee received testimony from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee has amended this bill by adding the language reflected in H.B. No. 1156, which was earlier reported out of your Committee on Agriculture.

As amended, this bill includes language exempting agricultural and horticultural organizations from the General Excise Tax Law, and specifying that the effective date of this portion of the bill is to take effect on July 1, 1995.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 358, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 358, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Herkes.

SCRep. 1132 Agriculture on S.B. No. 1665

The purpose of this bill, as received by your Committee, is to transfer the Governor's Agriculture Coordinating Committee (GACC) to the Agribusiness Development Corporation (ADC).

Testimony was received from the GACC, the Department of Agriculture, the College of Tropical Agriculture and Human Resources of the University of Hawaii-Manoa, the Hawaii Farm Bureau, the Hawaii Association of Nurserymen, and the Hawaiian Sugar Planters' Association and its member companies, who expressed their concerns and comments about the bill.

Your Committee has amended this bill by:

- (1) Transferring the GACC to the DOA; and
- (2) Increasing the number of members on the Executive Board (Board) of the DOA from eight to ten members by including the Dean of the College of Tropical Agriculture and Human Resources and the Director of Business, Economic Development, and Tourism as members on the Board.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1665, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1665, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Herkes.

SCRep. 1133 Energy and Environmental Protection on S.B. No. 594

The purpose of this bill, as originally drafted, is to provide the necessary funding for a Geothermal Compliance Coordinator for the County of Hawaii.

Testimony in support of this bill was received from the Department of Business, Economic Development, and Tourism, the County of Hawaii Planning Department and the Office of the Mayor of the County of Hawaii. Community support was much more muted; concerns were expressed by representatives of the communities impacted by the ongoing geothermal projects about the diffusion of authority for enforcing compliance with existing regulations and general confusion over who is responsible for monitoring and enforcement. Given the scope of general opposition to geothermal development in East Hawaii, those concerns were given due consideration by your Committee in the course of deliberations over this matter.

As a consequence, your Committee has decided to amend the bill by giving the State primary responsibility for monitoring the industry in East Hawaii. The position, under the new draft, shall be funded through the Office of Environmental Quality Control, and shall be responsible for:

- (1) Receiving and responding to community concerns and inquiries regarding the activities of geothermal projects;
- (2) Conducting ongoing monitoring of air quality and noise control standards;
- (3) Conducting inspections, both announced and unannounced, to monitor compliance with approved plans and use permit requirements;
- (4) Investigating and documenting reports of health, safety and use permit violations and notifying violators of necessary corrective measures to be taken; and
- (5) Referring to appropriate county and state agencies for any actions, which may include suspension of operations, for non-compliance with those standards and requirements set for by the county and state.

In conclusion, your Committee has sought to reconcile legitimate community concerns with the need to continue responsible development of an industry that has potential to help alleviate Hawaii's dependence on oil imports for energy production.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 594, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 594, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Takamine, Yamane and Yoshinaga.

SCRep. 1134 Energy and Environmental Protection on S.B. No. 1320

The purpose of this bill is to prohibit the use of herbicides in public roadside maintenance by requiring nonchemical methods and integrated vegetation management programs for roadside maintenance.

Your Committee heard testimony in support of the measure from the Department of Transportation, the City and County of Honolulu, the County of Hawaii, and the community. Your Committee is concerned that the use of herbicides for roadside maintenance may be harmful to human health and may endanger the environment, and thus concurs with the intent of this bill, making only a minor amendment by removing the word "impending" from Page 2, line 7, which was determined to be redundant.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1320, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1320, S.D. 1, H.D. 1, and be referred to the Committee on Transportation.

Signed by all members of the Committee except Representatives Takamine, Yamane and Yoshinaga.

SCRep. 1135 Legislative Management on S.B. No. 1939

The purpose of this bill is to appropriate funds for staff, operations, and equipment of the Public Access Room in the State Capitol.

Since its inception, the public has expressed overwhelming support for the Public Access Room. The Public Access Room has provided an invaluable service, enabling more individuals to participate in the legislative process.

Your Committee recognizes that in addition to providing a Public Access Room, the Legislature must also continue its ongoing efforts to encourage public access in other areas, such as continuing televised broadcasts of public hearings.

'Olelo: The Corporation for Community Television, the League of Women Voters, Common Cause Hawaii, the Democratic Party of Hawaii, the Kokua Council for Senior Citizens, and a concerned individual submitted testimony supporting this measure.

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

- (1) Appropriating the sum of \$1 for staff, operations, and equipment of the Public Access Room to facilitate continued discussion. However, your Committee estimates that \$60,000 would be needed;
- (2) Appropriating \$1 each to the House of Representatives (House) and the Senate for the production and distribution of television broadcasts of legislative proceedings during 1995-1996. However, your Committee estimates that each chamber would require \$100,000 to continue the television broadcasts;
- (3) Appropriating \$1 each to the House of Representatives and the Senate for the installation and operation of sound systems for House and Senate conference rooms in the State Capitol. However, your Committee estimates that \$50,000 would be required for the ten House and Senate conference rooms involved;
- (4) Appropriating \$1 each to the House and the Senate to facilitate the production and distribution of radio broadcasts of legislative proceedings during 1995-1996. Your Committee does not have a cost estimate at this time;
- (5) Appropriating \$1 each for grants-in-aid to Ho'ike Kauai, Akaku: Maui Community Television, and Na Leo 'O Hawai'i to purchase taping and other equipment necessary to permit rebroadcasts of state legislative programming throughout the state on a timely basis. However, your Committee estimates that the following sums would be required: \$19,150 for Ho'ike Kauai, \$19,150 for Akaku: Maui Community Television, and \$30,700 for Na Leo 'O Hawai'i;
- (6) Appropriating \$1 to be expended by the Department of Accounting and General Services to install electronic hardware and equipment to provide greater public access to the Legislature through television broadcasts of legislative proceedings. Your Committee does not have a cost estimate at this time; and
- (7) Making technical, nonsubstantive amendments for purposes of style, clarity, and consistency.

In recognition of current budgetary constraints, your Committee has determined that items (1) and (2) above, for continued Public Access Room services and telecasting of legislative proceedings, are critically important. For the Finance Committee's further consideration, the remaining appropriation items are also listed in cost benefit priority and may be partially funded.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1939, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1939, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Say, Okamura, Souki and Thielen.

SCRep. 1136 Agriculture on H.R. No. 71

The purpose of this resolution is to request that the Department of Education (DOE) Food Services Program purchase only locally-grown bananas to be served in the State's public schools.

Your Committee believes that this resolution will fulfill a nutritional aspect of the DOE Food Services Program, while supporting Hawaii's local banana industry and agriculture in the State.

Testimony in favor of this resolution was received from the DOE, the Big Island Banana Growers Association, and the President of Kea'au Banana Plantation, Inc.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 71 and recommends that it be referred to the Committee on Education.

Signed by all members of the Committee except Representative Swain.

SCRep. 1137 Agriculture on H.C.R. No. 64

The purpose of this concurrent resolution is to request that the Department of Education (DOE) Food Services Program purchase only locally-grown bananas to be served in the State's public schools.

Your Committee believes that this concurrent resolution will fulfill a nutritional aspect of the DOE Food Services Program, while supporting Hawaii's local banana industry and agriculture in the State.

Testimony in favor of this concurrent resolution was received from the DOE, the Big Island Banana Growers Association, and the President of Kea'au Banana Plantation, Inc.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 64 and recommends that it be referred to the Committee on Education.

Signed by all members of the Committee except Representative Swain.

SCRep. 1138 Agriculture on H.R. No. 109

The purposes of this resolution are to request:

- (1) The Department of Agriculture (DOA) to develop an integrated pest management program to limit the use of pesticide and herbicide spraying in public areas; and
- (2) The Department of Transportation (DOT), the Department of Land and Natural Resources, and the counties to assist the DOA in developing the integrated pest management program.

Your Committee recognizes the risks and danger to public health and the environment related to the uncontrolled use of pesticides and herbicides. It is your Committee's belief that this resolution will provide a safe, alternative means to control pests along Hawaii's roadsides and in public areas.

The Democratic Party submitted testimony in support of the measure. Supporting testimony was also received from the DOA and the DOT.

Your Committee has amended this resolution by:

- (1) Requesting the DOT to commission research related to integrated pest management along Hawaii's roadways; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 109, as amended herein, and recommends that it be referred to the Committee on Energy and Environmental Protection, in the form attached hereto as H.R. No. 109, H.D. 1.

Signed by all members of the Committee except Representative Swain.

SCRep. 1139 Agriculture on H.C.R. No. 101

The purposes of this concurrent resolution are to request:

- (1) The Department of Agriculture (DOA) to develop an integrated pest management program to limit the use of pesticide and herbicide spraying in public areas; and
- (2) The Department of Transportation (DOT), the Department of Land and Natural Resources, and the counties to assist the DOA in developing the integrated pest management program.

Your Committee recognizes the risks and danger to public health and the environment related to the uncontrolled use of pesticides and herbicides. It is your Committee's belief that this resolution will provide a safe, alternative means to control pests along Hawaii's roadsides and in public areas.

The Democratic Party submitted testimony in support of the measure. Supporting testimony was also received from the DOA and the DOT.

Your Committee has amended this concurrent resolution by:

- (1) Requesting the DOT to commission research related to integrated pest management along Hawaii's roadways; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 101, as amended herein, and recommends that it be referred to the Committee on Energy and Environmental Protection, in the form attached hereto as H.C.R. No. 101, H.D. 1.

Signed by all members of the Committee except Representative Swain.

SCRep. 1140 Agriculture on H.R. No. 157

The purpose of this resolution is to request the Department of Agriculture, in cooperation with other state and county agencies, to take steps to promote, encourage, and advocate a diversified agricultural industry that will set goals and levels to reduce Hawaii's dependency on out-of-state sources for agricultural food products, within very specific time frames.

The Department of Land and Natural Resources submitted testimony in support of this measure. The Department of Agriculture and the University of Hawaii College of Tropical Agriculture and Human Resources testified in support of the intent of this resolution.

Your Committee has amended this resolution by:

- (1) Specifying that the cooperation of agricultural landowners and cooperations be included in efforts to promote, encourage, and advocate a diversified agricultural industry; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 157, as amended herein, and recommends that it be referred to the Committee on Intergovernmental Relations and International Affairs, in the form attached hereto as H.R. No. 157, H.D. 1.

Signed by all members of the Committee except Representative Swain.

SCRep. 1141 Agriculture on H.C.R. No. 151

The purpose of this concurrent resolution is to request the Department of Agriculture, in cooperation with other state and county agencies, to take steps to promote, encourage, and advocate a diversified agricultural industry that will set goals and levels to reduce Hawaii's dependency on out-of-state sources for agricultural food products, within very specific time frames.

The Department of Land and Natural Resources submitted testimony in support of this measure. The Department of Agriculture and the University of Hawaii College of Tropical Agriculture and Human Resources testified in support of the intent of this concurrent resolution.

Your Committee has amended this concurrent resolution by:

- (1) Specifying that the cooperation of agricultural landowners and cooperations be included in efforts to promote, encourage, and advocate a diversified agricultural industry; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 151, as amended herein, and recommends that it be referred to the Committee on Intergovernmental Relations and International Affairs, in the form attached hereto as H.C.R. No. 151, H.D. 1.

Signed by all members of the Committee except Representative Swain.

SCRep. 1142 Agriculture on H.R. No. 209

The purpose of this resolution is to request the Department of Agriculture (DOA), the Department of Business, Economic Development, and Tourism (DBEDT), and the Agribusiness Development Corporation (ADC), to work together to encourage the development of businesses that:

- (1) Grow crops used to produce alternative fuels; and
- (2) Produce these agriculturally-based fuels.

Testimony in support of the measure was received from the DOA and the Coordinator of the Sustainable Biomass Energy Program at The Pacific International Center for High Technology Research. The DBEDT submitted testimony in support of the intent of the resolution.

Upon consideration, your Committee has amended this resolution by:

- (1) Making the DBEDT the lead agency and specifying that DBEDT is to submit a report of the findings and recommendations, including any proposed legislation, to the Legislature before the 1996 Regular Session;

- (2) Clarifying that the DBEDT, DOA, ADC, and other state agencies are requested to adopt policies and rules promoting the production and use of agriculturally-based fuels; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 209, as amended herein, and recommends that it be referred to the Committee on Energy and Environmental Protection, in the form attached hereto as H.R. No. 209, H.D. 1.

Signed by all members of the Committee except Representative Swain.

SCRep. 1143 Agriculture on H.C.R. No. 214

The purpose of this concurrent resolution is to request the Department of Agriculture (DOA), the Department of Business, Economic Development, and Tourism (DBEDT), and the Agribusiness Development Corporation (ADC), to work together to encourage the development of businesses that:

- (1) Grow crops used to produce alternative fuels; and
- (2) Produce these agriculturally-based fuels.

Testimony in support of the measure was received from the DOA and the Coordinator of the Sustainable Biomass Energy Program at The Pacific International Center for High Technology Research. The DBEDT submitted testimony in support of the intent of the concurrent resolution.

Upon consideration, your Committee has amended this concurrent resolution by:

- (1) Making the DBEDT the lead agency and specifying that DBEDT is to submit a report of the findings and recommendations, including any proposed legislation, to the Legislature before the 1996 Regular Session;
- (2) Clarifying that the DBEDT, DOA, ADC, and other state agencies are requested to adopt policies and rules promoting the production and use of agriculturally-based fuels; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 214, as amended herein, and recommends that it be referred to the Committee on Energy and Environmental Protection, in the form attached hereto as H.C.R. No. 214, H.D. 1.

Signed by all members of the Committee except Representative Swain.

SCRep. 1144 Agriculture on H.C.R. No. 313

The purpose of this concurrent resolution is to request the Department of Agriculture (DOA), the Department of Health (DOH), and the Department of the Attorney General to combine their resources to stop illegal slaughter operations and to prosecute offenders of these operations.

Your Committee finds the health, safety, and welfare of consumers to be at risk through the sale and consumption of illegally processed meat and meat food products. Your Committee recognizes that the illegal slaughter of animals has also had a detrimental effect on the overall meat production industry in Hawaii.

Testimony in support of this measure was received from the Hawaiian Humane Society, the Meat and Poultry Association of Hawaii, Kahua Ranch Limited, and the President of the Hawaii Cattlemen's Council, Inc. The DOA submitted testimony in support of the intent of this measure.

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

- (1) Adding the police departments of the respective counties to participate in the effort to stop illegal slaughter operations;
- (2) Requesting the DOH to address concerns regarding illegal slaughter operations at the retail level by educating retailers and consumers of the health and safety risks and the liability involved in dealing with illegally slaughtered meat and meat food products; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 313, as amended herein, and recommends that it be referred to the Committee on Judiciary, in the form attached hereto as H.C.R. No. 313, H.D. 1.

Signed by all members of the Committee except Representative Swain.

SCRep. 1145 Agriculture on H.C.R. No. 341

The purpose of this concurrent resolution is to request the convening of a Task Force to develop a long-range action plan to assist Hawaii's farmers.

Your Committee recognizes the merits of facilitating efforts to promote diversified agriculture, develop farms, increase agricultural self-sufficiency, and protect agricultural resources. It is your Committee's belief that the convening of such a Task Force will be highly beneficial to Hawaii's small farmers and diversified agriculture by providing a means of sharing the collective knowledge, experiences, and skills of individuals and organizations dedicated to supporting agriculture in the State.

Your Committee received testimony in support of this measure from the Department of Agriculture, the Big Island Papaya Growers Association, the Puna Community Council, and the Hawaii Farm Bureau Federation. Testimony was also received from the University of Hawaii College of Tropical Agriculture and Human Resources.

Your Committee has amended this concurrent resolution by:

- (1) Including in the composition of the task force, representatives from the Office of State Planning, the Department of Business, Economic Development, and Tourism, and the Hawaii Farm Bureau Federation, and requesting that certified copies of this concurrent resolution be transmitted to them; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 341, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 341, H.D. 1.

Signed by all members of the Committee.

SCRep. 1146 Tourism on S.B. No. 889

The purpose of this bill is to:

- (1) Authorize the stadium manager to appoint a secretary;
- (2) Set the salary of the manager at 95% of that of a department head;
- (3) Set the salary of the deputy manager at 95% of that of a deputy;
- (4) Authorize the Stadium Authority to promote the stadium;
- (5) appropriate an unspecified sum;
- (6) Direct the sharing of responsibility between the authority and the Department of Business, Economic Development, and Tourism for promotion of sports events held at Aloha Stadium that had previously been under the direction of DBEDT;
- (7) Require a report from the Department of Business, Economic Development, and Tourism on promotions for the stadium developed in conjunction with the authority;
- (8) Direct the Office of the Auditor to conduct a management audit of all other sports promotion activities within DBEDT to determine whether a transfer of those activities to the Stadium Authority would increase cost-effectiveness.

Your Committee received testimony in support of this bill from the Department of Business, Economic Development, and Tourism and the Stadium Authority.

Your Committee finds that the Department of Business, Economic Development, and Tourism has undergone thorough management audits for its tourism office in 1993 and its other programs in 1994, and that another audit would be redundant.

Coordination between the Stadium Authority and the Department of Business, Economic Development, and Tourism for promotion of sports events at the stadium would increase the effectiveness of tourism promotion efforts, and a close working relationship already exists between the authority and the department.

In addition, the proposed transfer of sports promotion projects from DBEDT to the Stadium Authority raises questions as to what measures will be necessary to avoid commingling of funds between the stadium special fund and the general fund.

Your Committee revised the bill by:

- (1) Removing the provision directing promotion in conjunction with the Department of Business, Economic Development, and Tourism from the powers and duties of the Stadium Authority;
- (2) Adding promotion to the allowed uses of the stadium special fund;
- (3) Removing the appropriation;

- (4) Amending the sharing of responsibility between the authority and the Department of Business, Economic Development, and Tourism for promotion of sports events held at Aloha Stadium to only require close cooperation and emphasize the objective of generating positive media exposure;
- (5) Removing the section requiring a report by the department on its stadium promotions;
- (6) Changing the management audit to a review of sports promotions within DBEDT to determine:
 - (a) Whether the transfer of any activities to the stadium authority, another agency or a separate sports authority would increase efficiency;
 - (b) Any measures necessary to avoid commingling of funds between the stadium special fund and the general fund; and
 - (c) How the general fund would be affected by such a transfer.
- (7) Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 889, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as S.B. No. 889, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Lee and Marumoto.

SCRep. 1147 Tourism on H.R. No. 283

The purpose of this resolution is to urge the employment of local labor on the Hawaii Convention Center and other large state-funded construction projects.

Your Committee received testimony in support of this resolution from the Convention Center Authority, the Plumbers and Fitters Union, the Construction Industry Legislative Organization, the International Union of Elevator Constructors, the General Contractors Association, the Laborers International Union, the Hawaii Operating Engineers Stabilization Fund, the Hawaii Convention Park Council, the Haku Alliance and Nordic/PCL.

Your Committee finds that the use of local labor for large construction projects will keep most of the funds expended circulating within the state, maximizing the economic benefits to Hawaii, and that the use of public moneys for such projects makes it in the interest of the state to retain as much of these funds within the state.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 283 and recommends that it be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee except Representatives Lee and Marumoto.

SCRep. 1148 Tourism on H.C.R. No. 298

The purpose of this concurrent resolution is to urge the employment of local labor on the Hawaii Convention Center and other large state-funded construction projects.

Your Committee received testimony in support of this concurrent resolution from the Convention Center Authority, the Plumbers and Fitters Union, the Construction Industry Legislative Organization, the International Union of Elevator Constructors, the General Contractors Association, the Laborers International Union, the Hawaii Operating Engineers Stabilization Fund, the Hawaii Convention Park Council, the Haku Alliance and Nordic/PCL.

Your Committee finds that the use of local labor for large construction projects will keep most of the funds expended circulating within the state, maximizing the economic benefits to Hawaii, and that the use of public moneys for such projects makes it in the interest of the state to retain as much of these funds within the state.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 298 and recommends that it be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee except Representatives Lee and Marumoto.

SCRep. 1149 Consumer Protection and Commerce on S.B. No. 1520

The purpose of this bill is to create an efficient claims system to collect and disseminate health care data by:

- (1) Establishing and requiring the use of a uniform standard claims form;
- (2) Establishing a public health dataset for health assessment and policy development; and
- (3) Establishing the Hawaii Health Council to address system-wide issues related to cost containment.

Supportive testimony was received from the Department of Health; the Healthcare Association of Hawaii; the Hawaii Nurses' Association; and the Chamber of Commerce of Hawaii. The Hawaii Medical Service Association; the Hawaii Medical Association; the Hawaii Right to Life; and Kaiser Permanente submitted comments on this measure. The Hawaii Federation of Physicians and Dentists submitted testimony in opposition to this measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1520, S.D. 1, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.
(Representative Meyer voted no.).

SCRep. 1150 Consumer Protection and Commerce and Judiciary on S.B. No. 1233

The purpose of this bill, as received by your Committees, is to ensure the financial solvency of:

- (1) Health maintenance organizations (HMO); and
- (2) Mutual benefit societies that operate as:
 - (A) HMOs; or
 - (B) Nonprofit medical indemnity or hospital associations.

The bill proposes, among other things, to:

- (1) Regulate the rates of mutual benefit societies; and
- (2) Allow the Insurance Commissioner (Commissioner) to:
 - (A) Appoint actuaries and rate analysts, exempt from the Civil Service law to examine, among other things, the rates of mutual benefit societies and HMOs; and
 - (B) Pay the salaries of the actuaries and rate analysts from the Insurance Examiners Revolving Fund.

HMOs are a vital component of Hawaii's health care delivery system. The HMO health care model differs from the traditional health insurance business by providing services on a prepaid capitation basis as opposed to the fee-for-service payment of health service costs. The HMO model is particularly noted for its encouragement of the practice of preventive medicine and for implementation of utilization controls, quality assurance, and peer review programs.

According to the Commissioner, there are currently six HMOs operating in Hawaii. Although their health plans must be approved by the Department of Labor and Industrial Relations under the Prepaid Health Care Act, none are regulated or monitored on a continuing basis for financial soundness. Nationwide, forty-seven states and Puerto Rico have adopted comprehensive, self-contained HMO laws, and a 1992 survey identified 555 operational HMOs across the country.

As managed care becomes more attractive as a cost containment mechanism in health care reform efforts nationwide, the number of HMOs is expected to increase. There is evidence of that already occurring in Hawaii. It is particularly important to review the financial soundness of health insurance providers, as these entities are not members of any guaranty fund, and consumers are at-risk in the event of an insolvency.

Testimony in support of this bill was received from the Insurance Division of the Department of Commerce and Consumer Affairs and the Hawaii State Association of Life Underwriters. Hawaii Right to Life, the Hawaii Medical Service Association (HMSA), and the Kaiser Foundation Health Plan, Inc. submitted comments on this measure.

In its testimony, HMSA expressed concerns regarding, among other things, the provisions contained in the bill that would regulate the rates of mutual benefit societies. HMSA viewed this proposal as discriminatory and unnecessary.

After carefully considering the merits of the bill and the testimony received, your Committees have amended the measure by:

- (1) Deleting the provision that would provide for the regulation of rates of mutual benefit societies;
- (2) Removing the provision allowing the Commissioner to appoint actuaries and rate analysts, and to pay their salaries from the Insurance Examiners Revolving Fund;
- (3) Incorporating provisions similar to those contained in H.B. No. 1922, that, among other things, would:
 - (A) Allow the Commissioner the authority to issue cease and desist orders to enforce compliance with the Insurance Code;
 - (B) Permit the Commissioner to discard working papers of agency examinations that are creating storage problems;
 - (C) Set forth the time frame in which examination reports are to be filed, submitted, and challenged by insurers;

- (D) Require agents and agencies to pay for examination conducted by the Commissioner on those agents and agencies;
 - (E) Allow the Commissioner to appoint independent contractor examiners to examine agents and agencies;
 - (F) Make consistent, the filing dates and filing requirements for documents that insurers are to file;
 - (G) Require agents and agencies to give back return premiums within thirty days;
 - (H) Prevent the Commissioner from reinstating licenses of agents, brokers, solicitors, or adjusters, until the Commissioner is satisfied that the causes for the license suspension or revocation will not reoccur;
 - (I) Specify that rental car companies' no-fault policy is primary to the renter's own insurance policy;
 - (J) Specify that insurers or rating organizations that are filing for workers' compensation rates, are required to publish notices of the filing within three days of the filing date; and
 - (K) Clarify that prior to the recoupment of assessments paid by insurers to the Hawaii Insurance Guaranty Association, the insurer is required to submit its plan for recoupment to the Commissioner for approval. This is a modified version of a similar provision contained in H.B. No. 1922;
- (4) Specifying that the basic health care services that HMOs are required to provide does not include pregnancy termination;
 - (5) Including language allowing the Commissioner to assess audit costs to agencies for examinations under certain circumstances;
 - (6) Making the deadline in which HMOs are required to file the audited financial statements different from the deadline in which the Annual Report is due. To require that both the Annual Report and the audited financial statement be filed at the same time would place an undue hardship on the HMOs;
 - (7) Authorizing the Commissioner to adopt rules allowing for the consideration of HMOs' hard assets when determining the HMO's net worth; and
 - (8) Making technical, nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1233, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1233, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Hiraki and McMurdo.

SCRep. 1151 Consumer Protection and Commerce and Judiciary on S.B. No. 1298

The purpose of this bill, as received by your Committees, is to ensure that qualified teachers will be employed to educate Hawaii's children by, among other things:

- (1) Transferring the responsibility for setting teacher certification standards from the Department of Education (Department) to a Hawaii teacher standards board; and
- (2) Establishing a mechanism for licensing and credentialing teachers.

Teacher standards have two objectives. One is to provide every child in Hawaii with teachers who are qualified to practice the profession of teaching. Because every child between six and eighteen years of age, except in certain situations, is required to attend school, children should not have to attend classes conducted by someone who has not been determined, in advance, to be qualified to teach.

Another objective of teacher standards is to establish public confidence in the teaching profession. To that end, all educators will be required to receive a license or credentials from the teacher standards board qualifying them to teach.

Testimony in support of this bill was received from the University of Hawaii and the Hawaii State Teachers Association. The Board of Education and a concerned citizen submitted comments on the measure.

After carefully considering the merits of the bill and the testimony received, your Committees have amended the measure by; among other things:

- (1) Clarifying that the license and credential requirements apply only to public school teachers, as private schools should be able to regulate themselves;
- (2) Specifying that the powers and duties provided by the bill refers to the Department, rather than the Board of Education;

- (3) Setting the appropriation amounts that are to be paid into the Teacher Licensing and Credentialing Special Fund proposed by the bill at \$20,000 for fiscal year 1995-1996, and \$20,000 for fiscal year 1996-1997; and
- (4) Making technical, nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1298, S.D. 2, H.D. 1, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as S.B. No. 1298, S.D. 2, H.D. 2.

Signed by all members of the Committees except Representatives Hiraki and McMurdo.

SCRep. 1152 Public Safety and Military Affairs and Judiciary on S.B. No. 82

The purpose of this bill is to appropriate funds and authorize the Judiciary and the Department of Public Safety to:

- (1) Implement an intermediate sanctions program to assist defendants and offenders to make life changes to lessen their likelihood of violating the law;
- (2) Establish the Hawaii Drug Court Program to help chronic drug and alcohol abusers, and to deter these people from continually re-entering the criminal justice system; and
- (3) Implement a comprehensive schedule of alternatives to incarceration that do not undermine public safety.

Testimony in support of this measure was received from the Department of Public Safety, the Department of Health, the Office of the Public Defender, the Corrections Population Management Commission, the Hawaii Advisory Commission on Drug Abuse and Controlled Substances, and the Big Island Substance Abuse Council. Testimony supporting the intent of this bill was received from the Judiciary, the State Attorney General, and the City and County of Honolulu Police Department. The Prosecuting Attorney of the City and County of Honolulu also submitted testimony.

Your Committees are aware of the severe problem of prison overcrowding. The State has a constitutional, legal, and moral obligation to run safe and humane prison facilities. Currently, Hawaii's prison population exceeds the established prison capacity and would still exceed the capacity even if all scheduled new facilities were built and operating. Continuing to exceed prison capacity could result in Federal fines that would accumulate until the problem is resolved. In testimony, it was noted that the Federal government has fined Puerto Rico nearly 27 million dollars for prison overcrowding.

In 1993, the Legislature established the Corrections Population Management Commission (1993 SLH, Act 343, and HRS 353F) to establish maximum inmate populations for each correctional facility and to formulate policies and procedures to prevent the inmate population from exceeding the capacity of each correctional facility. The programs funded by this bill represent one part of a three-part strategy devised by the Corrections Population Management Commission to deal with prison overcrowding.

Your Committees recognize the need for programs presented in this bill which reduce prison overcrowding by providing alternatives to incarceration without threatening public safety. The Drug Court Program of this bill is also a key element of reducing prison overcrowding, as incarceration of persons convicted of drug-related crimes represents a large portion of the total prison population.

Upon consideration, your Committees have amended this bill by:

- (1) Rewriting section 1 so that the purpose of the bill is stated more directly;
- (2) Deleting sections 2, 3, and 4, which would have statutorily established an intermediate sanctions program;
- (3) Deleting the following programs which were determined to be less cost effective than other programs, and which the Corrections Population Management Commission deemed as low priority:
 - (a) Mental health hostel;
 - (b) Mental health diversion;
 - (c) Mother/Infant program; and
 - (d) Supervised job release;
- (4) Expanding and revising the sections describing the remaining programs, thereby providing further explanation and justification;
- (5) Including actual amounts for appropriations;
- (6) Grouping all appropriations into two sections at the end of the bill; and
- (7) Making technical nonsubstantive amendments for purposes of clarity, style, and consistency.

By cutting programs from this bill, your Committees have reduced the total appropriations originally proposed by the Corrections Population Management Commission from \$9,790,591 to \$7,380,091, a reduction of \$2,410,500. Additionally, ten job positions were eliminated.

Testimony received after the public hearing from the State Attorney General stated that: "the Administration will support additional expenditures which are not in the current Executive Budget Request for programs in Senate Bill No. 82 in the approximate amount of \$7.5 million."

As affirmed by the records of votes of the members of your Committees on Public Safety and Military Affairs and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 82, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 82, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Cachola, Menor and Yamane.

SCRep. 1153 Education on S.B. No. 885

The purpose of this bill is to appropriate funds for the School-to-Work Transition Center Program at Farrington High School and Waianae High School.

Supportive testimony was submitted by the Department of Education; the Department of Labor and Industrial Relations; the Hawaii State Teachers Association; the Hawaii State Parent-Teacher-Student Association; and numerous concerned citizens.

Your Committee has amended this bill by:

- (1) Providing for a nurse IV position at Farrington and Waianae School-to-Work Transition Centers;
- (2) Appropriating \$48,300 for each of the nurses' salaries;
- (3) Requiring the Farrington and Waianae School-to-Work Transition Centers, in collaboration with the Department of Labor and Industrial Relations, to develop benchmarks to measure its accomplishments and effectiveness and to submit a status report no later than twenty days prior to the convening of the Regular Session of 1996;
- (4) Identifying the Department of Labor and Industrial Relations as the expending agency; and
- (5) Making technical, nonsubstantive amendments for purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 885, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 885, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Morihara, Pepper, Shon, Takamine and Halford.

SCRep. 1154 Education on S.B. No. 1635

The purpose of this bill is to provide the Hawaii State Public Library System with administrative flexibility in the management of its personnel and fiscal resources.

Your Committee received testimony from the Hawaii State Librarian, who testified that he supported S.B. No. 1635, S.D. 2, with a reservation about a provision thereof relating to supervision of the Hawaii State Public Library System for budget purposes. He indicated that the present version of the bill would create confusion as to the status of the library system as part of the Department of Education. He therefore stated that he preferred an earlier version of the bill found in H.B. No. 1965, H.D. 1 (HSCR No. 626).

In order to address these concerns, which your Committee shares, your Committee has amended this bill by inserting the original language of H.B. No. 1965, H.D. 1, in its entirety.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1635, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1635, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Shon, Takamine, Takumi, Yonamine and Halford.

SCRep. 1155 Economic Development and Business Concerns on S.B. No. 244

The purpose of this bill, as received by your Committee, is to create an environment that ensures that the State and its residents receive the benefits of a competitive telecommunications marketplace, including lower prices, technological innovation, and the availability of advanced services, while ensuring the protection of consumers and the promotion of universal service principles.

Among other things, this bill:

- (1) Establishes a three-phase schedule for the introduction of competition in the telecommunications industry;
- (2) Authorizes the creation of the Hawaii Advanced Telecommunications Foundation to fund advanced telecommunications technology infrastructure and application projects and efforts to educate telecommunications users about advanced telecommunications services;
- (3) Defines "universal service" and establishes the Universal Service Program; and
- (4) Establishes a telecommunications retraining program to be administered by a telecommunications retraining board.

Testimony in support of this bill was received from the State Librarian; the President of the Hawaii Library Association; 'Olelo: The Corporation for Community Television; Ho'ike: Kaua'i Community Television; the Vice President of the League of Women Voters of Honolulu; the Hawai'i Green Party; Hawaii Educational Networking Consortium; Common Cause Hawaii; and three interested citizens. The Public Utilities Commission (PUC); AT&T; and Oceanic Cablevision and its telecommunications affiliate, Oceanic Communications submitted testimony recommending that the existing provisions of S.B. No. 244, S.D. 1 be replaced with the provisions of H.B. No. 471, H.D. 2. The Executive Director of the Division of Consumer Advocacy, Department of Commerce and Consumer Affairs (Consumer Advocate) testified in opposition to the measure. Comments were also submitted by the Department of Business, Economic Development, and Tourism; the Administrator of the Cable Television Division, Department of Commerce and Consumer Affairs; the Department of Health; the Department of Education; the University Librarian at the University of Hawaii; and GTE Hawaiian Telephone Company Incorporated.

Your Committee has amended this bill by deleting the substance and inserting the language reflected in H.B. No. 471, H.D. 2, which was earlier reported out of the House Committee on Consumer Protection and Commerce.

As amended, the purpose of this bill is to encourage and facilitate further development of the State's telecommunications industry by:

- (1) Requiring each telecommunications carrier, upon bona fide request, to provide services or information services to an entity seeking to provide intrastate telecommunications on reasonable terms and conditions;
- (2) Requiring the Public Utilities Commission to:
 - (a) Preserve and advance universal service;
 - (b) Ensure that telecommunications number portability within an exchange is available, upon request, as soon as technically feasible and economically reasonable;
 - (c) Ensure that telecommunications carriers are compensated on a fair basis for termination of telecommunications services on each other's networks, taking into account, reasonable and necessary costs to each carrier of providing the services;
 - (d) Ensure that noncompetitive services do not cross-subsidize competitive services;
 - (e) Determine the methodology and frequency with which providers calculate total service long-run incremental cost and fully allocated joint and common costs; and
 - (f) Ensure that all consumers are provided with nondiscriminatory, reasonable, and equitable access to high quality telecommunications network facilities and capabilities;
- (3) Authorizing the PUC to allow telecommunications carriers to have pricing flexibility for services that the PUC finds are effectively competitive, provided that rates for:
 - (a) Basic telephone service and services that are not effectively competitive are cost-based and remain just, reasonable, and nondiscriminatory; and
 - (b) Universal service is preserved and advanced; and
- (4) Defining:
 - (a) "Telecommunications carrier" or "telecommunications common carrier"; and
 - (b) "Telecommunications service" or "telecommunications".

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 244, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 244, S.D. 1, H.D. 1, and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

Signed by all members of the Committee except Representatives Cachola and Morihara.

SCRep. 1156

Economic Development and Business Concerns on S.B. No. 452

The purpose of this bill, as received by your Committee, is to provide for the development of:

- (1) A strategic plan for the Waialua community following the termination of operations of Waialua Sugar Company; and
- (2) An interagency agricultural transformation support process to respond to other sugar company closures.

The Office of State Planning (OSP) and an interested citizen submitted testimony in support of this measure. Your Committee also received testimony from the Department of Land Utilization of the City and County of Honolulu.

Upon consideration, your Committee has amended this bill by broadening the scope of the bill to encompass the community at-large, and more specifically, those sugar-based communities that have been affected by the closure of several sugar companies in the State, rather than making the bill primarily applicable to the Waialua community.

Among other things, this bill also:

- (1) Specifies that the plan by OSP is to include the provision of services to assist workers and their families;
- (2) Requires that the plan by OSP identify a range of economic activities, rather than to establish urban and rural design policies of the Waialua district;
- (3) Specifies that OSP is to develop an interagency support process, rather than an agricultural transformation support process, to respond to future sugar company closures;
- (4) Includes in the appropriation that the funds for OSP are to deliver the services outlined in the plans; and
- (5) Making technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 452, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 452, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola and Morihara.

SCRep. 1157 Economic Development and Business Concerns on S.B. No. 645

The purpose of this bill is to increase the overall efficiency of state operations by providing broader public access to government information and notices through the State's information network.

The Attorney General, the Department of Labor and Industrial Relations, and the Office of Information Practices submitted testimony in support of the intent of this measure. Testimony in support of this bill was also submitted by a private citizen. Comments were submitted by the Director of Budget and Finance, the Department of Human Resources Development, the Hawaii Publishers Association, and a private citizen.

Your Committee has amended this bill by:

- (1) Permitting, rather than requiring, that the notice of vacant civil service positions be provided through the State's information network;
- (2) Deleting the requirement that notices for vacant service positions be made available by alternate means of communication;
- (3) Requiring that career information be provided through the State's information network and by alternate means of communication other than by fax, where practical and appropriate;
- (4) Requiring all governmental agencies scheduling a public hearing to publish notice in a newspaper that is printed and issued at least once, rather than twice, weekly in the county or island affected by the proposed action;
- (5) Deleting the provision requiring dissemination and access to public procurement information through the State's information network;
- (6) Adding the effective date of July 1, 1996, in which notice of all invitations for bids, requests for proposals, and the record of procurement actions, are to be provided through the State's information network;
- (7) Reinstating the provision relating to the rules adopted by the Procurement Policy Office, to include how a public notice may be published;
- (8) Requiring the Department of Budget and Finance (B&F) to establish standards for a single electronic service through which procurement, other notices, and other posted information from government agencies may be accessed;
- (9) Adding an appropriation section for B&F to carry out the purposes of the bill;
- (10) Changing the effective date of the bill to take effect upon approval, except the appropriation section is to take effect on July 1, 1995; and

- (11) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 645, S.D. 3, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 645, S.D. 3, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 1158 Economic Development and Business Concerns on S.B. No. 1735

The purpose of this bill is to provide increased flexibility in the loan programs of the Department of Business, Economic Development, and Tourism (DBEDT) by:

- (1) Incorporating the Hawaii Small and Large Fishing Vessel Purchase, Construction, Renovation, Maintenance, and Repair Loan Revolving Funds into the Hawaii Capital Loan Program; and
- (2) Authorizing the DBEDT to:
 - (a) Transfer up to \$1,000,000 within the calendar year to each of the following funds: the State Disaster Revolving Loan Fund, the Hawaii Capital Loan Revolving Fund, and the Hawaii Innovation Development Fund; and
 - (b) Transfer up to \$2,000,000 within the calendar year to each of the funds named above, provided that the Governor declares a state disaster.

The DBEDT submitted testimony on this measure.

Your Committee notes that the original bill authorizes the DBEDT to transfer up to \$2,000,000 to and from the revolving funds for the Hawaii Capital Loan Program and the Hawaii Innovation Development Loan Program; and to and from the State Disaster Revolving Loan Fund upon the declaration of a state disaster by the Governor.

Upon consideration, your Committee has amended this bill by:

- (1) Providing transfer flexibility between the State Disaster Revolving Fund and the Hawaii Capital Loan Revolving Fund and between the State Disaster Revolving Fund and the Hawaii Innovation Development Loan Revolving Fund; and
- (2) Making technical, nonsubstantive amendments to conform with current law and for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1735, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1735, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1159 Hawaiian Affairs and Housing on H.R. No. 141

The purpose of this resolution is to ensure that the Department of Hawaiian Home Lands' (DHHL) administrative procedures are predictable when notifying applicants on DHHL's waiting list regarding their proof of ancestry. This measure also seeks to ensure that applicants are given:

- (1) A reasonable time period within which to correct any deficiencies in their proof of ancestry; and
- (2) A timely determination that they are qualified to receive a Hawaiian homestead lot award.

The Native Hawaiian Legal Corporation and a DHHL homesteader testified in support of this measure. The DHHL testified that this measure was not necessary.

Your Committee finds that there is a need to provide applicants with a clear idea as to DHHL's review process. Applicants need to know on a timely basis:

- (1) Whether they have submitted sufficient proof of their ancestry;
- (2) Any deficiencies that need to be corrected; and
- (3) Whether they are qualified to receive an award.

Your Committee has amended this measure by:

- (1) Requesting DHHL to establish an advisory committee to recommend appropriate language to amend DHHL's rules; and

- (2) Making technical, nonsubstantive revisions for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 141, as amended herein, and recommends that it be referred to the Committee on Judiciary, in the form attached hereto as H.R. No. 141, H.D. 1.

Signed by all members of the Committee except Representatives Saiki, Stegmaier and Kawanakoa.

SCRep. 1160 Hawaiian Affairs and Housing on H.C.R. No. 134

The purpose of this concurrent resolution is to ensure that the Department of Hawaiian Home Lands' (DHHL) administrative procedures are predictable when notifying applicants on DHHL's waiting list regarding their proof of ancestry. This measure also seeks to ensure that applicants are given:

- (1) A reasonable time period within which to correct any deficiencies in their proof of ancestry; and
- (2) A timely determination that they are qualified to receive a Hawaiian homestead lot award.

The Native Hawaiian Legal Corporation and a DHHL homesteader testified in support of this measure. The DHHL testified that this measure was not necessary.

Your Committee finds that there is a need to provide applicants with a clear idea as to DHHL's review process. Applicants need to know on a timely basis:

- (1) Whether they have submitted sufficient proof of their ancestry;
- (2) Any deficiencies that need to be corrected; and
- (3) Whether they are qualified to receive an award.

Your Committee has amended this measure by:

- (1) Requesting DHHL to establish an advisory committee to recommend appropriate language to amend DHHL's rules; and
- (2) Making technical, nonsubstantive revisions for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 134, as amended herein, and recommends that it be referred to the Committee on Judiciary, in the form attached hereto as H.C.R. No. 134, H.D. 1.

Signed by all members of the Committee except Representatives Saiki, Stegmaier and Kawanakoa.

SCRep. 1161 Hawaiian Affairs and Housing on H.R. No. 188

The purpose of this resolution is to test the effectiveness of utilizing alternative correctional methodologies to address the prison population of Hawaiian descent.

This measure requests the Office of Hawaiian Affairs (OHA) to develop, as a demonstration project, an alternative correctional system that utilizes traditional Hawaiian methodologies including ho'oponopono and pu'uhonua.

OHA and the Department of Public Safety (DPS) testified in support of this measure. The Judiciary offered comments.

Your Committee has amended this resolution by requesting the Judiciary and DPS to assist OHA in an advisory capacity rather than having OHA consult with the Judiciary and DPS.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 188, as amended herein, and recommends that it be referred to the Committee on Judiciary, in the form attached hereto as H.R. No. 188, H.D. 1.

Signed by all members of the Committee except Representatives Hamakawa, Saiki and Stegmaier.

SCRep. 1162 Hawaiian Affairs and Housing on H.C.R. No. 184

The purpose of this concurrent resolution is to test the effectiveness of utilizing alternative correctional methodologies to address the prison population of Hawaiian descent.

This measure requests the Office of Hawaiian Affairs (OHA) to develop, as a demonstration project, an alternative correctional system that utilizes traditional Hawaiian methodologies including ho'oponopono and pu'uhonua.

OHA and the Department of Public Safety (DPS) testified in support of this measure. The Judiciary offered comments.

Your Committee has amended this concurrent resolution by requesting the Judiciary and DPS to assist OHA in an advisory capacity rather than having OHA consult with the Judiciary and DPS.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 184, as amended herein, and recommends that it be referred to the Committee on Judiciary, in the form attached hereto as H.C.R. No. 184, H.D. 1.

Signed by all members of the Committee except Representatives Hamakawa, Saiki and Stegmaier.

SCRep. 1163 Public Safety and Military Affairs on S.B. No. 1269

The purpose of this bill is to establish a minimum security forestry camp for rehabilitating adjudicated juvenile offenders. The camp is to be situated within an isolated rural location and is designed to house fifteen to twenty juveniles who have been committed by the family court.

The camp's curriculum would involve a daily regimen which would include academic study, physical training, conservation and forestry activities and community service. Your Committee agrees that a forestry and conservation program such as provided by this bill, is an acceptable alternative to incarceration and is both cost-effective and socially desirable. Since the program involves an outreach and tracking component, it would continue to monitor and supervise the readjustment of its charges once they have completed the program and returned to the community.

As affirmed by the record of votes of the members of your Committee on Public Safety and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1269, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Case and Tom.

SCRep. 1164 Public Safety and Military Affairs on S.B. No. 1592

The purpose of this bill is to extend the authorization date for the State to begin new construction or development of the third phase of the Women's Community Correctional Center at Kailua until July 1, 1998 without prior legislative approval.

Extension of Act 151, Session Laws of Hawaii 1991, as amended by Act 61, Session Laws of Hawaii 1993 until July 1, 1998 will permit the Department of Public Safety to initiate construction of the third developmental phase at the women's facility without prior legislative approval.

Your Committee has received testimony from the Department of Public Safety affirming that this construction is necessary for the State to comply with the stipulations of the Spear v. Waihee consent decree. However, as a result of circumstances relating to construction projects at the Hawaii youth correctional facility, it will not be possible for construction at the Women's community correction center to proceed until after 1996. Therefore, in order to be in compliance with the consent decree, the three year extension is needed.

As affirmed by the record of votes of the members of your Committee on Public Safety and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1592 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Case and Tom.

SCRep. 1165 Labor and Public Employment on S.B. No. 107

The purpose of this bill, as received by your Committee, is to prohibit public employers from permanently replacing employees who participate in strikes.

Upon further consideration, your Committee has amended this measure by deleting its substance and instead inserting the substance of H.B. No. 1254, H.D. 1, which was previously reported from this Committee.

The purpose of this bill, as amended, is to transfer the functions and authority exercised by the Office of Collective Bargaining to the Department of Human Resources Development.

Your Committee received testimony from the Department of Human Resources Development and the Office of Collective Bargaining supporting the bill, as amended. The Hawaii Government Employees Association, AFSCME, Local 152, AFL-CIO, opposed the bill, as amended.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 107, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 107, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Alcon and Ward.

SCRep. 1166 Labor and Public Employment on S.B. No. 858

The purpose of this bill is to enable employees of the Department of Education and the University of Hawaii to invest funds for retirement in mutual funds held in custodial accounts, thereby qualifying for favorable benefits under federal tax law.

The Hawaii State Association of Life Underwriters submitted testimony in support of this measure.

The Director of Human and Material Resources of the University of Hawaii and the Department of Education submitted comments supporting the intent of the measure, but expressing reservations.

Your Committee has amended this measure to take effect on January 1, 1996, to provide sufficient time for the adoption of rules.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 858, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 858, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Alcon and Ward.

SCRep. 1167 Labor and Public Employment on S.B. No. 1804

The purpose of this bill, as received by your Committee, is to:

- (1) Prevent vacated positions in community hospitals and correctional facilities, positions in programs that are totally federally funded, and certain administrative positions, from being frozen or eliminated pursuant to Act 212, Session Laws of Hawaii 1994, which provided a one-time early retirement incentive to qualified government employees; and
- (2) Make revisions to sick leave requirements under state law.

Upon further consideration, your Committee has amended this measure by deleting its substance and instead inserting the substance of H.B. No. 133, H.D. 2, which was previously reported from this Committee.

The purpose of this bill, as amended, is to:

- (1) Authorize the Governor to appoint a commission to explore different funding, eligibility requirements, and benefit structures, and the actuarial effect of these alternatives, with regard to the Hawaii Public Employees Health Fund (Health Fund);
- (2) Require the commission to report its findings and recommendations, including proposed legislation, to the Legislature no later than twenty days before the convening of the 1996 legislative session; and
- (3) Include an appropriation of \$100,000 from the Health Fund to enable the commission to conduct the study.

Your Committee received testimony from the Department of Budget and Finance supporting the intent of this bill, as amended. The Administrator of the Health Fund also submitted comments on the bill, as amended.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1804, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1804, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Alcon and Ward.

SCRep. 1168 Human Services on S.B. No. 966

The purpose of this bill is to appropriate funds to maintain adequate funding for chore services.

The Department of Human Services (DHS) testified in support of the intent of this bill. The Executive Office on Aging (EOA) submitted testimony expressing concern for people who while qualifying for the chore services program, are unable to receive services because of the funding shortfall. EOA also deferred to DHS regarding appropriations and other technical aspects of this measure. The State Planning Council on Developmental Disabilities, the Hawaii Nurses' Association, the Maui Senior Citizens Planning and Coordination Council, Maui Economic Opportunity, Inc., the Commission on Persons with Disabilities, the Community Elder Abuse and Neglect Task Force, the Alzheimer's Association, the Kokuia Council, seventeen members of Advocates for Independent Living and sixty-four members of Hawaii Centers for Independent Living submitted testimony in support of this bill.

Your Committee finds that many disabled and elderly individuals are able to live independently in their communities with the help of chore services. This cost-effective program keeps many citizens from using expensive institutional-based services, of which the state pays half the cost.

Your Committee is in full support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 966, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1169 Human Services on S.B. No. 1509

The purpose of this bill is to require the Office of Veterans' Services to annually inspect all state war memorials and veterans' cemeteries for repair and maintenance deficiencies, and report all repair and maintenance problems at these memorials and cemeteries to the adjutant general, the comptroller, and the Legislature in order to ensure that potential problems are detected and corrected as expeditiously as possible.

The Office of Veterans' Services, Friends of the Natatorium, Disabled American Veterans, and the Rainbow Chapter 483 Hawaii of the Military Order of the Purple Heart USA, Inc. submitted testimony in support of this measure.

Your Committee recognizes that Hawaii's war memorials and veterans' cemeteries are intended to honor its veterans and remind future generations of the sacrifices that were made. Yet these memorials are deteriorating due to years of neglect and indifference. How this State cares for its war memorials and veterans' cemeteries is a reflection of the esteem in which it holds the men and women who fought and died for their country. It is therefore the State's responsibility to ensure that the necessary repairs and maintenance of these places is attended to.

Your Committee is in full support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1509, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Kahikina.

SCRep. 1170 Human Services on S.B. No. 869

The purpose of this bill is to resolve uncertainties in the law relating to a statutory provision that is subject to automatic repeal by operation of law.

In particular, this bill, as received by your Committee, amends section 346-64, Hawaii Revised Statutes (HRS) (personal care; payment for services), which is to be repealed on June 30, 1995, by setting forth that section in the form in which various enactments indicate the Legislature intended it to appear after that date. As amended, that section will revert back to the form in which it read prior to its amendment by Act 209, Session Laws of Hawaii 1988, while retaining an amendment made to that section by Act 145, Session Laws of Hawaii 1990.

Upon further consideration, your Committee believes that the repeal date of the non-medicaid personal care program in section 346-64, HRS, should be extended from June 30, 1995, to June 30, 1997. Your Committee finds that this program enables the disabled, chronically ill, and frail elderly who are not eligible for medicaid, to receive medical support services.

Your Committee has therefore amended this bill by replacing its contents with that of H.B. No. 1987, H.D. 1, to achieve this objective. Your Committee has also amended the bill by making technical, nonsubstantive changes.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 869, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 869, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Hamakawa and Kahikina.

SCRep. 1171 Human Services on S.B. No. 1683

The purpose of this bill is to require physically impaired persons to seek medical treatment by amending Hawaii Revised Statutes (HRS) section 346-71. HRS section 346-71 is further amended by removing the rotation of mental impairment evaluations and deleting the psychologist or psychiatrist who made the determination as ineligible to provide the treatment or care.

Testimony from the Department of Human Services was submitted in support of the intent of this measure. The Kokua Council submitted testimony in strong support of this measure.

Your Committee has amended this bill by incorporating the substance of H.B. No. 1985, H.D. 1, which budgets for general assistance on a lump sum basis. To accommodate lump sum budgeting, the Director of Human Services is authorized to determine the amount of assistance based upon the total appropriated amount. Currently, those qualifying for general assistance are statutorily entitled to monthly assistance amounts that equal 62.5 percent of the 1993 annual federal poverty level divided by 12.

Your Committee has further amended this bill by:

- (1) Authorizing the Director of Human Services to determine qualifications for general assistance within the guidelines and priorities of departmental rules;
- (2) Requiring the Department of Human Services to adopt rules establishing qualifying guidelines and priorities for general assistance, as well as a method for determining assistance amounts; and
- (3) Making technical, nonsubstantive revisions for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1683, S.D. 1, as amended herein, and recommends

that it pass Second Reading in the form attached hereto as S.B. No. 1683, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hamakawa, Kahikina and Kawanakoa.

SCRep. 1172 Hawaiian Affairs and Housing and Health on H.R. No. 142

The purpose of this resolution is to request the Governor to provide a detailed accounting of federal and state funds appropriated and allotted to meet the specific health needs of native Hawaiians.

In addition, this report will track appropriations and allotments specifically addressing native Hawaiian health risks and needs to ensure that the quality of care provided to native Hawaiians will enable them to become an integral and valued people in Hawaii.

The Association of Hawaiian Civic Clubs supported this measure. The Department of Health submitted comments.

Your Committees have amended this measure by:

- (1) Clarifying that the Governor report on the medical, dental, psychological, and social health needs of native Hawaiians, and reflecting this revision in the title of the measure: "HOUSE RESOLUTION RELATING TO THE MEDICAL, DENTAL, PSYCHOLOGICAL, AND SOCIAL HEALTH NEEDS OF NATIVE HAWAIIAN PEOPLE AND THE OFFICE OF HAWAIIAN HEALTH"; and
- (2) Making technical, nonsubstantive amendments for purposes of style and clarity.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Housing and Health that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 142, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 142, H.D. 1.

Signed by all members of the Committees except Representatives Saiki, Stegmaier and Anderson.

SCRep. 1173 Hawaiian Affairs and Housing and Health on H.C.R. No. 135

The purpose of this concurrent resolution is to request the Governor to provide a detailed accounting of federal and state funds appropriated and allotted to meet the specific health needs of native Hawaiians.

In addition, this report will track appropriations and allotments specifically addressing native Hawaiian health risks and needs to ensure that the quality of care provided to native Hawaiians will enable them to become an integral and valued people in Hawaii.

The Association of Hawaiian Civic Clubs supported this measure. The Department of Health submitted comments.

Your Committees have amended this measure by:

- (1) Clarifying that the Governor report on the medical, dental, psychological, and social health needs of native Hawaiians, and reflecting this revision in the title of the measure: "HOUSE CONCURRENT RESOLUTION RELATING TO THE MEDICAL, DENTAL, PSYCHOLOGICAL, AND SOCIAL HEALTH NEEDS OF NATIVE HAWAIIAN PEOPLE AND THE OFFICE OF HAWAIIAN HEALTH"; and
- (2) Making technical, nonsubstantive amendments for purposes of style and clarity.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Housing and Health that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 135, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 135, H.D. 1.

Signed by all members of the Committees except Representatives Saiki, Stegmaier and Anderson.

SCRep. 1174 Economic Development and Business Concerns on H.R. No. 70

The purpose of this resolution is to request the Office of the Auditor to examine the effectiveness of state and county grants issued to the Hamakua and Ka'u districts for economic development.

Testimony in support of this measure was received from the Department of Business, Economic Development, and Tourism.

Your Committee has amended this resolution by:

- (1) Requesting that the Office of the Auditor perform an audit instead of a study;
- (2) Including state and county contracts to be included in the audit;
- (3) Including all "sugar-based" communities as well as Hamakua and Ka'u to be included in the audit; and
- (4) Amending the title of the resolution to reflect the amendments.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 70, as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.R. No. 70, H.D. 1.

Signed by all members of the Committee except Representative Cachola.

SCRep. 1175 Economic Development and Business Concerns on H.C.R. No. 63

The purpose of this concurrent resolution is to request the Office of the Auditor to examine the effectiveness of state and county grants issued to the Hamakua and Ka'u districts for economic development.

Testimony in support of this measure was received from the Department of Business, Economic Development, and Tourism.

Your Committee has amended this concurrent resolution by:

- (1) Requesting that the Office of the Auditor perform an audit instead of a study;
- (2) Including state and county contracts to be included in the audit;
- (3) Including all "sugar-based" communities as well as Hamakua and Ka'u to be included in the audit; and
- (4) Amending the title of the concurrent resolution to reflect the amendments.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 63, as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.C.R. No. 63, H.D. 1.

Signed by all members of the Committee except Representative Cachola.

SCRep. 1176 Labor and Public Employment on H.R. No. 42

The purpose of this resolution is to support the continuation of community action in the State by requesting the executive branch to maintain the funding level of the Community Services Block Grant Programs with state supported funds.

Your Committee recognizes the outstanding achievements of community action organizations throughout the state. With the impending reduction of federal funding for these community action organizations, it is critical that the State continue funding to ensure that these organizations can continue to provide needed services for Hawaii's low-income families and individuals.

The Honolulu Community Action Program, Inc.; the Kauai Economic Opportunity, Incorporated; the Maui Economic Opportunity, Inc.; and the Hawaii County Economic Opportunity Council presented testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 42 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1177 Labor and Public Employment on H.C.R. No. 37

The purpose of this concurrent resolution is to support the continuation of community action in the State by requesting the executive branch to maintain the funding level of the Community Services Block Grant Programs with State supported funds.

Your Committee recognizes the outstanding achievements of community action organizations throughout the State. With the impending reduction of federal funding for these community action organizations, it is critical that the State continue funding to ensure that these organizations can continue to provide needed services for Hawaii's low-income families and individuals.

The Honolulu Community Action Program, Inc.; the Kauai Economic Opportunity, Incorporated; the Maui Economic Opportunity, Inc.; and the Hawaii County Economic Opportunity Council presented testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 37 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1178 Labor and Public Employment on H.R. No. 73

The purpose of this resolution is to request the Department of Labor and Industrial Relations (DLIR) to study the impact of establishing a workforce investment council.

Your Committee hopes that this study will enable Hawaii's employment training system to become more streamlined and competitive to better serve the needs of the people of Hawaii.

The DLIR submitted testimony supporting this measure.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 73 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1179 Labor and Public Employment on H.C.R. No. 66

The purpose of this concurrent resolution is to request the Department of Labor and Industrial Relations (DLIR) to study the impact of establishing a workforce investment council.

Your Committee hopes that this study will enable Hawaii's employment training system to become more streamlined and competitive to better serve the needs of the people of Hawaii.

The DLIR submitted testimony supporting this measure.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 66 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1180 Labor and Public Employment on H.R. No. 164

The purpose of this resolution is to request a comprehensive study to reform the civil service system.

Specifically, this measure requests the:

- (1) Department of Human Resources Development (DHRD) to liberalize provisions on position classification and clarifying the rationale for and categorization of exempt positions; and
- (2) Department of Budget and Finance to prepare a report including a clear set of guidelines and principles for agencies to follow in instituting reorganizations.

The Department of Budget and Finance submitted testimony in support of this measure. The DHRD submitted testimony in opposition.

Your Committee has amended this measure by:

- (1) Deleting provisions requesting the inclusion of action plans in the comprehensive study to be undertaken by the DHRD;
- (2) Requesting the DHRD and the Department of Budget and Finance to submit status reports to the Legislature; and
- (3) Making other technical, nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 164, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 164, H.D. 1.

Signed by all members of the Committee.

SCRep. 1181 Labor and Public Employment on H.C.R. No. 162

The purpose of this concurrent resolution is to request a comprehensive study to reform the civil service system.

Specifically, this measure requests the:

- (1) Department of Human Resources Development (DHRD) to liberalize provisions on position classification and clarifying the rationale for and categorization of exempt positions; and
- (2) Department of Budget and Finance to prepare a report including a clear set of guidelines and principles for agencies to follow in instituting reorganizations.

The Department of Budget and Finance submitted testimony in support of this measure. The DHRD submitted testimony in opposition.

Your Committee has amended this measure by:

- (1) Deleting provisions requesting the inclusion of action plans in the comprehensive study to be undertaken by the DHRD;
- (2) Requesting the DHRD and the Department of Budget and Finance to submit status reports to the Legislature; and
- (3) Making other technical, nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 162, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 162, H.D. 1.

Signed by all members of the Committee.

SCRep. 1182 Water and Land Use Planning on H.C.R. No. 309

The purpose of this concurrent resolution is to reduce further degradation of the freshwater and coastal environments along the North Shore of Oahu.

This measure requests the Department of Land and Natural Resources' (DLNR) Flood Control Branch to assist the newly formed Paukaula Streambank and Riparian Area Community Restoration Project Committee (PSP) in undertaking streambank restoration activities.

Located in Haleiwa, Paukaula Stream is fed by both the Opaepa and Helemano Streams which converge in the vicinity of Twin Bridges. Kaiaka Bay serves as its receiving waters.

Your Committee finds that Kaiaka Bay has been designated as a Water Quality Limited Segment. This means that it continually exceeds state water quality standards due to excessive loading of sediment, nutrients, and microbial pathogens.

The Chair of the PSP testified in support of this concurrent resolution. The Department of Health, DLNR, and the City and County of Honolulu's Department of Public Works all supported the intent of this measure.

During discussion, it was brought up that the PSP may find it beneficial to periodically solicit public input on its activities. Such a move can help to nurture community support for PSP's activities over the long run. In addition, the PSP may also find it prudent to establish itself as a private, nonprofit organization in order to become eligible for possible outside funding.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 309 and recommends that it be referred to the Committee on Intergovernmental Relations and International Affairs.

Signed by all members of the Committee except Representatives Nekoba, Garcia, Kanoho and Yoshinaga.

SCRep. 1183 Water and Land Use Planning on S.B. No. 4

The purpose of this bill is to establish a special University of Hawaii Kapolei development zone in Kapolei, Oahu.

The University of Hawaii and the Estate of James Campbell submitted testimony in support of this bill. Testimony supporting the House amendments with additional comments regarding the bill was offered by the Office of State Planning. The Office of Hawaiian Affairs presented testimony supporting the bill with reservations.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 4, S.D. 1, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Nekoba, Garcia, Kanoho and Yoshinaga.

SCRep. 1184 Water and Land Use Planning; Ocean Recreation and Marine Resources; and Energy and Environmental Protection on S.B. No. 288

The purpose of this bill is to prohibit the intentional harassment of hunters and fishermen engaged in lawful activity.

This bill is similar to legislation considered in other states in response to protest actions by citizen advocacy groups. In Hawaii, certain harassment problems have been reported on Molokai and the Big Island.

The Department of Land and Natural Resources, the Hawaii Rifle Association, the Wildlife Conservation Association of Hawaii, and two hunters testified in support of this bill. Opposing this measure were the Hawaii Island Humane Society, the Hawaiian Humane Society, and Animal Rights Hawaii. The Environmental Center of the University of Hawaii offered comments.

Upon further consideration, your Committees have amended this bill by:

- (1) Clarifying that the prohibition against interference of hunters shall not apply to any incidental interference arising from lawful activity;

- (2) Adding the requirement that an act of interference must make it impossible for hunters to take the game in order to constitute a violation;
- (3) Narrowing the focus by deleting references to fishing as well as hunting activities that take place on the water;
- (4) Limiting the maximum penalty for violations to Chapter 183D to a \$500 fine, thirty days imprisonment, or both;
- (5) Deleting selected language that specified the grounds for which a peace officer could require a person to desist from conduct in violation of this bill;
- (6) Inserting a new section specifying that nothing in this bill shall affect the exercise of a privilege protected by the First Amendment of the U.S. Constitution and by Article I, section 4, of the State Constitution; and
- (7) Making technical, nonsubstantive revisions for the purpose of clarity.

As affirmed by the records of votes of the members of your Committees on Water and Land Use Planning; Ocean Recreation and Marine Resources; and Energy and Environmental Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 288, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 288, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committees except Representatives Nekoba, Garcia, Kanoho, Yoshinaga, Anderson and Meyer.
(Representative Thielen voted no.)

SCRep. 1185 Hawaiian Affairs and Housing on S.B. No. 550

The purpose of this bill is to expedite the development of the proposed Kapolei High School on Oahu.

This bill authorizes the Housing Finance and Development Corporation (HFDC) to plan, develop, construct, and finance educational facilities and related infrastructure related to the needs of its housing projects. This bill also directs:

- (1) The Department of Land and Natural Resources (DLNR) to transfer the title to a 47.183 acre parcel of land in Kapolei to HFDC to serve as the Kapolei High School site; and
- (2) HFDC to plan and design the Kapolei High School as well as the necessary infrastructure to support it.

Your Committee finds that the original site for the Kapolei High School was a parcel located in central Kapolei. However, the planned high school was subsequently moved to another site that currently lacks the necessary infrastructure to support the facility.

According to the Department of Education's (DOE) timetable, Kapolei High School is planned to be on line by the year 2000. As a result, there is an urgent need to provide the necessary facilities required by Kapolei students on a timely basis, consisting of not only the high school, but an intermediate school as well. In order to avoid inconveniencing these students, it is essential that all parties involved work together to resolve this matter on an expeditious basis.

DLNR and a Kapolei resident testified in support of this bill. The Department of Accounting and General Services and DOE also supported this bill with suggested amendments. HFDC opposed this bill.

Your Committee has amended this bill by:

- (1) Clarifying that the educational facilities shall comply with DOE's educational specifications, timelines, and siting requirements;
- (2) Stipulating that DOE shall reimburse HFDC with sufficient appropriations at the time of the transfer of the completed educational facilities; the reimbursement to HFDC excludes the cost of the land;
- (3) Clarifying that upon completion of construction, title to the land shall be conveyed back to DLNR for subsequent set aside to the control and management of DOE; and
- (4) Requiring that the conveyance of the land back to DLNR shall be in fee simple and free and clear of liens, judgments, and other encumbrances.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 550, S.D. 2, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as S.B. No. 550, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representatives Kawakami, Saiki and Stegmaier.

SCRep. 1186 Intergovernmental Relations and International Affairs on S.B. No. 160

The purpose of this bill is to allow a county to impose civil fines upon any person who places graffiti upon county owned, managed, or maintained personal or real property. Liability is placed on the parent or guardian, permitting a fine to be imposed after an administrative hearing.

The bill also extends the sunset date for HRS section 46-1.5 (24) to June 30, 1997. This subparagraph enables the counties to add unpaid civil fines to any taxes, fees or charges collected by the County and to withhold county licenses, permits and approvals from the persons liable for the fine until paid.

Your Committee finds that passage of this bill would enable the counties to collect fines imposed on graffiti vandals in an effective manner at minimal cost to the City. Compliance through civil remedies for other violations has proved to be a valuable enforcement tool, and therefore should be considered as one of the mechanisms available to discourage the violators.

Further, by holding the parents or guardian of a minor jointly and severally liable for any damaged property, they become more responsible for controlling the minor's deviant behavior.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 160, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Alcon and Ward.

SCRep. 1187 Intergovernmental Relations and International Affairs on S.B. No. 395

The purpose of this bill is to appropriate funds to continue the operations of the Windward Oahu and Leeward Oahu state satellite information office.

Your Committee finds that the satellite offices in these regions have been providing valuable services to their residents as well as contributing to the reduction of town-bound commuters in search of government assistance.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 395, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1188 Intergovernmental Relations and International Affairs on S.B. No. 1766

The purpose of this bill is to help clarify that residential detention for persons who have been arraigned or have made an initial appearance and who have not been admitted to bail, released to appear, or otherwise released, shall be provided by each county's community correctional center.

Testimony in support of this bill was received from the Department of Public Safety and the State Attorney General.

Testimony in opposition was received from the County of Hawaii and the County of Kauai.

Your Committee finds that there is an ambiguity in section 353-6, Hawaii Revised Statutes which has resulted in a dispute as to the proper interpretation of the 1973 Hawaii State Master Plan. The plan clearly states, "If the arrestee is unable to post bail, he is held at the police department until the date of arraignment." This measure resolves the ambiguity in the statute and resolves the issue in accordance with the original legislative intent as stated in the plan.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1766 and recommends that it pass Second Reading and be referred to the Committees on Judiciary and Public Safety and Military Affairs.

Signed by all members of the Committee.
(Representatives Alcon and Ward voted no.)

SCRep. 1189 Intergovernmental Relations and International Affairs on S.B. No. 1936

The purpose of this bill is to designate the Department of Land and Natural Resources as the lead agency in the Kahuku Master Flood Control Plan.

Testimony in support of the bill was received from the Department of Housing and Community Development.

Testimony in opposition was received from the Board of Land and Natural Resources, who expressed concerns regarding the anticipated shortfall of State revenues.

Your Committee finds that since the Kahuku region is particularly vulnerable to flooding, the development of a regional master flood plan is fundamental before proposing further growth in the area. The study will help to identify the problems, causes, alternatives and solutions necessary to help alleviate the dilemma.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1936, S.D. 2, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Alcon and Ward.

SCRep. 1190 Intergovernmental Relations and International Affairs on S.B. No. 865

The purpose of this bill is to provide state and county governments with immunity from liability for injuries caused by natural conditions of any unimproved public land.

The Board of Land and Natural Resources, the Hawaii Hotel Association, Ho'omana'o Maui, and the Chamber of Commerce of Hawaii supported passage of this measure.

The Department of the Attorney General, the Department of Hawaiian Home Lands, the Department of Health, the Mayor of the City and County of Honolulu, the Mayor of the County of Maui, the Hawaii State Association of Counties, the Council Chair of the County of Maui, the Office of the Corporation Counsel of the City and County of Honolulu, the Office of the Corporation Counsel of the County of Hawaii, the Office of the County Attorney of the County of Kauai, the Department of Parks and Recreation of the City and County of Honolulu, and the Department of the Corporation Counsel of the County of Maui supported the intent of this measure but recommended further revisions.

The Hawaii Trial Lawyers Association (HTLA) submitted testimony in opposition.

Your Committee finds that with some changes, this bill will more clearly outline individual rights and expectations while clarifying the duties of the counties to warn of certain dangerous conditions, and thus provide a greater measure of protection for the counties.

To better strike this balance, your Committee has amended this bill by deleting its substance and instead inserting the substance of H.B. No. 836, H.D. 1, to:

- (1) Add a new chapter to the Hawaii Revised Statutes, requiring a degree of care by any government agency for persons using public beach parks, public beach accesses, and public rights of ways to the beach; and
- (2) Clarify and limit the circumstances under which a county could be held liable.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 865, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 865, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Alcon and Ward.
(Representative Nakasone voted no.)

SCRep. 1191 Health on S.B. No. 1159

The purpose of this bill is to appropriate funds for full time, twenty-four hour emergency ambulance services for the communities of Kula and Hana, Maui.

Your Committee finds that the Kula and Hana areas of Maui receive only part-time emergency medical services. Consequently, ambulances are often not able to make timely responses in emergency situations. According to the Department of Health, the Kula ambulance unit operates only ten hours a day from 8:00 a.m. to 6:00 p.m. Until recently, service was available in the Hana area only from 8:00 a.m. to 5:00 p.m. on weekdays and from 8:00 a.m. to 12:00 p.m. on Saturdays. The Hana Medic 6 unit is also the only unit on Maui which does not provide advanced life support and is not staffed with at least one mobile intensive care technician and one emergency medical technician.

Testimony was received in support of this bill from the State Health Planning and Development Agency. In addition, hundreds of pages of testimony were received from residents of Maui who cited the need for properly staffed full time ambulance services. The Department of Health submitted testimony in support of the intent of this bill.

Your Committee strongly believes that the residents of Kula and Hana should receive ambulance service on the same level as all other residents of the State. In addition, the lack of adequate ambulance service staffed by improperly trained personnel may expose the State to enormous liability.

Although there is a concern about the current State fiscal situation, it is essential that funding be found for this purpose. The Department of Health will be adopting rules to increase ambulance service fees, and this would appear to be an equitable source of revenue to fund appropriate services for Hana and Kula.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1159, S.D. 1, as amended herein, and recommends that it pass Second Reading, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hamakawa.

SCRep. 1192 Health on S.B. No. 382

The purpose of this bill is to extend the sunset date of the Youth Outreach Project and to appropriate funds for it.

This demonstration project performs a unique and necessary function in the community. The project has proven its worth, and in the future serious consideration should be given for making it a permanent program.

Your Committee would like to underscore the project's focus on teen-agers and homeless youth rather than runaways, and urges this emphasis to continue. The need for services for older youth is recognized, and other efforts should be made to provide a continuum of services.

The bill has been amended by:

- (1) Extending the sunset date from June 30, 1996, to June 30, 1997; and
- (2) Appropriating \$1 each for fiscal years 1995-1996 and 1996-1997 for the purpose of continuing discussion on this matter.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 382, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 382, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Saiki, Stegmaier and Anderson.

SCRep. 1193 Health on S.B. No. 1022

The purpose of this bill is to authorize the issuance of \$45,000,000 in special purpose revenue bonds to finance capital costs for Kapiolani Health Care System's health care facility subsidiaries.

Testifying in support of the bill, Kapiolani Health Care System noted that the general authority to issue special purpose revenue bonds for health care facilities "sunsets" on June 30, 1995, and any extension of this authority must be done during the current legislative session.

Your Committee supports the issuance of special purpose revenue bonds for Kapiolani Health Care System's health care facility subsidiaries, as well as the deletion of the sunset for the general practice of issuing special purpose revenue bonds for health care facilities. H.B. No. 898, H.D. 2, accomplishes both purposes. H.B. No. 898, H.D. 2, received hearings in the House, and was approved by the House.

S.B. No. 1022, S.D. 1, has been amended by deleting its contents and replacing it with the substance of H.B. No. 898, H.D. 2.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1022, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1022, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hamakawa.

SCRep. 1194 Health on S.B. No. 1743

The purpose of this bill is to clarify that licensed physical therapists are permitted to use auxiliary personnel to assist them in the practice of physical therapy.

Testimony in support of this bill was received from the American Physical Therapy Association, Hawaii Chapter. The Hawaii Board of Physical Therapy also submitted testimony in support of this bill with amendments. Your Committee amended this bill to permit college students to participate in a practicum or internship as part of their coursework.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1743, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1743, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Hamakawa, Saiki and Anderson.

SCRep. 1195 Public Safety and Military Affairs on S.B. No. 1211

The purpose of this bill is to require the Department of Public Safety to establish and implement its pilot project to test its proposed shift relief factor of 1.88. The shift factor determines the number of security staff required to provide necessary coverage at the Oahu Community Correctional Center.

Additionally, this measure includes a requirement that, notwithstanding any law or rule to the contrary, collective bargaining agreements be structured to address and remedy excessive absenteeism.

Testimony was received by the Department of Public Safety in support of this measure. That testimony also indicated a belief that this increase in the shift relief factor from 1.65, in conjunction with the an overtime reduction plan, will result in a significant reduction in overtime at the OCCC.

Your Committee is in agreement with the intent of this bill. However, after further consideration your Committee has amended the bill by:

- (1) substituting a shift relief factor of 1.75; and,

- (2) by making technical, non-substantive amendments for purposes of clarity.

As affirmed by the record of votes of the members of your Committee on Public Safety and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1211, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1211, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Case and Tom.

SCRep. 1196 Public Safety and Military Affairs on S.B. No. 1634

The purpose of this bill is to authorize the Department of Defense to accept, use, and manage gifts received to enhance the purposes of the Hawaii National Guard Youth Challenge Program.

Testimony in support of this bill was submitted by the Department of Defense.

Your Committee notes that the Department of Defense has received a \$4,000,000 federal grant from the National Guard Bureau to operate the Hawaii National Guard Youth Challenge Program. This is a federally established program designed to encourage youths "at risk" to:

- (1) Work toward the full development of themselves;
- (2) Experience success in school, work, and home; and
- (3) Become productive members of society.

This bill would allow the Department of Defense to receive, expend, use, and invest gifts and grants, including the grant from the National Guard Bureau. Further, it is envisioned that the use of gifts and funds other than those received from the state and federal government would help the Department of Defense to achieve the goals of the Hawaii National Guard Youth Program.

Your Committee notes that this bill is similar in general purpose to H.B. No. 1962, "A Bill for an Act Relating to Gifts," and has amended this bill by inserting the language reflected in H.B. No. 1962, thereby establishing the Hawaii Youth Challenge Program under Chapter 26, Hawaii Revised Statutes (HRS), rather than under Chapter 121, HRS.

As affirmed by the record of votes of the members of your Committee on Public Safety and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1634, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1634, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Case and Tom.

SCRep. 1197 Intergovernmental Relations and International Affairs on H.R. No. 41

The purpose of this resolution is to request the Governor to establish an Intergovernmental Relations and Fiscal Balance Study Commission (Commission).

Specifically, the Commission would study and evaluate overlapping functions and fiscal balance between the State and the counties, and make recommendations based on its findings.

The Judiciary, the Managing Director of the City and County of Honolulu, and a member of the City Council of the City and County of Honolulu submitted testimony supporting the intent of this measure.

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

- (1) Changing the composition of the Commission by deleting the Director of the Office of State Planning, the Attorney General, the Director of Finance, the Director of Transportation, the Chair of the State Board of Land and Natural Resources, and the Director of Taxation, and adding the Governor, the Lieutenant Governor, two individuals appointed by the House Speaker, and two individuals appointed by the Senate President;
- (2) Allowing the Commission to establish an advisory working group representing administrators of affected State and county departments to provide technical assistance; and
- (3) Making technical, nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 41, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 41, H.D. 1.

Signed by all members of the Committee except Representatives Alcon, Nakasone and Ward.

SCRep. 1198 Intergovernmental Relations and International Affairs on H.C.R. No. 36

The purpose of this concurrent resolution is to request the Governor to establish an Intergovernmental Relations and Fiscal Balance Study Commission (Commission).

Specifically, the Commission would study and evaluate overlapping functions and fiscal balance between the State and the counties, and make recommendations based on its findings.

The Judiciary, the Managing Director of the City and County of Honolulu, and a member of the City Council of the City and County of Honolulu submitted testimony supporting the intent of this measure.

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

- (1) Changing the composition of the Commission by deleting the Director of the Office of State Planning, the Attorney General, the Director of Finance, the Director of Transportation, the Chair of the State Board of Land and Natural Resources, and the Director of Taxation, and adding the Governor, the Lieutenant Governor, two individuals appointed by the House Speaker, and two individuals appointed by the Senate President;
- (2) Allowing the Commission to establish an advisory working group representing administrators of affected State and county departments to provide technical assistance; and
- (3) Making technical, nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 36, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 36, H.D. 1.

Signed by all members of the Committee except Representatives Alcon, Nakasone and Ward.

SCRep. 1199 Intergovernmental Relations and International Affairs on H.R. No. 138

The purpose of this resolution is to request the members of Hawaii's congressional delegation to introduce legislation to provide for the extension of the three-year period of sponsorship of immigrants.

Testimony in favor was received from a concerned citizen.

Your Committee finds that by extending the period of sponsorship, the number of immigrants residing in Hawaii dependent on public assistance would be reduced. Therefore, the State of Hawaii would benefit from legislation that places the obligation on the sponsor, and nurtures qualities of self-sufficiency.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 138 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Alcon, Nakasone and Ward.

SCRep. 1200 Intergovernmental Relations and International Affairs on H.C.R. No. 131

The purpose of this concurrent resolution is to request the members of Hawaii's congressional delegation to introduce legislation to provide for the extension of the three-year period of sponsorship of immigrants.

Testimony in favor was received from a concerned citizen.

Your Committee finds that by extending the period of sponsorship, the number of immigrants residing in Hawaii dependent on public assistance would be reduced. Therefore, the State of Hawaii would benefit from legislation that places the obligation on the sponsor, and nurtures qualities of self-sufficiency.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 131 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Alcon, Nakasone and Ward.

SCRep. 1201 Health on H.R. No. 181

The purpose of this resolution is to request the Department of Health (DOH) and the Department of Education (DOE) to establish a program for testing and evaluating the learning problems of children with leukemia.

Your Committee finds that children with leukemia constitute a population with distinct characteristics that must be treated differently from other populations. The resolution requests the establishment of a testing and evaluation program for these children. However, the resolution does not go far enough.

The resolution has been amended by:

- (1) Requesting DOH and DOE to make recommendations for other types of programs for children with leukemia;
- (2) Reflecting this new request in the title of the resolution; and
- (3) Making technical, nonsubstantive revisions for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 181, as amended herein, and recommends that it be referred to the Committee on Education, in the form attached hereto as H.R. No. 181, H.D. 1.

Signed by all members of the Committee except Representative Hamakawa.

SCRep. 1202 Health on H.C.R. No. 178

The purpose of this concurrent resolution is to request the Department of Health (DOH) and the Department of Education (DOE) to establish a program for testing and evaluating the learning problems of children with leukemia.

Your Committee finds that children with leukemia constitute a population with distinct characteristics that must be treated differently from other populations. The concurrent resolution requests the establishment of a testing and evaluation program for these children. However, the concurrent resolution does not go far enough.

The concurrent resolution has been amended by:

- (1) Requesting DOH and DOE to make recommendations for other types of programs for children with leukemia;
- (2) Reflecting this new request in the title of the concurrent resolution; and
- (3) Making technical, nonsubstantive revisions for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 178, as amended herein, and recommends that it be referred to the Committee on Education, in the form attached hereto as H.C.R. No. 178, H.D. 1.

Signed by all members of the Committee except Representative Hamakawa.

SCRep. 1203 Health on H.C.R. No. 115

The purpose of this concurrent resolution is to request the Auditor to conduct a "sunrise" analysis of H.B. No. 966, which proposes to regulate nutritionists and the practice of nutrition and dietetics.

Section 26H-6, Hawaii Revised Statutes, requires the Auditor to conduct a sunrise analysis of any proposal to regulate a profession or occupation.

The Department of Health testified that at the present time in Hawaii, there is no means to assure that the public is protected from fraudulent or harmful nutrition practices. Licensing can protect the health and welfare of the public by assuring the competency of nutritionists, particularly those who practice in the area of medical nutrition therapy and patient care. The proposed analysis should include a comparison of the costs of licensure with the benefits.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 115 and recommends that it be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee.

SCRep. 1204 Human Services on H.C.R. No. 147

The purpose of this concurrent resolution is to extend for an additional year the Child Welfare Services Reform Task Force (Task Force), which was established to develop a blueprint for the reform of child protective services.

Testimony in support of the concurrent resolution was submitted by the Judiciary, the Blueprint for Change Project, the National Association of Social Workers, the Domestic Violence Legal Hotline, Kapiolani Child Protection Center, the Child Welfare Services State Advisory Council, and an individual.

The Department of Human Services supported the extension of the Task Force. Supporting the intent of the concurrent resolution, the Department of Education (DOE) suggested an amendment to include DOE as a recipient of a copy of the document.

Testimony indicated that the Task Force has brought together a wide array of interested parties to work together to address the child welfare crisis. In excess of \$150,000 in private funding has been secured to support this effort. However, due to the complexity of issues and the numbers of people involved, the Task Force will require more time than originally anticipated. Your Committee supports the efforts of the Task Force and encourages it to complete its work.

The concurrent resolution has been amended to transmit a copy of the concurrent resolution to DOE.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 147, as amended herein, and recommends that it be referred to the Committee on Judiciary, in the form attached hereto as H.C.R. No. 147, H.D. 1.

Signed by all members of the Committee except Representatives Arakaki and Kahikina.

SCRep. 1205 Ocean Recreation and Marine Resources on H.R. No. 53

The purpose of this resolution is to direct The National Oceanic and Atmospheric Administration to install tsunami warning stations on the Pacific Ocean floor. These warning stations would monitor the movement of seismic sea waves that could strike the Hawaiian Islands.

The Department of Defense testified in favor of this resolution with the recommendation that the word "tidal" be replaced with "tsunami" to accurately reflect the type of wave being monitored. The department of Defense also recommended that the formal request by the National Oceanic and Atmospheric Administration to the Governor for assistance with the construction, operation, and maintenance of the warning stations be removed.

Accordingly, your Committee has amended this resolution to reflect the recommendations of the Department of Defense.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 53, as amended herein, and recommends that it be referred to the Committee on Intergovernmental Relations and International Affairs, in the form attached hereto as H.R. No. 53, H.D. 1.

Signed by all members of the Committee except Representative Shon.

SCRep. 1206 Ocean Recreation and Marine Resources on H.C.R. No. 45

The purpose of this concurrent resolution is to direct The National Oceanic and Atmospheric Administration to install tsunami warning stations on the Pacific Ocean floor. These warning stations would monitor the movement of seismic sea waves that could strike the Hawaiian Islands.

The Department of Defense testified in favor of this concurrent resolution with the recommendation that the word "tidal" be replaced with "tsunami" to accurately reflect the type of wave being monitored. The Department of Defense also recommended that the formal request by the National Oceanic and Atmospheric Administration to the Governor for assistance with the construction, operation, and maintenance of the warning stations be removed.

Accordingly, your Committee has amended this concurrent resolution to reflect the recommendations of the Department of Defense.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 45, as amended herein, and recommends that it be referred to the Committee on Intergovernmental Relations and International Affairs, in the form attached hereto as H.C.R. No. 45, H.D. 1.

Signed by all members of the Committee except Representative Shon.

SCRep. 1207 Ocean Recreation and Marine Resources on H.R. No. 151

The purpose of this resolution is to declare 1995 to be the "Year of the Turtle" in Hawaii.

Testimony in favor of this resolution was received from the Honu Project.

In this resolution, your Committee recognizes the importance of protecting Hawaii's sea turtle by supporting legislation which promotes local, national, and international initiatives for conservation and protection of the sea turtle.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 151 and recommends that it be referred to the Committee on Intergovernmental Relations and International Affairs.

Signed by all members of the Committee except Representatives Nekoba, Shon and Anderson.

SCRep. 1208 Ocean Recreation and Marine Resources on H.C.R. No. 145

The purpose of this concurrent resolution is to declare 1995 to be the "Year of the Turtle" in Hawaii.

Testimony in favor of this concurrent resolution was received from The Honu Project.

In this concurrent resolution, your Committee recognizes the importance of protecting Hawaii's sea turtle by supporting legislation which promotes local, national, and international initiatives for conservation and protection of the sea turtle.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 145 and recommends that it be referred to the Committee on Intergovernmental Relations and International Affairs.

Signed by all members of the Committee except Representatives Nekoba, Shon and Anderson.

SCRep. 1209 Health on S.B. No. 867

The purpose of this bill is to resolve uncertainties in the law relating to Act 268, Session Laws of Hawaii 1991, which is subject to repeal by operation of law.

In particular, this bill, as received by your Committee, amended the effective date section of Act 268 to expressly provide for the reenactment of section 431:10A-116, Hawaii Revised Statutes (HRS), upon the the repeal of Act 268 to ensure that the underlying HRS section was not repealed along with the repeal of that Act.

Upon further review, your Committee finds that Act 268, which extended health care coverage to the date of birth of any newborn child adopted by an insured, should be made permanent. Your Committee has therefore amended this bill by:

- (1) Deleting sections 1 and 3 of the bill;
- (2) Amending the effective date section of Act 268, Session Laws of Hawaii 1991, to delete the June 30, 1995, repeal date; and
- (3) Renumbering the remaining sections and making other technical, nonsubstantive changes.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 867, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 867, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representative Hamakawa.

SCRep. 1210 Labor and Public Employment on H.R. No. 155

The purpose of this resolution is to request the Department of Commerce and Consumer Affairs (DCCA) and the Legislative Reference Bureau (LRB) to study the impact and financial feasibility of making the Hawaii State Compensation Mutual Insurance Fund (Fund) operational.

Since the Fund was statutorily created in 1985, there has been an ongoing debate as to its operational feasibility. As your Committee considers ways to improve the workers' compensation system in Hawaii, your Committee would like to consider all possible means of reform, including taking a closer look at the feasibility of the Fund.

The Hawaii State AFL-CIO and the Hawaii Nurses' Association submitted testimony supporting the intent and purpose of this measure.

The DCCA submitted testimony concurring that a study may prove useful, but may not be prudent because it would require financial resources that may not be readily available at this time.

Upon further consideration, your Committee has amended this measure as follows:

- (1) Requesting only the LRB to conduct the study and changing the title to read: "HOUSE RESOLUTION REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO STUDY THE IMPACT AND FINANCIAL FEASIBILITY OF MAKING THE HAWAII STATE COMPENSATION MUTUAL INSURANCE FUND OPERATIONAL";
- (2) Requesting the LRB to submit the completed study to the Legislature no later than twenty days before the convening of the Regular Session of 1997;
- (3) Providing that the Director of Labor and Industrial Relations receive a certified copy of this measure; and
- (4) Making technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 155, as amended herein, and recommends that it be referred to the Committee on Consumer Protection and Commerce, in the form attached hereto as H.R. No. 155, H.D. 1.

Signed by all members of the Committee except Representatives Alcon and Takumi.
(Representative Ward voted no.)

SCRep. 1211 Labor and Public Employment on H.C.R. No. 149

The purpose of this concurrent resolution is to request the Department of Commerce and Consumer Affairs (DCCA) and the Legislative Reference Bureau (LRB) to study the impact and financial feasibility of making the Hawaii State Compensation Mutual Insurance Fund (Fund) operational.

Since the Fund was statutorily created in 1985, there has been an ongoing debate as to its operational feasibility. As your Committee considers ways to improve the workers' compensation system in Hawaii, your Committee would like to consider all possible means of reform, including taking a closer look at the feasibility of the Fund.

The Hawaii State AFL-CIO and the Hawaii Nurses' Association submitted testimony supporting the intent and purpose of this measure.

The DCCA submitted testimony concurring that a study may prove useful, but may not be prudent because it would require financial resources that may not be readily available at this time.

Upon further consideration, your Committee has amended this measure as follows:

- (1) Requesting only the LRB to conduct the study and changing the title to read: "HOUSE CONCURRENT RESOLUTION REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO STUDY THE IMPACT AND FINANCIAL FEASIBILITY OF MAKING THE HAWAII STATE COMPENSATION MUTUAL INSURANCE FUND OPERATIONAL";
- (2) Requesting the LRB to submit the completed study to the Legislature no later than twenty days before the convening of the Regular Session of 1997;
- (3) Providing that the Director of Labor and Industrial Relations receive a certified copy of this measure; and
- (4) Making technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 149, as amended herein, and recommends that it be referred to the Committee on Consumer Protection and Commerce, in the form attached hereto as H.C.R. No. 149, H.D. 1.

Signed by all members of the Committee except Representatives Alcon and Takumi.
(Representative Ward voted no.)

SCRep. 1212 Education on S.B. No. 102

The purpose of this bill is to appropriate funds to the Department of Education for the expansion of the Hawaiian Language Immersion Program in the public school system.

Supporting testimony was received from the Department of Education; the Office of Hawaiian Affairs; the Democratic Party of Hawaii; the Windward School Advisory Council; Holualoa School; and many concerned citizens.

Your Committee has amended this bill by:

- (1) Providing that students who are fluent speakers of the Hawaiian language and who come from homes where Hawaiian is the dominant language, shall be accorded enrollment priority, regardless of ethnicity or place of residence;
- (2) Appropriating the sum of \$250,000 for the expansion of the Hawaiian Language Immersion Program, Papahana Kaiapuni Hawaii;
- (3) Requiring that the Department of Education is to allocate no less than six full-time equivalent positions from their existing budget to the Hawaiian Language Immersion Program, Papahana Kaiapuni Hawaii;
- (4) Appropriating the sum of \$130,000 to establish a Hawaiian Language Immersion Program within the Holualoa Elementary School in Kona from kindergarten through grade five;
- (5) Requiring the Department of Education to establish a Hawaiian Language Immersion Program within the Anuenue Elementary School on Oahu and to submit a status report to the Legislature no later than twenty days prior to the convening of the Regular Session of 1996; and
- (6) Making technical, nonsubstantive amendments for purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 102, S.D. 1, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as S.B. No. 102, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Lee, Morihara, Takamine, Takumi and Yonamine.

SCRep. 1213 Education on S.B. No. 396

The purpose of this bill is to require the Department of Education to maintain a minimum staffing level of not less than one full-time equivalent teacher position per grade level per school, for kindergarten to grade six, and to exempt the same from any requirement for class size ratio that may be established under any collective bargaining agreement.

Your Committee finds that schools with small numbers of students are often forced to hold "combo-classes" where students of different ages and grade levels are combined into a single class due to lack of teachers. This creates oversized classes where the teacher cannot give adequate attention to each individual student, as well as significant disparity in ages and levels of maturity of the students. Your Committee feels that a minimum of one teacher per grade level is essential in order to maximize the effectiveness of the educational program.

Your Committee heard testimony in favor of the bill from a wide variety of people, including students and parents who would be affected by its provisions. Your Committee also received testimony from the Hawaii State Teachers Association and the Superintendent of Education in favor of this bill. The Superintendent expressed a reservation that if this bill passed, its funding requirements do not replace the Board of Education's budget priorities.

Your Committee has amended the bill to require that all schools with only one class for each grade level shall maintain a minimum staffing level of not less than one full-time equivalent teacher position per grade level per school from kindergarten through grade six. The amendment also provides that such schools shall be exempt from any requirements to the contrary as may be established in any collective bargaining agreement.

Your Committee expects that the Board of Education will continue to consider other alternatives as well to help resolve the concerns regarding "combo-classes."

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 396, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 396, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Shon, Takamine, Takumi and Yonamine.
(Representative Pepper voted no.)

SCRep. 1214 Judiciary and Consumer Protection and Commerce on S.B. No. 336

The purpose of this bill is to provide additional revenues for the Judiciary's driver education and training program.

The Judiciary and Mothers Against Drunk Driving testified in support of this measure.

Your Committees find that there has been a revenue shortfall in the Judiciary's driver education program. Presently, HRS §286G-3 provides for an assessment penalty of \$5 for each traffic violation. This assessment is in addition to any fine imposed for the violation and is earmarked for the driver education and training fund. This bill increases the assessment for a violation of the traffic laws to \$8 per violation. The Judiciary estimates that the increase will result in the collection of an additional \$250,000 to the driver education and training fund.

Your Committees find that stringent punishment measures are already in place for persons convicted of violating HRS §291-4. A person convicted of a first offense of driving under the influence of intoxicating liquor must undergo a fourteen hour alcohol abuse rehabilitation program, must receive and pay for an alcohol abuse assessment, must perform seventy-two hours of community service or serve two days of imprisonment or pay a fine of not less than \$150 and not more than \$1000, must pay the existing driver education and training fund fine, and must subsequently meet the proof of financial responsibility requirements.

Your Committees recognize the seriousness of driving under the influence of intoxicating liquor but believe that sufficient information was not presented to justify singling out these offenders in order to provide additional funds to the driver education and training program. Accordingly, your Committees have amended this bill by reducing the driver education and training program fine for persons convicted of DUI to \$50 and permitting the court to waive the fine if the person is unable to pay it.

At a previous hearing before this Committee, the State Insurance Commissioner testified on behalf of the Department of Commerce and Consumer Affairs in opposition to the bill's provision increasing the fee on each motor vehicle insured from \$2 to \$3 and requiring that this fee be paid quarterly rather than annually. The Insurance Commissioner stated that the increased fee would be passed on to policyholders in the form of higher premiums. The administrative costs of insurance companies in submitting fees quarterly instead of annually would also be passed on to policyholders.

Additionally, the insurance division's workload would increase by a factor of four because the division would be required to collect fees on a quarterly basis. Your Committees believe that motor vehicle insurance premiums already pose financial burdens to the consumer. Therefore, the provisions relating to increases in fees on motor vehicle insurance policies have been deleted.

As affirmed by the records of votes of the members of your Committees on Judiciary and Consumer Protection and Commerce that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 336, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 336, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Cachola and Hiraki.

SCRep. 1215 Judiciary and Consumer Protection and Commerce on S.B. No. 493

The purpose of this bill is to establish the electronic prescription accountability system within the Department of Public Safety to monitor the prescribing and dispensing of Schedule II controlled substances.

In addition this bill:

- (1) Establishes reporting requirements, specifies the operational parameters of the electronic prescription accountability system, describes the operation of a central repository for information storage and retrieval, and prohibits the disclosure of information except to certain law enforcement personnel and agencies;

- (2) Establishes the controlled substance registration special fund for the purpose of offsetting the cost of the foregoing system and the registration and control of controlled substances with the State, specifies the source of revenues for the special fund, makes a start-up appropriation to the special fund, and requires the start-up appropriation to be repaid to the general fund by June 30, 1997; and
- (3) Appropriates funds to the Department of Public Safety for the implementation of the foregoing system, the establishment of two full-time equivalent (2.00 FTE) investigator V positions, and other current expenses.

Your Committees received testimony in support of this bill from the Department of Public Safety, the Department of the Prosecuting Attorney of the City and County of Honolulu, and the Hawaii Pharmaceutical Association.

Your Committees find that a controlled substance electronic prescription accountability system can efficiently and effectively detect, monitor and reduce the use of retail prescription practices to obtain prescription drugs for improper purposes.

Your Committees have amended this bill by placing the sum of \$1 in each of the two appropriation sections and by providing that the appropriations for this bill take effect on July 1, 1995.

As affirmed by the records of votes of the members of your Committees on Judiciary and Consumer Protection and Commerce that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 493, S.D. 1, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 493, S.D. 1, H.D. 1.

Signed by all members of the Committees except Representatives Cachola, Garcia and Hiraki.

SCRep. 1216 Judiciary and Consumer Protection and Commerce on S.B. No. 1774

The purpose of this bill is to authorize the Attorney General, the securities enforcement branch of the Department of Commerce and Consumer Affairs, and the Office of Consumer Protection to retain private sector attorneys, by contract, including contingency fee arrangements, to collect monies owed to the State.

The Department of the Attorney General and the Office of Consumer Protection testified in support of this measure.

Your Committees find that allowing private attorneys (as special deputies) to recover state monies on a contract or contingency fee basis would reduce costs as well as free up valuable resources of these departments, allowing them to pursue other matters previously ignored because of the lack of in-house resources.

Your Committees have amended this bill by making technical, nonsubstantive amendments for purposes of style and clarity.

As affirmed by the records of votes of the members of your Committees on Judiciary and Consumer Protection and Commerce that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1774, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1774, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives White, Cachola, Herkes, Hiraki, McMurdo, Yoshinaga and Meyer.

SCRep. 1217 Judiciary on S.B. No. 887

The purpose of this bill is to repeal the constitutional provision which prohibits the lapsing of appropriations if the legislature determines that the appropriation is necessary to qualify for federal aid.

Your Committee received testimony in support of this bill from the Department of Budget and Finance and the Tax Foundation of Hawaii.

Your Committee finds that this bill implements one of the recommendations made by the State Auditor with respect to the capital project funds of the state. This bill deletes the provision in Article VII, section 11 of the Hawaii Constitution which exempts general obligation bond fund appropriations from lapsing when the legislature determines that it is necessary to qualify for federal aid financing and reimbursement. This bill requires all general obligation bond funded appropriations to lapse no later than one year beyond the fiscal biennium.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 887, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Menor and Yoshinaga.

SCRep. 1218 Judiciary on S.B. No. 1602

The purpose of this bill is to authorize a criminal history record check of all persons hired to provide armed security at airports within the state and to require such persons' consent to a criminal history check by the Federal Bureau of Investigation.

The Department of the Attorney General and the Department of Transportation testified in support of this measure.

Your Committee finds that the Federal Aviation Administration requires the Department of Transportation to provide armed security at airports. Criminal history record checks are required by federal and state law for armed airport security personnel.

Your Committee finds that the Federal Bureau of Investigation is the agency with the capabilities and expertise to perform national criminal history record checks and that fingerprinting is a necessary component of the FBI's national criminal history check. This bill requires applicants for armed security personnel positions at the airports to consent to being fingerprinted and consent to a criminal history record check by the FBI.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1602, S.D. 1, and recommends that it be referred to the Committee Finance.

Signed by all members of the Committee except Representatives Menor and Yoshinaga.

SCRep. 1219 Judiciary on S.B. No. 1684

The purpose of this bill is to grant statutory authority to the Department of Human Services to enter into an agreement with an applicant for the Department's programs if there is an overpayment by the Department, that said overpayment shall constitute a lien. This lien shall only be against real property that is owned by the applicant that is not used as residential property by the assistance household.

Favorable testimony was received from the Department of Human Services.

Under current law, the Department can, by agreement with applicants, secure a lien on future grants of assistance only. Overpayments made to recipients cannot be made a lien on property that is not used as the applicant's residence.

Your Committee agrees with the intent of this measure, that persons who apply for assistance with the Department who own property other than their own residence should be compelled to repay any overpayment made by the Department. Establishment of a lien at the time of application, provided that there is an overpayment, will enhance the probability of recovery by the Department of the overpayment.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1684 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Menor and Yoshinaga.

SCRep. 1220 Judiciary on S.B. No. 432

The purpose of this bill is to authorize the sentencing court to impose a monetary assessment on criminal defendants who are convicted of certain drug offenses or who have received deferred pleas for those offenses and to allocate all moneys assessed into a special account fund to be used to supplement drug treatment programs.

Your Committee received testimony in support of this bill from the City and County of Honolulu Department of the Prosecuting Attorney and the Honolulu Police Department. The Office of the Public Defender submitted testimony in opposition to this bill.

Your Committee finds that persons convicted of distributing drugs should assume a portion of the financial burden of drug rehabilitation as these persons are, in part, responsible for creating the drug problem.

Presently, a person convicted of a class A felony is subject to a \$50,000 fine, a person convicted of a class B felony is subject to a \$25,000 fine, a person convicted of a class C felony is subject to a \$10,000 fine, a person convicted of a misdemeanor is subject to a \$2000 fine, and a person convicted of a petty misdemeanor is subject to a \$1000 fine. Your Committee finds that these authorized fines are sufficient to punish and deter offenders and that a mandatory "monetary assessment" upon conviction for the offenses enumerated in this bill may be impractical as most offenders will not have the financial resources to pay large mandatory assessments. Consequently, this bill has been amended to give courts the discretion to impose a monetary assessment.

Your Committee believes that there are already stringent punishment measures in place for those convicted of driving under the influence of intoxicating liquor or drugs and that this bill should address offenses involving distribution of illegal controlled substances where the offender may be punished by at least one year in prison. Accordingly, this bill has been amended.

Your Committee finds that the purpose of this bill is to allocate moneys for drug treatment programs and that the imposition of community service is inconsistent with the intent of this measure. Community service is already a sentencing alternative for the courts. Moreover, requiring courts to impose community service on persons who are incarcerated and cannot afford to pay the monetary assessment presents an inoperable situation. This bill has been amended to eliminate imposition of community service.

Further, in order to assess the impact of this bill, your Committee has inserted into the bill a sunset provision.

Finally, technical, non-substantive amendments have also been made for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 432, S.D. 2, H.D. 1, as amended herein, and

recommends that it be referred to the Committee on Finance, in the form attached hereto as S.B. No. 432, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Menor and Yoshinaga.

SCRep. 1221 Judiciary on S.B. No. 443

The purpose of the bill is to require the registration of certain sex offenders with local law enforcement agencies.

Your Committee received testimony in support of the measure from representatives of the Attorney General, the Department of Public Safety, the Department of the Prosecuting Attorney of the City and County of Honolulu, and the Hawaii State Coalition Against Sexual Assault.

A representative of the Office of the Public Defender submitted testimony providing comments to your Committee with respect to the measure.

Your Committee finds that the more serious sex offenses are oftentimes the result of the compulsive and repetitive behavior of the offender.

For this reason, when such individuals have completed their sentences, their release into the community is accompanied by a risk that this compulsive criminal behavior will be repeated.

Your Committee finds that special measures are appropriate and necessary to improve and enhance the ability of law enforcement agencies to monitor these individuals.

Your Committee believes that the registration requirements should include individuals who have been convicted or released during the past ten years. Your Committee urges that agencies which may have continuing responsibility over offenders who are on parole or probation adopt internal policies to ensure that such individuals are given notice of the registration requirements.

In order to ensure that the measure is broad enough to include those who have proven themselves a danger to the community while at the same time making sure that the registration provisions are applied fairly, your Committee has amended the measure as follows:

- (1) Redefining "sex offender" as an individual who has been convicted of a felony sexual assault;
- (2) Changing the time limits for registration with the Chief of Police;
- (3) Simplifying the content of the statement signed by the offender;
- (4) Providing that the inspection of the information collected is the function of the Chief of Police or the head of a law enforcement agency and their respective designees;
- (5) Clarifying that persons who have the notification duties are those in charge of the institutions to which the offender was confined because of the commission of the sex crime;
- (6) Providing that application for release from the registration requirements can only be made once a year, and that the first application cannot be made until 5 years after conviction or release from incarceration, whichever is later;
- (7) Providing that the offense of failure to register only applies if the failure was done intentionally or knowingly, in order to prevent a situation where a person who was never aware or made aware of the duty to register inadvertently commits a crime of failure to register; and
- (8) Providing that the measure does not apply to offenders who were convicted more than ten years ago and released more than ten years ago.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 443, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 443, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative McMurdo.

SCRep. 1222 Judiciary on S.B. No. 772

The purpose of this bill is to appropriate funds for grants-in-aid to the Offices of the Prosecuting Attorney for the City and County of Honolulu, the County of Hawaii, the County of Maui, and the County of Kauai for the creation and maintenance of career criminal prosecution units, victim witness programs, and special prosecution units.

Favorable testimony was received from the Offices of the Prosecuting Attorney for the City and County of Honolulu, the County of Hawaii, the County of Maui, and the County of Kauai. Also testifying in favor of this bill were Child and Family Services, the Hawaii State Commission on the Status of Women, and a private citizen.

Your Committee recognizes the invaluable services provided through these programs within the Offices of the Prosecuting Attorney in the respective counties and believes that they should be continued and that the funding should be appropriated.

Your Committee has amended this measure by changing the appropriations to specific amounts according to the testimonies received from each county.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 772, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 772, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, McMurdo and Menor.

SCRep. 1223 Judiciary on S.B. No. 942

The purpose of this bill is to mandate joint responsibility between the Department of Education, the Department of Public Safety, and the County Police Departments for the training of school security attendants.

Favorable testimony was received from the Department of Education, Hawaii State Teachers Association, and students from Kaimuki High School's Political Process Class. Testimony in opposition to the bill was submitted by the Department of Public Safety.

Your Committee fully supports the position of the Department of Education and the students from Kaimuki High School that better trained security attendants are badly needed in light of the increasingly hostile environment prevalent in the schools. School staff, teachers, and students must be provided a secure, safe environment to enhance learning. Administrative personnel should be free to tend to other school responsibilities, rather than policing students. It is imperative that security attendants be able to react effectively when there is illegal activity, violations of the student conduct code, or criminal conduct on school campuses.

Presently, although administrative sanctions are imposed according to the DOE's Chapter 19 for infractions of the student conduct code and for criminal conduct at school, these sanctions are an ineffective deterrent.

The health and safety of students, teachers, and staff are in jeopardy due to gambling, smoking, gang violence, rapes, drug dealing, drug use, and other prohibited activities. Training for school security attendants needs to be updated and intensified to enable these attendants to effectively react and cope with these situations as they occur. This training should be conducted by certified law enforcement personnel who are well-versed in crisis intervention and diffusion techniques, and other matters relevant to maintaining school safety.

Your Committee concurs that the responsibility for school safety falls squarely on the shoulders of the Department of Education. Schools should not be compared to prisons or jails. Although a cooperative effort is needed with the Department of Public Safety and the County Prosecutors' offices, the Department of Education is properly vested with the responsibility of establishing and developing a program for training security attendants. It is imperative that the Department collaborate with the individual schools, the school/community-based management councils, school administration, school staff, the community, and most importantly, students.

In view of limited fiscal resources, the Department is further mandated to utilize funding already provided within its own budget as much as possible to carry out the purposes of this measure.

Amendments proposed by the Department of Education, which included the designation of the Department to develop and conduct the training program, the inclusion of safety functions to the training curriculum, and the provision of ten special duty police officers at selected schools, along with other non-substantive matters were incorporated by your Committee, and the bill was amended accordingly.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 942, S.D. 1, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 942, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Cachola, McMurdo and Menor.

SCRep. 1224 Judiciary on S.B. No. 1214

The purpose of the bill as received by your Committee was to impose a \$35 fee on initial firearm permits and a \$10 fee on any subsequent permits issued to the same individual.

Your Committee received testimony in support of the proposal from representatives of the Attorney General, the Honolulu Police Department, the Hawaii State Commission on the Status of Women, and the League of Women Voters of Hawaii as well as from private citizens.

Your Committee received testimony in opposition to the measure from representatives of the National Rifle Association of America, and the Hawaii Rifle Association as well as from private individuals.

Your Committee finds that the Legislature established a policy, upon the adoption of the firearm permit system, of specifically excluding any fee in connection with the process for obtaining a permit to acquire a firearm, a policy which has continued to the present day.

The permit process was intended to prevent the easy acquisition of firearms by those with a history of criminal activity and by those who are otherwise disqualified from possessing a firearm.

As part of the process, a first time applicant would be fingerprinted to establish identity and the Federal Bureau of Investigation would provide a fingerprint check without charge to the department issuing the permit.

However, as of 1994, the Bureau will no longer waive its \$24 fee and the county police departments have not diverted resources to pay this fee.

Inasmuch as firmly establishing the applicant's identity is key to the entire permitting process, your Committee is concerned that this fingerprint background check is not being done when appropriate.

In order to remedy this situation, your Committee is of the opinion that it is reasonable that a first time applicant reimburse a county police department when the department is charged a fee by the Bureau for a fingerprint check.

Therefore your Committee has amended the bill by providing for a one-time fee, which is chargeable and collectable by the counties, for first time applicants in an amount equal to that charged by the Bureau to the police department for the fingerprint check as to a particular application. Your Committee wishes to make clear that if there is no fingerprint check associated with a particular first time application, there can be no fee charged to the applicant.

Because the FBI fee is \$24, your Committee has limited the fee to the applicant to that amount.

In addition your Committee has amended the bill to provide for joint registration of firearms for certain individuals. Currently the law provides that it is a crime for a spouse to transport the other spouse's handgun to a shooting range if the other spouse is not present. This means that the current law encourages the purchase of two handguns rather than one if both spouses enjoy sport-shooting. Your Committee believes that the law should not encourage the purchase of additional handguns and so has amended the bill to provide for joint registration and the payments of the fingerprint fee by the person or persons who have not previously been issued a permit. Of course, no joint registration can be issued unless both individuals are otherwise qualified to own a firearm.

In addition, your Committee wishes to emphasize that joint registration is not intended, in any way, to dilute the law which was enacted in the last session of the Legislature related to strict liability for injuries and damages due to the discharge of firearms.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1214, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1214, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.
(Representatives Hamakawa and Herkes voted no.)

SCRep. 1225 Judiciary on S.B. No. 1483

The purpose of this bill is to provide appropriations for the Family Visitation Center where non-custodial parents can go to for court-ordered visits with their children, in a safe and neutral environment.

Favorable testimony was received from the Department of the Prosecuting Attorney, City and County of Honolulu, Parents and Children Together (PACT), Domestic Violence Clearinghouse and Legal Hotline, Hawaii Emergency Abuse Response Teams, The Junior League of Honolulu, Hawaii State Commission on the Status of Women, and a private citizen.

The Family Visitation Center has been in existence since January 1994. The Center is funded by private foundations, companies, and individuals. Over 120 families have benefitted from the services of the Center over the last year, most of which were referred by the family court, and are families with histories of domestic violence witnessed by children. The Center provides a secure environment where children can visit with their non-custodial parents without the potential of violence and strife. Self-referrals are increasing, and the Center's capacity has been exceeded for weekend services, necessitating a waitlist for families seeking services.

The objectives of the Family Visitation Center are to facilitate parent and child visits, to provide a safe, neutral, and nurturing environment for parent/child visits, to ensure the safety of both parents and children while they are utilizing the Center, to provide supervision of visits for parents who require supervised visits, to enhance and improve parenting abilities, to model appropriate parenting behaviors, and to ensure that temporary restraining orders are not violated.

Your Committee agrees that providing funding for the Family Visitation Center would serve to benefit parents and children in situations where by history, family violence was prevalent in the home. A secure, neutral environment is needed for parents and children to visit in situations where the emotional and physical well-being of the parties may be in jeopardy.

Accordingly, your Committee has amended the bill by appropriating \$2, for fiscal year 1995-1996, and \$2 for fiscal year 1996-1997 for the operation of the Family Visitation Center for the purposes of urging continued discussion in this matter.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1483, S.D. 1, as amended herein, and recommends that

it pass Second Reading in the form attached hereto as S.B. No. 1483, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Hamakawa, McMurdo and Menor.

SCRep. 1226 Judiciary on S.B. No. 1559

The purpose of this bill is to increase the efficiency of motor vehicle registration by:

- (1) Making motor vehicle weight taxes and fees which are due on a Saturday, Sunday, or legal holiday payable on the following business day;
- (2) Allowing the County Director of Finance to contract with car dealerships and other entities for the registration of motor vehicles;
- (3) Increasing the fees for tax lien and encumbrance entries;
- (4) Repealing provisions for refunds of taxes for vehicles which are junked, stored, stolen, or removed from the State;
- (5) Eliminating as a condition for registration of motor vehicles, the payment of outstanding citations and traffic finds;
- (6) Repealing provisions which are inconsistent with the passage of this measure; and
- (7) Deleting the limitation that only new car dealerships could be contracted for the registration of new vehicles.

Testimony was received by the Department of Finance for the City and County of Honolulu in support of this measure.

Your Committee finds that by allowing the County Finance Directors to contract for the registration of new vehicles, the registration process will be expedited in that purchasers of vehicles will be able to register directly with the dealerships or agencies involved.

Your Committee further finds that governmental costs will be reduced if contracting entities are allowed to perform the registration process and further costs will be recouped by allowing the County Finance Directors to increase the fees of each entry made in the tax lien and encumbrance record to reflect the actual costs of providing these services and by removing the provision for refunds of taxes for vehicles which are junked, stolen, placed in storage, or removed from the State.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1559, S.D. 2, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Menor and Yoshinaga.

SCRep. 1227 Judiciary on S.B. No. 1568

The purpose of this bill is to update the bulk sales law for a broader application to transfers including corporate transfers of tangible and intangible property, with or without consideration, and to place the law within Chapter 231, rather than Chapter 237.

Favorable testimony was received from the Department of Taxation and the Tax Foundation of Hawaii, with comments and suggested revisions. The Hawaii Association of Realtors submitted comments and suggested revisions.

Your Committee agrees that the bulk sales law should be amended to remove said law from Chapter 237, which is the statute regarding general excise taxes, and be placed in Chapter 231, which is the administrative chapter for taxation. Furthermore, your Committee is of the opinion that a \$1,000 fine rather than \$25,000 for a wilful failure to file a report is appropriate, particularly since the maximum fine for a misdemeanor is \$2,000. Finally, your Committee believes that the provision for the unlimited statute of limitations should be deleted.

Therefore, the bill was amended according to the foregoing considerations. Also, technical and nonsubstantive changes were made for the purpose of clarity, style, and consistency.

Testimony received indicated concerns regarding the receipt of a tax clearance certificate by purchasers in foreclosure cases. Therefore, your Committee wanted to clarify that in the case of judicial foreclosures, and other situations involving insolvent sellers, pursuant to the provisions of this measure, the Department of Taxation may issue a tax clearance certificate to the purchaser although the proceeds from the sale may not be sufficient to satisfy the tax liability.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1568, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1568, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Herkes and Menor.

SCRep. 1228 Judiciary on S.B. No. 1698

The purpose of this bill is to allow a resident of Lanai to represent Molokai, and a resident of Niihau to represent Kauai on the Board of Trustees of the Office of Hawaiian Affairs (OHA).

Current law requires that a candidate running for a seat on the Board of Trustees of OHA must be a resident of the island of Hawaii, Maui, Molokai, Kauai, or Oahu, respectively. The State Constitution provides that Oahu, Kauai, Maui, Molokai and Hawaii shall each have one representative.

Presently, therefore, the trustee representing Molokai may not reside on Lanai, and the trustee representing Kauai may not reside on Niihau. Although the island representative of Molokai represents the interests of Lanai and the island representative of Kauai represents the interests of Niihau, no provision is made for residents of the islands of Lanai and Niihau to run for island seats.

Testimony was received in support of the bill from the Office of Hawaiian Affairs.

Your Committee realizes that requiring each island to have a trustee who is a resident of that island may impose hardships on those islands whose populations may be limited or whose access to and from the island may be restricted. Therefore, your Committee agrees with the original purpose of this bill.

However, your Committee did not agree with the provisions providing for sharing the costs of wages and fringe benefits with the State and with the proposed inclusion of all members in the State retirement program.

Therefore, your Committee amended this bill according to its original intent and format, to provide residents of Lanai and Niihau the opportunity to represent Molokai and Kauai respectively on the Board of Trustees of OHA.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1698, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 1698, H.D. 2.

Signed by all members of the Committee except Representatives Menor and Yoshinaga.

SCRep. 1229 Judiciary on S.B. No. 1763

The purpose of this bill is to appropriate funds to satisfy claims against the State for judgments, settlements, overpayment of taxes, and other liabilities.

The Department of the Attorney General testified in support of this measure and recommended appropriating funds for six additional claims.

Your Committee has amended this bill by incorporating the additional claims as recommended by the Department of the Attorney General.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1763, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1763, S.D. 1, H.D. 1, and that it be referred to your Committee on Finance.

Signed by all members of the Committee except Representatives Menor and Kawananaoia.

SCRep. 1230 Judiciary on S.B. No. 478

The purpose of this bill is to ensure that all public buildings, facilities, and improvements are accessible to and usable by persons with disabilities, and conform to the Americans with Disabilities Act Accessibility Guidelines.

Your Committee received testimony in support of this bill from the Commission on Persons with Disabilities, the Department of the Attorney General, the Paralyzed Veterans of America, and the Architectural Access Committee. The City and County of Honolulu Department of Housing and Community Development supported the concept of this bill. The Department of Accounting and General Services also submitted testimony on this bill.

Your Committee finds that State law should mirror the scope of public projects covered in Title II of the Americans with Disabilities Act relating to state and local government. The design guidelines at the federal level are regularly amended and codified in the Code of Federal Register, 36 C.F.R. Part 1191. Your Committee finds that State law should automatically incorporate all federal amendments and that all public buildings, facilities, and improvements should comport with the Americans with Disabilities Act.

Presently, all public agencies must seek document review from the Commission on Persons with Disabilities, but this review constitutes only "advice and recommendation". Your Committee finds that the review process must be strengthened by permitting the Commission on Persons with Disabilities to approve plans and specifications prior to commencement of construction. Your Committee has amended this bill by requiring that agencies subject to approval must submit their plans within thirty days prior to commencement of construction.

Flexibility must be retained in the process in order to deal with emergency situations or changes in design construction requiring rapid response. Consequently, a waiver of the approval process which may be granted by the architectural access committee has been added to this bill. Your Committee emphasizes that even if a waiver is necessitated by an emergency situation, the structure must ultimately still comply with the Americans with Disabilities Act.

Your Committee finds that all public buildings and improvements must conform to the Americans with Disabilities Act Accessibility Guidelines, as amended, but that the law should not place additional burdens on the construction and improvement of public property by exceeding the stringent requirements of the Act. Because the Americans with Disabilities Act Accessibility Guidelines already ensures universal access to buildings, facilities, and improvements, your Committee believes that the architectural access committee should not be permitted to impose additional and, as yet, unspecified requirements pursuant to its rulemaking authority.

Accordingly, this bill has been amended by removing the provision mandating compliance with accessibility guidelines adopted by the architectural access committee. Further, this bill has been amended by deleting the changes proposed to section 103-50.5(b).

Additionally, your Committee agrees with the testimony of the Department of Accounting and General Services that it is unfair to withhold final payment to a contractor should there be non-compliance with the ADA guidelines. Contractors often simply follow design specifications. It is the designer who should be penalized and not the contractor. Consequently, section 103-50(c) has been amended by deleting the provision allowing payment for the project to be withheld. Further, this section has been amended by requiring that agencies provide written assurance that the building, facility, or improvement has been constructed in conformance with the ADA guidelines.

Finally, based on the testimony received by the Commission on Persons with Disabilities, technical, non-substantive changes have also been made for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 478, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 478, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Herkes and Menor.

SCRep. 1231 Judiciary on S.B. No. 1331

The purpose of this bill is to separate the responsibility of administering elections from the Office of the Lieutenant Governor. The bill provides for the establishment of an Office of Elections and an Elections Appointment Panel which will appoint the Chief Election Officer.

Existing law provides that the Lieutenant Governor shall be the Chief Election Officer, and in such capacity, shall have the responsibility of supervising all State elections.

Testimony strongly supporting this bill was received from the Office of the Lieutenant Governor. The testimony pointed out that in spite of the favorable 1992 report to the Legislature by the Task Force on the Duties of the Lieutenant Governor, the public perception is that there is a conflict of interest in having the Lieutenant Governor serve as Chief Election Officer.

The State Attorney General also testified in support of this bill. Existing laws which delegate to the Lieutenant Governor the responsibility to administer all elections laws and to supervise State elections puts the Lieutenant Governor in a position of conflict as a candidate.

The Department of Human Resources Development deferred to the Lieutenant Governor on the merits of this bill, but submitted suggested amendments in order to conform to the State's personnel laws and rules.

Common Cause Hawaii testified in support this bill, stating that passage of this bill would increase public trust in the integrity of the election system. The establishment of a nonpartisan office of elections would remove any doubts regarding the honesty of the Lieutenant Governor's dual role, and would be a cost-saving measure by eliminating the Director of Election's position.

Your Committee concurs that in order to avoid any conflict of interest, the responsibility for administering election laws and supervising State elections should be separated from the Lieutenant Governor's Office. Furthermore, your Committee acknowledges the need to amend the bill for consistency with the State's personnel laws and rules, according to suggestions by the Department of Human Resources Development. Finally, your Committee was of the opinion that the Elections Appointment Panel should all be appointed by the Governor, from lists submitted by the Senate President, Speaker of the House, minority Senators, and minority Representatives.

Therefore, the bill was amended according to the foregoing considerations.

Additionally, the appropriation of \$5,000 for covering the expenses of the election Appointment Panel was reduced to \$1, at the request of the Lieutenant Governor's Office, since it is anticipated that the expenses of implementing this bill would be offset by the consolidation of the two present positions.

Also, technical and non-substantive amendments were made for the purposes of style, clarity and conformance with other statutory provisions.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1331, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1331, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Hamakawa, Menor and Kawanakoa.

SCRep. 1232 Human Services and Health on S.B. No. 1484

The purpose of this bill is to extend the "sunset" date from June 30, 1996, to June 30, 1998, for Act 165, Session Laws of Hawaii (SLH) 1994, which establishes the Maluhia Waitlist Project. The bill also requires the project to end prior to the sunset date if federal matching assistance is terminated.

The Executive Office on Aging, Maluhia of the Department of Health, and an individual submitted testimony in support of the bill. The Department of Human Services supported the intent of the bill. The Department of Health and Kaiser Permanente supported the extension of the sunset date.

The implementation of the Maluhia Waitlist Project is dependent upon the approval of a Medicaid waiver, which has been submitted and is being reviewed by the federal Health Care Financing Administration (HCFA). The existing sunset date of June 30, 1996, does not allow sufficient time for program implementation after approval from HCFA.

The bill also requires the project to end prior to the sunset date if federal matching assistance is terminated. Congressional legislation is now pending that may significantly reduce the level of federal Medicaid funding available to the State. This kind of Congressional action may result in federal funds no longer being available for the Maluhia Waitlist Project.

Federal funding may also be terminated with the implementation of the long-term care component of Phase II of the State's Health QUEST demonstration project. This component would likely serve a population that is very similar to that served by the Maluhia Waitlist Project.

Your Committees have amended the bill by:

- (1) Clarifying that the Maluhia Waitlist Project shall be terminated with the implementation of the long-term care component of Phase II of Health QUEST if that occurs prior to the sunset date; and
- (2) Making technical, nonsubstantive revisions for purposes of style and clarity.

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1484, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1484, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Stegmaier and Anderson.

SCRep. 1233 Health on S.B. No. 1461

The purpose of this bill is to afford persons with developmental disabilities the least restrictive environment in which they can live by moving away from institutionalization to community-based support services.

As amended, this bill establishes a framework within which all stakeholders, including consumers, families, private sector representatives, professionals, University of Hawaii affiliate program representatives, and representatives of the state planning council on developmental disabilities can plan for a person centered, community based system of care for developmentally disabled individuals.

This bill mandates non-institutional settings for care but recognizes the need for skilled nursing facilities as one level of service. Care is to be person centered and individualized, and independent case management will be required. Recovery of federal funds is to be maximized. Quality of care is to be at or exceeding federal standards.

Your Committee finds that the Department of Health should provide direction and that its major role is more appropriately an administrative one rather than as a direct service provider. Nevertheless, when private services cannot be obtained, the department will still be required to provide services. This bill will result in better services in a better environment for persons with developmental disabilities.

To accomplish these goals and respond to the findings, your Committee amended this bill by:

- (1) Eliminating the requirement that all services be provided by the private sector;
- (2) Requiring the Department of Health to submit a report to the Legislature regarding the plan to be developed by stakeholders to provide services in the community;
- (3) Requiring the provision of care at the skilled nursing facility (SNF) level for those individuals who require such care;
- (4) Requiring that case management services be provided by an agency independent of direct service providers;
- (5) Requiring closure of Waimano training school and hospital by June 30, 1998 instead of by January 1, 1998; and
- (6) Making technical, nonsubstantive amendments for the purpose of clarity and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1461, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1461, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami, Saiki and Stegmaier.

SCRep. 1234 Judiciary on S.B. No. 1695

The purpose of this bill is to permit the Chief Election Officer to contract with groups such as clubs and nonprofit organizations to provide election day officials without going through the procurement process.

Your Committee received testimony in support of this bill from the Association of Clerks and Election Officers of Hawaii, the Department of Taxation, and the Department of the Attorney General.

Your Committee finds that recruitment of election day personnel has become increasingly difficult. In 1994, approximately 40 percent of the 2,380 election day positions on Oahu remained vacant one month prior to the election. Your Committee believes that community organizations and nonprofit groups can provide a source of workers to timely fill election day positions.

In the past, organizations have offered to provide personnel on election day but have been discouraged because compensation was required to be paid not to the organization, but to each individual in the organization. This bill permits the Chief Election Officer to contract with community organizations and nonprofit organizations to secure election day employees. The bill makes such contracts exempt from the State procurement requirements and the general excise tax.

The Department of Taxation testified that all community organizations and school booster clubs are not necessarily nonprofit entities. The Department of Taxation also testified that it was unnecessary to place the provision exempting community organizations, school booster clubs, and nonprofit entities from general excise taxation in section 11-5 since the provision was also set forth in section 237-24.7.

Therefore, your Committee has amended this bill according to the Department of Taxation's suggestions by removing the word "other", and providing that, in addition to contracting with community organizations and school booster clubs, the Chief Election Officer may contract with nonprofit organizations. The word "organizations" replaces "entities" in section 11-5(a) and "groups" in section 11-76(a) and section 237-24.7(7).

This bill has also been amended to remove the provision affecting general excise taxation in section 11-5 because that section pertains to employees of the Chief Election Officer and should not involve taxation matters. Provisions impacting upon taxation should more properly be placed in the tax code. Section 237-24.7 is the appropriate section to exempt compensation received by community organizations, school booster clubs, and nonprofit organizations from general excise taxation.

This bill decreases the deadline for political parties to submit names of precinct officials from ninety to sixty days before the close of filing for an election. In recent elections, political parties have submitted only about 50 percent of the required number of officials. This bill gives the parties additional time to recruit precinct workers.

Your Committee finds that after the political parties submit their list of precinct officials, it has often been difficult to fill the remaining precinct official positions with "party qualified" persons. This bill permits unfilled precinct official positions to be filled without regard to party affiliation to ensure the most efficient use of all civic minded citizens.

This bill also allows the Chief Election Officer to waive precinct official recruitment and placement requirements in certain situations. Your Committee finds that flexibility is needed to permit exceptions to the statutorily mandated precinct official qualifications in order to recruit additional persons who have bilingual skills. Often it is difficult to find bilingual workers who meet current statutory requirements, such as being a registered voter in the precinct where assistance for a particular language is needed.

Your Committee has amended the provision waiving precinct official recruitment and placement requirements by eliminating waiver of the requirements enumerated in section 11-72(a) because, although unlikely, the Chief Election Officer could waive the requirement that qualified political parties submit names of possible precinct officials to the Chief Election Officer.

Further, this bill allows the Chief Election Officer to establish a payment schedule to election day workers and nonprofit groups, thereby providing more flexibility to ensure fair remuneration to such workers.

Technical, non-substantive amendments have also been made for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1695, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1695, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Menor and Kawanakoa.

SCRep. 1235 Human Services on H.C.R. No. 73

The purpose of this resolution is to request the establishment of a joint interim special committee to hold public meetings on each island, or by teleconferencing when feasible, to examine the problems of welfare recipients on a first-hand basis.

Testimony from the Department of Human Services was submitted in support of the intent of this measure. The Commission on Persons with Disabilities submitted testimony in support of this resolution.

It is noted in your Committee that the establishment of this joint interim special committee would afford an excellent opportunity to identify the problems welfare recipients are experiencing.

Your Committee has amended this resolution by requiring the joint interim special committee to conduct their meetings by teleconferencing, whenever possible, to cut costs.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 73, as amended herein, and recommends that it be referred to the Committee on Intergovernmental Relations and International Affairs, in the form attached hereto as H.C.R. No. 73, H.D. 1.

Signed by all members of the Committee except Representatives Arakaki and Kahikina.

SCRep. 1236 Intergovernmental Relations and International Affairs on H.R. No. 27

The purpose of this resolution is to urge the Hawaii congressional delegation to revise the restrictions on family immigration to enable the families of Filipino World War II veterans to rejoin them in the United States.

Testimony in support was received from several concerned citizens.

Your Committee recognizes that while a great number of Filipino World War II veterans have become U.S. citizens, family members have been unable to immigrate due to some overly restrictive criterion. While the rules have been established in order to curtail unbridled entry, families have been separated, and the aging parents have often been forced to seek public assistance.

Easing the naturalization requirements would permit the professionally-skilled offspring of these veterans to immigrate, reuniting their families and relieving some of the financial burdens of their parents.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 27, as amended herein, and recommends that it be referred to the Committee on Judiciary, in the form attached hereto as H.R. No. 27, H.D. 1.

Signed by all members of the Committee except Representatives Alcon, Nakasone and Ward.

SCRep. 1237 Intergovernmental Relations and International Affairs on H.C.R. No. 24

The purpose of this concurrent resolution is to urge the Hawaii congressional delegation to revise the restrictions on family immigration to enable the families of Filipino World War II veterans to rejoin them in the United States.

Testimony in support was received from several concerned citizens.

Your Committee recognizes that while a great number of Filipino World War II veterans have become U.S. citizens, family members have been unable to immigrate due to some overly restrictive criterion. While the rules have been established in order to curtail unbridled entry, families have been separated, and the aging parents have often been forced to seek public assistance.

Easing the naturalization requirements would permit the professionally-skilled offspring of these veterans to immigrate, reuniting their families and relieving some of the financial burdens of their parents.

Consistent with our findings, your Committee has adopted the recommendations presented before us.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 24, as amended herein, and recommends that it be referred to the Committee on Judiciary, in the form attached hereto as H.C.R. No. 24, H.D. 1.

Signed by all members of the Committee except Representatives Alcon, Nakasone and Ward.

SCRep. 1238 Higher Education and the Arts and Education on H.R. No. 120

The purpose of this resolution is to support multicultural curricula, affirmative action, and civil rights programs and policies in the State of Hawaii.

The Governor's Office of Affirmative Action, the Legislative Committee, and Commission on Persons with Disabilities submitted testimony in support of this resolution. The Democratic Party of Hawaii offered supportive testimony.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Education that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 120 and recommend that it be referred to the Committee on Judiciary.

Signed by all members of the Committees except Representatives Morihara, Santiago, Shon and Takamine.

SCRep. 1239 Higher Education and the Arts and Education on H.C.R. No. 112

The purpose of this resolution is to support multicultural curricula, affirmative action, and civil rights programs and policies in the State of Hawaii.

The Governor's Office of Affirmative Action, the Legislative Committee, and Commission on Persons with Disabilities submitted testimony in support of this resolution. The Democratic Party of Hawaii offered supportive testimony.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Education that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 112 and recommend that it be referred to the Committee on Judiciary.

Signed by all members of the Committees except Representatives Morihara, Santiago, Shon and Takamine.

SCRep. 1240 Higher Education and the Arts and Education on H.R. No. 156

The purpose of this resolution is to request the Department of Education and the University of Hawaii to integrate domestic violence prevention into their curriculum.

A social worker testified in support of the resolution. The Department of Education submitted testimony in support of the intent of the measure, and the University of Hawaii commented on it.

The Hawaii State Coalition Against Sexual Assault recommended instead the adoption of a similar measure, H.C.R. No. 205, which resulted from efforts of the Violence Prevention Subcommittee and encompasses all forms of violence, and is not limited to domestic violence.

Your Committees agree with this recommendation and have amended the resolution by:

- (1) Deleting the substance of H.R. No. 156 and replacing it with the substance of H.C.R. No. 205; and
- (2) Adding that the Violence Prevention Coordinating Council established by the resolution include in its membership agencies and organizations concerned with the integration of violence prevention into life.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Education that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 156, as amended herein, and recommend that it be referred to the Committee on Judiciary, in the form attached hereto as H.R. No. 156, H.D. 1.

Signed by all members of the Committees except Representatives Morihara, Santiago, Shon and Takamine.

SCRep. 1241 Higher Education and the Arts and Education on H.C.R. No. 150

The purpose of this concurrent resolution is to request the Department of Education and the University of Hawaii to integrate domestic violence prevention into their curriculum.

A social worker testified in support of the concurrent resolution. The Department of Education submitted testimony in support of the intent of the measure, and the University of Hawaii commented on it.

The Hawaii State Coalition Against Sexual Assault recommended instead the adoption of a similar measure, H.C.R. No. 205, which resulted from efforts of the Violence Prevention Subcommittee and encompasses all forms of violence, and is not limited to domestic violence.

Your Committees agree with this recommendation and have amended the concurrent resolution by:

- (1) Deleting the substance of H.C.R. No. 150 and replacing it with the substance of H.C.R. No. 205; and
- (2) Adding that the Violence Prevention Coordinating Council established by the concurrent resolution include in its membership agencies and organizations concerned with the integration of violence prevention into life.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Education that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 150, as amended herein, and recommend that it be referred to the Committee on Judiciary, in the form attached hereto as H.C.R. No. 150, H.D. 1.

Signed by all members of the Committees except Representatives Morihara, Santiago, Shon and Takamine.

SCRep. 1242 Higher Education and the Arts and Education on H.R. No. 131

The purpose of this Resolution is to commend the University of Hawaii for its programs on Maui and Kauai, and to urge the University to expand its teacher education program to the school districts that the Department of Education has

identified as being geographically isolated and having the most serious shortage of teachers, including but not limited to the districts encompassing the Waianae coast, West Oahu, and West Hawaii.

The Department of Education and the Community Organization for Educational Development (West Hawaii) submitted testimony in support of the intent of this measure. The University of Hawaii submitted testimony in opposition to this measure.

Your Committees have amended this measure by:

- (1) Urging the University of Hawaii to:
 - (A) Continue its pre-service education program for teachers and minorities;
 - (B) Facilitate meeting the University's core requirements for formal teacher education;
 - (C) Ask the the College of Education to continue to assign cohort groups on the basis of residential location, particularly in areas where there are shortages of teachers including but not limited to the districts encompassing the Waianae coast, West Oahu, and West Hawaii; and
 - (D) Undertake other measures to address the teacher shortage, including making appropriate requests to the Board of education, the Executive branch, and the Legislature for commensurate resources to carry out the purposes of this Resolution.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Education that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 131, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 131, H.D. 1.

Signed by all members of the Committees except Representatives Arakaki, Morihara, Santiago, Shon, Takamine and Takumi.

SCRep. 1243 Higher Education and the Arts and Education on H.C.R. No. 124

The purpose of this Concurrent Resolution is to commend the University of Hawaii for its programs on Maui and Kauai, and to urge the University to expand its teacher education program to the school districts that the Department of Education has identified as being geographically isolated and having the most serious shortage of teachers, including but not limited to the districts encompassing the Waianae coast, West Oahu, and West Hawaii.

The Department of Education and the Community Organization for Educational Development (West Hawaii) submitted testimony in support of the intent of this measure. The University of Hawaii submitted testimony in opposition to this measure.

Your Committees have amended this measure by:

- (1) Urging the University of Hawaii to:
 - (A) Continue its pre-service education program for teachers and minorities;
 - (B) Facilitate meeting the University's core requirements for formal teacher education;
 - (C) Ask the the College of Education to continue to assign cohort groups on the basis of residential location, particularly in areas where there are shortages of teachers including but not limited to the districts encompassing the Waianae coast, West Oahu, and West Hawaii; and
 - (D) Undertake other measures to address the teacher shortage, including making appropriate requests to the Board of education, the Executive branch, and the Legislature for commensurate resources to carry out the purposes of this Concurrent Resolution.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Education that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 124, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 124, H.D. 1.

Signed by all members of the Committees except Representatives Arakaki, Morihara, Santiago, Shon, Takamine and Takumi.

SCRep. 1244 Economic Development and Business Concerns on H.R. No. 205

The purpose of this resolution is to request the Governor to:

- (1) Examine possible ways to assist Hawaii's travel agents; and
- (2) Alleviate unnecessary job layoffs, small business closures, and loss of general excise tax revenues by looking into other programs that may assist Hawaii's travel agents.

Testimony in support of the measure was received from the Hawaii Chapter of the American Society of Travel Agents, the Hawaii Business League, the President of A Touch of Class Travel Inc., Quantum Leap Travel Services, the Vice President of Associated Travel Inc., the President of International Travel Service, Travel Inc., the President of Kilauea Travel Group, Travel Ways, Ami Travel & Tours, Inc., the President of Quality Travel Inc., Kobayashi Travel Service, Ltd., World Wide Tours & Travel Service Inc and two interested citizens. The Department of Business, Economic Development, and Tourism also submitted testimony supporting the intent of this measure.

Your Committee has amended this measure by:

- (1) Including Continental, Trans-World Airlines, and U.S. Air to the list of airlines adopting the commission caps;
- (2) Adding a section illustrating the airlines' practice of designating Hawaii as a unique location through frequent flier and special fare restrictions;
- (3) Deleting the section regarding the inability of foreign carriers to service inter-city flights;
- (4) Adding a section acknowledging the American Society of Travel Agents attempts to have legislation passed which would allow foreign carriers to provide inter-city flights;
- (5) Illustrating that the majority of tickets purchased by Hawaii consumers for travel outside of the West Coast would normally result in a commission exceeding the cap;
- (6) Adding a section requesting that the airlines consider reducing the overall commission from 10 percent to 8 percent without a cap; and
- (7) Adding a section requesting that the airlines consider designating Hawaii as an international destination.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 205, as amended herein, and recommends that it be referred to the Committee on Consumer Protection and Commerce, in the form attached hereto as H.R. No. 205, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, Morihara and White.

SCRep. 1245 Economic Development and Business Concerns on H.C.R. No. 207

The purpose of this concurrent resolution is to request the Governor to:

- (1) Examine possible ways to assist Hawaii's travel agents; and
- (2) Alleviate unnecessary job layoffs, small business closures, and loss of general excise tax revenues by looking into other programs that may assist Hawaii's travel agents.

Testimony in support of the measure was received from the Hawaii Chapter of the American Society of Travel Agents, the Hawaii Business League, the President of A Touch of Class Travel Inc., Quantum Leap Travel Services, the Vice President of Associated Travel Inc., the President of International Travel Service, Travel Inc., the President of Kilauea Travel Group, Travel Ways, Ami Travel & Tours, Inc., the President of Quality Travel Inc., Kobayashi Travel Service, Ltd., World Wide Tours & Travel Service Inc and two interested citizens. The Department of Business, Economic Development, and Tourism also submitted testimony supporting the intent of this measure.

Your Committee has amended this measure by:

- (1) Including Continental, TransWorld Airlines, and U.S. Air to the list of airlines adopting the commission caps;
- (2) Adding a section illustrating the airlines' practice of designating Hawaii as a unique location through frequent flier and special fare restrictions;
- (3) Deleting the section regarding the inability of foreign carriers to service inter-city flights;
- (4) Adding a section acknowledging the American Society of Travel Agents attempts to have legislation passed which would allow foreign carriers to provide inter-city flights;
- (5) Illustrating that the majority of tickets purchased by Hawaii consumers for travel outside of the West Coast would normally result in a commission exceeding the cap;
- (6) Adding a section requesting that the airlines consider reducing the overall commission from 10 percent to 8 percent without a cap; and
- (7) Adding a section requesting that the airlines consider designating Hawaii as an international destination.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 207, as amended herein, and recommends that it be referred to the Committee on Consumer Protection and Commerce, in the form attached hereto as H.C.R. No. 207, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, Morihara and White.

SCRep. 1246 Economic Development and Business Concerns on H.R. No. 162

The purpose of this resolution is to request the Department of Business, Economic Development, and Tourism to accomplish preliminary planning towards the development of a Pacific Island business development master plan.

This master plan would cover areas such as merchandise trade, services, tourism, shipping, air links, and cruise shipping.

Testimony in support of the measure was received from Pacific Maritime Agencies, Inc. Testimony supporting the intent of the measure was received from the Department of Business, Economic Development, and Tourism, the Native Hawaiian Chamber of Commerce, and the Hawaiian Civic Club of Honolulu.

Your Committee has amended the measure by requesting that the Department of Business, Economic Development, and Tourism report no later than 20 days before the convening of the Regular Session of 1996 on the progress and status of this plan.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 162, as amended herein, and recommends that it be referred to the Committee on Intergovernmental Relations and International Affairs, in the form attached hereto as H.R. No. 162, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, Morihara and White.

SCRep. 1247 Economic Development and Business Concerns on H.C.R. No. 158

The purpose of this concurrent resolution is to request the Department of Business, Economic Development, and Tourism to accomplish preliminary planning towards the development of a Pacific Island business development master plan.

This master plan would cover areas such as merchandise trade, services, tourism, shipping, air links, and cruise shipping.

Testimony in support of the measure was received from Pacific Maritime Agencies, Inc. Testimony supporting the intent of the measure was received from the Department of Business, Economic Development, and Tourism, the Native Hawaiian Chamber of Commerce, and the Hawaiian Civic Club of Honolulu.

Your Committee has amended the measure by requesting that the Department of Business, Economic Development, and Tourism report no later than 20 days before the convening of the Regular Session of 1996 on the progress and status of this plan.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 158, as amended herein, and recommends that it be referred to the Committee on Intergovernmental Relations and International Affairs, in the form attached hereto as H.C.R. No. 158, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, Morihara and White.

SCRep. 1248 Economic Development and Business Concerns on H.R. No. 163

The purpose of this resolution is to request the Governor to work toward developing better commercial relations with the Pacific island nations with the intention of developing a Pacific island business development plan.

The Department of Business, Economic Development, and Tourism submitted testimony in support of the intent of this measure.

Your Committee has amended this measure by requesting that the Governor report no later than 20 days before the convening of the Regular Session of 1996 on the progress and status of this plan.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 163, as amended herein, and recommends that it be referred to the Committee on Intergovernmental Relations and International Affairs, in the form attached hereto as H.R. No. 163, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, Morihara and White.

SCRep. 1249 Economic Development and Business Concerns on H.C.R. No. 159

The purpose of this concurrent resolution is to request the Governor to work toward developing better commercial relations with the Pacific island nations with the intention of developing a Pacific island business development plan.

The Department of Business, Economic Development, and Tourism submitted testimony in support of the intent of this measure.

Your Committee has amended this measure by requesting that the Governor report no later than 20 days before the convening of the Regular Session of 1996 on the progress and status of this plan.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 159, as amended herein, and recommends that it be referred to the Committee on Intergovernmental Relations and International Affairs, in the form attached hereto as H.C.R. No. 159, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, Morihara and White.

SCRep. 1250 Economic Development and Business Concerns on H.R. No. 197

The purpose of this resolution is to have the State adopt to develop an Asia-Pacific focus.

Your Committee believes that it is imperative for the State to take an active economic role in the rapidly developing markets of the Asia-Pacific region. This is why a cohesive plan is needed in order for the State to take such actions prudently.

Testimony in support of the intent of this measure was received from the Department of Business, Economic Development, and Tourism.

Your Committee has amended this resolution by:

- (1) Amending the title of the measure to accurately reflect its purpose; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 197, as amended herein, and recommends that it be referred to the Committee on Intergovernmental Relations and International Affairs, in the form attached hereto as H.R. No. 197, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, Morihara and White.

SCRep. 1251 Economic Development and Business Concerns on H.C.R. No. 200

The purpose of this concurrent resolution is to have the State of Hawaii adopt to develop an Asia-Pacific focus.

Your Committee believes that it is imperative for the State to take an active economic role in the rapidly developing markets of the Asia-Pacific region. This is why a cohesive plan is needed in order for the State to take such actions prudently.

Testimony in support of the intent of this measure was received from the Department of Business, Economic Development, and Tourism.

Your Committee has amended this concurrent resolution by:

- (1) Amending the title of the measure to reflect its purpose; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 200, as amended herein, and recommends that it be referred to the Committee on Intergovernmental Relations and International Affairs, in the form attached hereto as H.C.R. No. 200, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, Morihara and White.

SCRep. 1252 Health on H.C.R. No. 116

The purpose of this concurrent resolution is to comply with section 26H-6, Hawaii Revised Statutes, and obtain a legislative auditor's sunrise review of the regulation of physical therapist assistants as provided for in H.B. No. 1240.

Your Committee notes that physical therapists are licensed under Chapter 461J, Hawaii Revised Statutes, and physical therapist assistants are not licensed at all. Public hearings on H.B. No. 1240 have already been held, and decision-making has been deferred until January, 1996, in order to obtain a sunrise analysis.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 116 and recommends that it be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee.

SCRep. 1253 Health on H.C.R. No. 204

The purpose of this concurrent resolution is to comply with section 23-51, Hawaii Revised Statutes, and obtain a Legislative Auditor's study to assess the impact of mandatory health insurance coverage for acupuncture services.

Testimony was received in support of this concurrent resolution from the Hawaii Acupuncture Association, Kailua Acupuncture Clinic, and interested citizens.

Your Committee recognizes the increased use of acupuncture services in Hawaii and believes that a Legislative Auditor's study is necessary. Acupuncture services are currently available under no-fault insurance coverage and in workers compensation cases, so statistics should be available to assist the Auditor with this study.

This concurrent resolution was amended to:

- (1) Remove language which gave the appearance that the resolution was directing the Auditor to reach certain conclusions;
- (2) Make reference to the Acupuncture Treatment Act; and
- (3) Make technical, nonsubstantive revisions for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 204, as amended herein, and recommends that it be referred to the Committee on Consumer Protection and Commerce, in the form attached hereto as H.C.R. No. 204, H.D. 1.

Signed by all members of the Committee.

SCRep. 1254 Finance on S.B. No. 1594

The purpose of this bill is to provide emergency funding for the Department of Public Safety (Department) to prevent the shutdown of state correctional facilities and to prevent the possible filing of lawsuits.

Your Committee has received a message from the Governor, dated February 3, 1995:

- (1) Stating that additional funding is needed to prevent the shutdown of activities at several correctional facilities;
- (2) Stating that the increase in overtime payments is the primary contributing factor to the Department's inability to meet its fiscal obligation to provide for the health and safety of the public, staff, and clients; and
- (3) Requesting immediate passage of this bill to enable the Department to maintain services at correctional facilities for fiscal year 1994-1995.

The Department testified in support of this measure. The United Public Workers also commented on this measure.

Your Committee is encouraged by the efforts of the Department to find solutions to the problems associated with overtime payments. Discussion with the Department indicated that the implementation of plans for lockdowns and guidelines to monitor and curb sick leave and overtime abuses will commence in the near future.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1594, S.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Kanoho.

SCRep. 1255 Finance on S.B. No. 1680

The purpose of this bill is to make an emergency appropriation to the Department of Health to prevent the reduction and discontinuance of payments for services for seriously emotionally disturbed children and youth for fiscal year 1994-1995.

Your Committee has received a message from the Governor, dated March 15, 1995:

- (1) Stating that additional funding is needed for the Child and Adolescent Mental Health Program; and
- (2) Requesting immediate passage of this bill to ensure that the State will be able to meet its fiscal obligations for the Child and Adolescent Mental Health Program for the remainder of fiscal year 1994-1995.

The Department of Health testified in support of this bill.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1680, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 1256 Finance on S.B. No. 1201

The purpose of this bill is to authorize the Director of Finance to invest public funds in mutual fund portfolios comprising bonds or obligations issued or guaranteed by the United States government.

Testimony supporting this measure was submitted by the Department of Budget and Finance.

Your Committee has amended this bill by incorporating provisions of a similar House bill, H.B. No. 1208, H.D. 1, so that the Director of Finance may also invest public funds in:

- (1) Federal Home Loan Bank notes and bonds;
- (2) Federal Home Loan Mortgage Corporation bonds; and
- (3) Federal National Mortgage Association notes and bonds.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1201, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1201, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Kanoho.

SCRep. 1257 Finance on S.B. No. 1573

The purpose of this bill is to simplify the tax chapters administered by the Department of Taxation. Specifically, this bill changes:

- (1) References to numerous chapters relating to tax law to a single reference to Title 14;
- (2) The Tax Reserve Fund from a special fund with a specified sum set aside to a revolving fund.

The Director of Taxation testified in favor of this bill. Testimony was also received from the Tax Foundation of Hawaii.

Your Committee has amended this bill by:

- (1) Amending Section 231-29, Hawaii Revised Statutes, for consistency with the other sections amended by this bill;
- (2) Deleting the proposed amendment changing the Tax Reserve Fund to a revolving fund;
- (3) Clarifying that the citations to Title 14 are limited to those chapters administered by the Department of Taxation; and
- (4) Making technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1573, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1573, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Kanoho.

SCRep. 1258 Economic Development and Business Concerns on H.R. No. 67

The purpose of this resolution is to request the Department of Business, Economic Development, and Tourism (DBEDT) to:

- (1) Expand business centers in all counties to facilitate and enhance information on permit and licensing requirements for new businesses; and
- (2) Examine the feasibility of having business centers provide information on permit requirements from the federal, state, and county levels.

Testimony was received from DBEDT supporting the concepts contained in the measure.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 67 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 1259 Economic Development and Business Concerns on H.C.R. No. 60

The purpose of this concurrent resolution is to request the Department of Business, Economic Development, and Tourism (DBEDT) to:

- (1) Expand business centers in all counties to facilitate and enhance information on permit and licensing requirements for new businesses; and
- (2) Examine the feasibility of having business centers provide information on permit requirements from the federal, state, and county levels.

Testimony was received from DBEDT supporting the concepts contained in the measure.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 60 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 1260 Economic Development and Business Concerns on H.R. No. 68

The purpose of this resolution is to request Kau businesses, unions, and volunteers who are experts in various fields and trades to expand their support for adult and community education by becoming involved in programs on literacy, employment skills, and job training.

Your Committee believes that it is imperative to ensure that Kau residents have access to employment assistance and social services, especially in light of the closing of operations at C. Brewer. Such programs are sorely needed due to the fact that C. Brewer is a chief employer of Kau residents.

Testimony in support of this measure was received from the Department of Education.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 68 and recommends its adoption.

Signed by all members of the Committee except Representative Cachola.

SCRep. 1261 Economic Development and Business Concerns on H.C.R. No. 61

The purpose of this concurrent resolution is to request Kau businesses, unions, and volunteers who are experts in various fields and trades to expand their support for adult and community education by becoming involved in programs on literacy, employment skills, and job training.

Your Committee believes that it is imperative to ensure that Kau residents have access to employment assistance and social services, especially in light of the closing of operations at C. Brewer. Such programs are sorely needed due to the fact that C. Brewer is a chief employer of Kau residents.

Testimony in support of this measure was received from the Department of Education.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 61 and recommends its adoption.

Signed by all members of the Committee except Representative Cachola.

SCRep. 1262 Higher Education and the Arts on H.C.R. No. 307

The purpose of this resolution is to recognize the Natatorium as a "living memorial" and a symbol of pride for all the people of Hawaii.

The Office of Veteran's Services of the Department of Defense, the Board of Land and Natural Resources, and the Friends of the Natatorium submitted testimony supporting this measure.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 307 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Morihara, Santiago, Shon and Takumi.

SCRep. 1263 Higher Education and the Arts and Education on H.R. No. 96

The purpose of this resolution is to establish a State of Hawaii Archaeology Week to be celebrated in the month of May.

The University of Hawaii and the Society for Hawaiian Archaeology testified in support of this measure.

Your Committees find that the implementation of a Hawaii archaeology week would enhance public awareness of Hawaiian archaeology and encourage protection of Hawaii's unique and fragile cultural resources.

Your Committees have amended this bill by:

- (1) Changing the month in which the archaeology week will be celebrated from May to April in order to encourage participation by local schools; and
- (2) Assigning the Department of Land and Natural Resources as the lead agency for the coordination and implementation of the archaeology week program.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Education that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 96, as amended herein, and recommend its adoption, in the form attached hereto as H.R. No. 96, H.D. 1.

Signed by all members of the Committees except Representatives Morihara, Santiago and Shon.

SCRep. 1264 Higher Education and the Arts and Education on H.C.R. No. 87

The purpose of this concurrent resolution is to establish a State of Hawaii Archaeology Week to be celebrated in the month of May.

The University of Hawaii and the Society for Hawaiian Archaeology testified in support of this measure.

Your Committees find that the implementation of a Hawaii archaeology week would enhance public awareness of Hawaiian archaeology and encourage protection of Hawaii's unique and fragile cultural resources.

Your Committees have amended this bill by:

- (1) Changing the month in which the archaeology week will be celebrated from May to April in order to encourage participation by local schools; and
- (2) Assigning the Department of Land and Natural Resources as the lead agency for the coordination and implementation of the archaeology week program.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Education that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 87, as amended herein, and recommend its adoption, in the form attached hereto as H.C.R. No. 87, H.D. 1.

Signed by all members of the Committees except Representatives Morihara, Santiago and Shon.

SCRep. 1265 Human Services and Health on H.C.R. No. 168

The purpose of this resolution is to request 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.

The Governor's Office of Children and Youth, the Judiciary, the Juvenile Services Division of the Honolulu Police Department, the Department of Education, the American Academy of Pediatrics, the Hawaii Medical Association, Child and Family Service, the Hawaii Family Stress Center and the Alger Foundation submitted testimony in support of this resolution. Testimony was submitted by the Office of Youth Services and the Department of Health in support of the intent of this measure.

It is noted by your Committees that there is a critical need for systematic coordination, planning and policy development for providing comprehensive and seamless services to meet the total needs of families with regard to helping children from birth to age 5. The establishment of a pro-family preventive service system would help families increase the probability that their children will enter school socially, emotionally, physically and intellectually ready to learn.

Your Committees feel that this system should ultimately incorporate services to all families. However, this concurrent resolution is limited in scope because of the momentum generated by agencies interested in the early childhood area. In this regard, this effort should include participation by a wide variety of agencies.

Your Committees have amended this resolution by replacing the word "sensitive" with "competent" on line 11, page 3.

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 168, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 168, H.D. 1.

Signed by all members of the Committees.

SCRep. 1266 Labor and Public Employment on H.R. No. 275

The purpose of this resolution is to request the Legislative Reference Bureau (LRB) to study the impacts of allowing workers' compensation benefits to be a matter of collective bargaining between the construction industry and the labor unions.

The Department of Labor and Industrial Relations (DLIR), the Hawaii Construction Industry Association, the Laborers' International Union of North America, Local 368, AFL-CIO, and the Hawaii Operating Engineers submitted testimony in support of this measure.

Your Committee finds that since the Hawaii Construction Industry Association has already made the necessary data available, it may be more prudent to request the DLIR to conduct the study and subsequently request the LRB to assist in the drafting of legislation for the 1996 legislative session. Accordingly, this measure has been amended to:

- (1) Request the DLIR to conduct the study, instead of the LRB, and amending the title to reflect the new purpose;
- (2) Transmit certified copies of the measure to the Director of Labor and Industrial Relations, the Director of Human Resources Development, and the Chief Negotiator of the Office of Collective Bargaining; and
- (3) Making other technical, nonsubstantive amendment for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 275, as amended herein, and recommends that it be referred to the Committee on Consumer Protection and Commerce, in the form attached hereto as H.R. No. 275, H.D. 1.

Signed by all members of the Committee.

SCRep. 1267 Labor and Public Employment on H.C.R. No. 287

The purpose of this concurrent resolution is to request the Legislative Reference Bureau (LRB) to study the impacts of allowing workers' compensation benefits to be a matter of collective bargaining between the construction industry and the labor unions.

The Department of Labor and Industrial Relations (DLIR), the Hawaii Construction Industry Association, the Laborers' International Union of North America, Local 368, AFL-CIO, and the Hawaii Operating Engineers submitted testimony in support of this measure.

Your Committee finds that since the Hawaii Construction Industry Association has already made the necessary data available, it may be more prudent to request the DLIR to conduct the study and subsequently request the LRB to assist in the drafting of legislation for the 1996 legislative session. Accordingly, this measure has been amended to:

- (1) Request the DLIR to conduct the study, instead of the LRB, and amending the title to reflect the new purpose;
- (2) Transmit certified copies of the measure to the Director of Labor and Industrial Relations, the Director of Human Resources Development, and the Chief Negotiator of the Office of Collective Bargaining; and
- (3) Making other technical, nonsubstantive amendment for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 287, as amended herein, and recommends that it be referred to the Committee on Consumer Protection and Commerce, in the form attached hereto as H.C.R. No. 287, H.D. 1.

Signed by all members of the Committee.

SCRep. 1268 Hawaiian Affairs and Housing on H.R. No. 232

The purpose of this resolution is to request the Department of Hawaiian Home Lands (DHHL) to examine the transfer of awarded interests in homestead lands.

Testimony was received in support of the measure from the DHHL. It believed that such an examination will address concerns regarding the transfer of homestead leases as a way of bypassing the waiting list or receiving monetary benefits for a lot which the awardee did not incur any cost.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 232 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Hamakawa, Saiki and Stegmaier.

SCRep. 1269 Hawaiian Affairs and Housing on H.C.R. No. 249

The purpose of this concurrent resolution is to request the Legislative Auditor to examine the cost-effectiveness of transferring all financing funds for the development of rental housing from the Housing Finance and Development Corporation (HFDC) to the Rental Housing Trust Fund (RHTF).

Supporting testimony was received from the Sisters of Saint Joseph of Carondelet, Hawaii Catholic Conference, Catholic Charities, Oahu Social Ministry, Affordable Housing Alliance, and American Association of Retired Persons.

The HFDC opposes the measure on the grounds that it is able to produce rental units more efficiently than the RHTF. The HFDC testified that it was producing rental properties on the average of \$121,000 per unit. The RHTF testified that it was producing rental units at \$25,000 per unit.

Upon careful consideration, your Committee agreed to amend this concurrent resolution by requesting the Legislative Auditor to determine the best way to initiate a transfer of funds from the HFDC rental housing funds to the RHTF.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 249, as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.C.R. No. 249, H.D. 1.

Signed by all members of the Committee except Representatives Hamakawa, Saiki and Stegmaier.

SCRep. 1270 Hawaiian Affairs and Housing on H.C.R. No. 300

The purpose of this concurrent resolution is to request the Legislative Reference Bureau to conduct a study on the feasibility of transferring Kahana State Park from the Department of Land and Natural Resources to the Office of Hawaiian Affairs (OHA).

Testimony supporting the measure was received from the OHA, the Board of Land and Natural Resources (BLNR), the Native Hawaiian Protocol & Consultant Services, and a concerned Kahana Valley resident.

The BLNR felt that the timing was premature since the residents are currently renovating their homes prior to the one year deadline of February 16, 1996. They will then be able to begin providing 25 hours per month of interpretive program service to the park.

The Office of Hawaiian Affairs felt that the Board of Trustees will need to consider whether such a transfer would be beneficial to Hawaiians and the OHA. Only after a decision by the trustees would the OHA be prepared to endorse or oppose the transfer of Kahana.

Upon further consideration, your Committee amended the concurrent resolution by:

- (1) Recognizing that the Board of Trustees of the OHA must meet to determine whether such a transfer would be in the best interest of the OHA;
- (2) Requiring that a certified copy of the concurrent resolution be sent to the Director of the "Friends of Kahana" organization; and
- (3) Making technical, non-substantive changes.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 300, as amended herein, and recommends that it be referred to the Committee on Water and Land Use Planning, in the form attached hereto as H.C.R. No. 300, H.D. 1.

Signed by all members of the Committee except Representatives Hamakawa, Saiki and Stegmaier.

SCRep. 1271 Human Services on H.C.R. No. 310

The purpose of this measure is to request the Department of Commerce and Consumer Affairs to examine condominium prohibitions on child care facilities.

The Governor's Office of Children and Youth submitted testimony in support of the intent of this concurrent resolution.

It is noted in your Committee that there is a need for an expansion of child care options appropriate to the needs of families and their circumstances. A review process of condominium prohibitions on child care facilities and laws in other states addressing this issue could possibly lead to easing these restrictions in the future and therefore, would further such a goal.

It is also noted in your Committee that the great convenience to working parents of having child care facilities on the premises likely outweighs liability insurance costs of maintaining those facilities.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 310 and recommends that it be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representative Arakaki.

SCRep. 1272 Human Services on H.C.R. No. 238

The purpose of this concurrent resolution is to request the Office of Children and Youth, with the assistance of the Office of Youth Services and the Department of Business, Economic Development, and Tourism, to plan and convene a summit for children and youth from Asia and the Pacific to be held in Honolulu in 1996.

The Judiciary submitted testimony in support of the concept of the concurrent resolution. The Office of Children and Youth (OCY) did not support the measure as written. According to OCY, it is undertaking a strategic planning process which at this time precludes staff from engaging in the tasks required to plan the conference. OCY suggested that it explore collaborative planning with organizations such as the Hawaii Community Foundation (HCF), Pacific Regional

Educational Laboratory (PREL), and the East-West Center (EWC). A conference may be a possibility some time in the indefinite future if it is consistent with the strategic plan for the agency that is being developed.

The concurrent resolution has been amended by:

- (1) Referring properly to the "Convention on the Rights of Children" rather than the "Convention on the Rights of the Child";
- (2) Adding HCF, PREL, EWC, and the University of Hawaii to those agencies already named in the concurrent resolution to assist the Office of Children and Youth in planning the conference; revising the title of the concurrent resolution to reflect this change; and having copies of the concurrent resolution sent to these agencies and organizations;
- (3) Deleting the 1996 date for the conference to provide flexibility in scheduling; and
- (4) Making technical, nonsubstantive revisions for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 238, as amended herein, and recommends that it be referred to the Committee on Intergovernmental Relations and International Affairs, in the form attached hereto as H.C.R. No. 238, H.D. 1.

Signed by all members of the Committee except Representative Arakaki.

SCRep. 1273 Finance on S.B. No. 893

The purpose of this bill is to authorize the Board of Regents of the University of Hawaii, with the approval of the Governor, to:

- (1) Increase or decrease fees or nontax revenues established in Chapter 304 (University of Hawaii), Chapter 305 (Community Colleges), Chapter 306 (University Projects), and Chapter 308 (University Parking) of the Hawaii Revised Statutes, up to fifty percent of the statutorily assessed amount; and
- (2) Require that any increase or decrease in tuition by the University of Hawaii be preceded by a public hearing held at least one semester before the effective date of the proposed increase.

The University of Hawaii testified in support of the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 893, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Kanoho.

SCRep. 1274 Finance on S.B. No. 1578

The purpose of this bill is to:

- (1) Authorize the Department of Taxation (Department) to impose fees to recover costs incurred in the collection of taxes, including levy, seizure, foreclosure, and other actions; and
- (2) Mandate that interest will not accrue on any cost recovery fee.

The Department testified in support of this measure. The Tax Foundation of Hawaii submitted comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1578, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Kanoho.

SCRep. 1275 Finance on S.B. No. 1577

The purpose of this bill is to allow taxpayers to remit taxes by electronic funds transfer (EFT) approved by the Department of Taxation.

The Department of Taxation and the Tax Foundation of Hawaii submitted testimony on this measure.

Your Committee has amended this bill by deleting its contents and replacing it with the language reflected in H.B. 2039, H.D. 1, which was earlier reported out of your Committee on Finance.

As amended, this bill:

- (1) Authorizes the Director of Taxation to require taxpayers to remit taxes by EFT, instead of making EFT remission voluntary; and

- (2) Allows taxpayers who are not required to remit their taxes by EFT to do so with the approval of the Director of Taxation.

Your Committee notes that this measure is intended to be used for those businesses with large tax liabilities, especially those which are located out of state.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1577, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1577, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Kanoho.

SCRep. 1276 Education on H.R. No. 226

The purpose of this resolution is to request that the Auditor, with the cooperation of the Department of Education, conduct a performance audit of certain educational programs.

The Department of Education concurred with the intent of the resolution, however, it believes that the audit as proposed by the resolution may not be the most practical means for gauging and documenting the successes of specific programs and practices.

Your Committee has amended this resolution by eliminating section 6 as a means of streamlining the process of the audit.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 226, as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.R. No. 226, H.D. 1.

Signed by all members of the Committee except Representatives Morihara, Santiago, Shon, Takamine and Takumi.

SCRep. 1277 Education on H.C.R. No. 234

The purpose of this concurrent resolution is to request that the Auditor, with the cooperation of the Department of Education, conduct a performance audit of certain educational programs.

The Department of Education concurred with the intent of the concurrent resolution, however, it believes that the audit as proposed by the concurrent resolution may not be the most practical means for gauging and documenting the successes of specific programs and practices.

Your Committee has amended this concurrent resolution by eliminating section 6 as a means of streamlining the process of the audit.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 234, as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.C.R. No. 234, H.D. 1.

Signed by all members of the Committee except Representatives Morihara, Santiago, Shon, Takamine and Takumi.

SCRep. 1278 Education on H.R. No. 258

The purpose of this resolution is to recognize the importance of partnerships between schools, families, businesses and labor for the long-term viability of the State, particularly recognizing the efforts of Aikahi Elementary School's pilot project to improve its facilities.

The Department of Education supported the intent of the resolution to recognize Aikahi Elementary School's efforts to start a pilot project to build additional school facilities.

Your Committee has amended the resolution by adding a Department of Education addendum that asks for further delineation and description of the project proposal with regard to roles and responsibilities of the school, the Department of Accounting and General Services, the Department of Education and the Department of the Attorney General to insure that any proposal can meet all statutes, procurement laws, and fair labor practices of the State since state funding is assumed to be necessary to fund the project.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 258, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 258, H.D. 1.

Signed by all members of the Committee except Representatives Morihara, Santiago, Shon, Takamine and Takumi.

SCRep. 1279 Education on H.C.R. No. 273

The purpose of this concurrent resolution is to recognize the importance of partnerships between schools, families, businesses and labor for the long-term viability of the State, particularly recognizing the efforts of Aikahi Elementary School's pilot project to improve its facilities.

The Department of Education supported the intent of the concurrent resolution to recognize Aikahi Elementary School's efforts to start a pilot project to build additional school facilities.

Your Committee has amended the concurrent resolution by adding a Department of Education addendum that asks for further delineation and description of the project proposal with regard to roles and responsibilities of the school, the Department of Accounting and General Services, the Department of the Attorney General, and the Department of Education to insure that any proposal can meet all statutes, procurement laws, and fair labor practices of the State since state funding is assumed to be necessary to fund the project.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 273, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 273, H.D. 1.

Signed by all members of the Committee except Representatives Morihara, Santiago, Shon, Takamine and Takumi.

SCRep. 1280 Education on H.R. No. 105

The purpose of this resolution is to urge the development and implementation of instructional programs that teach the social skills needed to resolve and settle conflicts peacefully and cooperatively.

Testimony supporting the intent of this resolution was submitted by the Department of Education. The Department of Education added that in 1990 they established the position of state resource teacher for conflict management and began the development of its present Conflict Management Program.

Your Committee has amended this resolution by;

- (1) Stating that the schools are urged to develop and implement plans and programs that will impart and teach Hawaii's children the social skills that are needed to resolve and settle conflicts peacefully and cooperatively;
- (2) Adding that a certified copy of the resolution be transmitted to each public school principal; and
- (3) Adding technical and nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 105, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 105, H.D. 1.

Signed by all members of the Committee except Representatives Shon, Takamine, Takumi and Yonamine.

SCRep. 1281 Education on H.C.R. No. 97

The purpose of this concurrent resolution is to urge the development and implementation of instructional programs that teach the social skills needed to resolve and settle conflicts peacefully and cooperatively.

Testimony supporting the intent of this concurrent resolution was submitted by the Department of Education. The Department of Education added that in 1990 they established the position of state resource teacher for conflict management and began the development of its present Conflict Management Program.

Your Committee has amended this concurrent resolution by;

- (1) Stating that the schools are urged to develop and implement plans and programs that will impart and teach Hawaii's children the social skills that are needed to resolve and settle conflicts peacefully and cooperatively;
- (2) Adding that a certified copy of the concurrent resolution be transmitted to each public school principal; and
- (3) Adding technical and nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 97, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 97, H.D. 1.

Signed by all members of the Committee except Representatives Shon, Takamine, Takumi and Yonamine.

SCRep. 1282 Education on H.R. No. 179

The purpose of this resolution is to request that the Board of Education amend administrative rules regarding the distribution of fees and charges for public and community usage of school facilities.

The Department of Education testified that it had reservations on the intent of the resolution, stating that many schools are being utilized by community groups who fall into category I or II type of user who are not charged a rental fee and utility charge. A custodial charge is assessed only when a custodian is needed for the activity. Schools in this situation

will receive much less based on the distribution formula to help defray their costs when being used by these community groups. Those schools who are frequently used by Type III, IV or V users will receive the majority of the funds since charges for rental, utilities, and custodial services are assessed for these type of users.

Upon careful consideration, your Committee has amended this resolution by:

- (1) Replacing "gross fees" and "remaining revenues" with "rental fees;"
- (2) Clarifying that 20% of the rental fees are to be transferred to the Office of Hawaiian Affairs for those schools on ceded lands; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 179, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 179, H.D. 1.

Signed by all members of the Committee except Representatives Shon, Takai, Takamine and Yonamine.

SCRep. 1283 Education on H.C.R. No. 176

The purpose of this concurrent resolution is to request that the Board of Education amend administrative rules regarding the distribution of fees and charges for public and community usage of school facilities.

The Department of Education testified that it had reservations on the intent of the concurrent resolution, stating that many schools are being utilized by community groups who fall into category I or II type of user who are not charged a rental fee and utility charge. A custodial charge is assessed only when a custodian is needed for the activity. Schools in this situation will receive much less based on the distribution formula to help defray their costs when being used by these community groups. Those schools who are frequently used by Type III, IV or V users will receive the majority of the funds since charges for rental, utilities, and custodial services are assessed for these types of users.

Upon careful consideration, your Committee has amended this concurrent resolution by:

- (1) Replacing "gross fees" and "remaining revenues" with "rental fees;"
- (2) Clarifying that 20% of the rental fees are to be transferred to the Office of Hawaiian Affairs for those schools on ceded lands; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 176, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 176, H.D. 1.

Signed by all members of the Committee except Representatives Shon, Takai, Takamine and Yonamine.

SCRep. 1284 Water and Land Use Planning and Ocean Recreation and Marine Resources on H.R. No. 237

The purpose this resolution is to request the Department of Land and Natural Resources (DLNR) to:

- (1) Use all appropriate means to prevent the construction of illegal structures on state beach lands and to cite and enjoin violators; and
- (2) Recommend additional means it believes may be necessary to increase its effectiveness in protecting state beach lands.

Your Committees recognize the concerns that have arisen due to the illegal construction of seawalls and other structures on the State's public beach lands, including the erosion of Hawaii's shorelines and beaches and the lessening of public access to the coastal areas.

The DLNR submitted testimony on this measure and indicated its support for the resolution, subject to the inclusion of their proposed amendment.

Your Committees have amended this resolution by:

- (1) Requesting the DLNR and the counties to work cooperatively to carry out the responsibilities stated in the measure, thereby amending the title of the resolution to read: "REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES AND THE COUNTIES TO USE ALL APPROPRIATE MEANS TO PREVENT THE CONSTRUCTION OF ILLEGAL STRUCTURES ON STATE BEACH LANDS AND TO RECOMMEND ADDITIONAL MEANS TO INCREASE ITS EFFECTIVENESS IN PROTECTING STATE BEACH LANDS"; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Water and Land Use Planning and Ocean Recreation and Marine Resources that are attached to this report, your Committees concur with the intent and purpose of

H.R. No. 237, as amended herein, and recommend that it be referred to the Committee on Intergovernmental Relations and International Affairs, in the form attached hereto as H.R. No. 237, H.D. 1.

Signed by all members of the Committees except Representatives Kanoho, Shon and Yoshinaga.

SCRep. 1285 Water and Land Use Planning and Ocean Recreation and Marine Resources on H.C.R. No. 245

The purpose this concurrent resolution is to request the Department of Land and Natural Resources (DLNR) to:

- (1) Use all appropriate means to prevent the construction of illegal structures on state beach lands and to cite and enjoin violators; and
- (2) Recommend additional means it believes may be necessary to increase its effectiveness in protecting state beach lands.

Your Committees recognize the concerns that have arisen due to the illegal construction of seawalls and other structures on the State's public beach lands, including the erosion of Hawaii's shorelines and beaches and the lessening of public access to the coastal areas.

The DLNR submitted testimony on this measure and indicated its support for the concurrent resolution, subject to the inclusion of their proposed amendment.

Your Committees have amended this concurrent resolution by:

- (1) Requesting the DLNR and the counties to work cooperatively to carry out the responsibilities stated in the measure, thereby amending the title of the concurrent resolution to read: "REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES AND THE COUNTIES TO USE ALL APPROPRIATE MEANS TO PREVENT THE CONSTRUCTION OF ILLEGAL STRUCTURES ON STATE BEACH LANDS AND TO RECOMMEND ADDITIONAL MEANS TO INCREASE ITS EFFECTIVENESS IN PROTECTING STATE BEACH LANDS"; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Water and Land Use Planning and Ocean Recreation and Marine Resources that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 245, as amended herein, and recommend that it be referred to the Committee on Intergovernmental Relations and International Affairs, in the form attached hereto as H.C.R. No. 245, H.D. 1.

Signed by all members of the Committees except Representatives Kanoho, Shon and Yoshinaga.

SCRep. 1286 Human Services on H.C.R. No. 308

The purpose of this concurrent resolution is to encourage various agencies to support the Marimed Foundation's "Tour Mour" in expanding alternatives to incarceration and to adopt rules allowing it to operate as a residential facility for behaviorally impaired and adjudicated adolescents.

The Marimed Foundation, Hale Kipa, and three individuals submitted testimony in support of this concurrent resolution. The Judiciary supported the concept of this measure.

The Marimed Foundation testified that it can provide quality residential treatment that includes unique maritime experiences at a lower cost per day than is now being charged to the State.

However, in the discussion that followed, the point was raised that the services among the residential treatment programs compared by Marimed may be different. Furthermore, insufficient information was presented at the hearing to determine the effectiveness of the Marimed program.

Nevertheless, your Committee finds that more residential treatment programs for severely emotionally disturbed youth are needed.

Your Committee has amended this concurrent resolution by:

- (1) Properly referring to Marimed Foundation's ship as the "Tole Mour" rather than the "Tour Mour";
- (2) Referring to Marimed's program as a "residential treatment program" rather than a "proven residential treatment program";
- (3) Having a copy of the concurrent resolution transmitted to the Office of Hawaiian Affairs; and
- (4) Making technical, nonsubstantive revisions for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 308, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 308, H.D. 1.

Signed by all members of the Committee.

SCRep. 1287 Consumer Protection and Commerce on H.R. No. 275

The purpose of this resolution is to request the Department of Labor and Industrial Relations (DLIR) to study the impacts of allowing workers' compensation benefits to be collectively bargained for between the construction industry employer and the labor unions.

The Hawaii Construction Industry Association and the Hawaii Operating Engineers Industry Stabilization Fund testified in support of the resolution. The DLIR submitted testimony indicating that the department would assist in any way it could with the requested impact study.

Your Committee recognizes the unique nature of the construction industry and agrees that it would be beneficial to study the possibility of developing a more favorable workers' compensation system tailored to address the specific needs of the industry.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 275, H.D. 1, and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Hamakawa, Hiraki, Tom and Thielen.

SCRep. 1288 Consumer Protection and Commerce on H.C.R. No. 287

The purpose of this concurrent resolution is to request the Department of Labor and Industrial Relations (DLIR) to study the impacts of allowing workers' compensation benefits to be collectively bargained for between the construction industry employer and the labor unions.

The Hawaii Construction Industry Association and the Hawaii Operating Engineers Industry Stabilization Fund testified in support of the resolution. The DLIR submitted testimony indicating that the department would assist in any way it could with the requested impact study.

Your Committee recognizes the unique nature of the construction industry and agrees that it would be beneficial to study the possibility of developing a more favorable workers' compensation system tailored to address the specific needs of the industry.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 287, H.D. 1, and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Hamakawa, Hiraki, Tom and Thielen.

SCRep. 1289 Consumer Protection and Commerce on H.R. No. 150

The purpose of this resolution is to request the Legislative Auditor to analyze House Bill No. 1696, as amended, as to the probable effects of licensing hoisting machine operators and the registration of hoisting machines.

The Hawaii Operating Engineers Industry Stabilization Fund testified in support of the resolution. The Department of Labor and Industrial Relations testified in opposition to the passage of the resolution.

Increased construction activity in Hawaii has resulted in an increase in the use of cranes and other hoisting machines. Due to the complexity and size of the equipment involved, public safety may be jeopardized if cranes and hoisting machines are operated by unqualified machine operators. Your Committee acknowledged the necessity of licensing hoisting machine operators and of registering hoisting machines with the passage of House Bill No. 1696, as amended.

Furthermore, section 26H-6, Hawaii Revised Statutes, requires the Legislative Auditor to analyze the probable effects of proposed regulatory measures for unregulated professions or vocations and to determine if the new regulations are consistent with statutory requirements.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 150 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Hamakawa, Hiraki, Tom and Thielen.

SCRep. 1290 Consumer Protection and Commerce on H.C.R. No. 144

The purpose of this concurrent resolution is to request the Legislative Auditor to analyze House Bill No. 1696, as amended, as to the probable effects of licensing hoisting machine operators and the registration of hoisting machines.

The Hawaii Operating Engineers Industry Stabilization Fund testified in support of the resolution. The Department of Labor and Industrial Relations testified in opposition to the passage of the resolution.

Increased construction activity in Hawaii has resulted in an increase in the use of cranes and other hoisting machines. Due to the complexity and size of the equipment involved, public safety may be jeopardized if cranes and hoisting machines are operated by unqualified machine operators. Your Committee acknowledged the necessity of licensing hoisting machine operators and of registering hoisting machines with the passage of House Bill No. 1696, as amended.

Furthermore, section 26H-6, Hawaii Revised Statutes, requires the Legislative Auditor to analyze the probable effects of proposed regulatory measures for unregulated professions or vocations and to determine if the new regulations are consistent with statutory requirements.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 144 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Hamakawa, Hiraki, Tom and Thielen.

SCRep. 1291 Education on H.R. No. 61

The purpose of this Resolution is to request the Board of Education, the Department of Education, and the School/Community-Based Management Councils to develop and implement plans to restructure the traditional school day to allow students to distribute their required hours of class time over different intervals.

The Department of Education submitted testimony in support of the intent of this measure. A concerned citizen submitted comments on this measure.

Upon careful consideration, your Committee has amended this Resolution by:

- (1) Requesting that each school community develop and implement plans to restructure and extend the traditional school day in a manner that is appropriate for that particular student population in order to maximize the number of hours students are at school and the use of available school facilities;
- (2) Requesting the Department of Education, at the direction of the Board of Education, collaborate with the Hawaii State Teachers Association, the Hawaii Government Employees Association, and the United Public Workers to develop ways to accommodate the proposals initiated by individual school communities; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 61, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 61, H.D. 1.

Signed by all members of the Committee except Representatives Arakaki, Lee, Shon, Takamine and Halford.

SCRep. 1292 Education on H.C.R. No. 53

The purpose of this Concurrent Resolution is to request the Board of Education, the Department of Education, and the School/Community-Based Management Councils to develop and implement plans to restructure the traditional school day to allow students to distribute their required hours of class time over different intervals.

The Department of Education submitted testimony in support of the intent of this measure. A concerned citizen submitted comments on this measure.

Upon careful consideration, your Committee has amended this Concurrent Resolution by:

- (1) Requesting that each school community develop and implement plans to restructure and extend the traditional school day in a manner that is appropriate for that particular student population in order to maximize the number of hours students are at school and the use of available school facilities;
- (2) Requesting the Department of Education, at the direction of the Board of Education, collaborate with the Hawaii State Teachers Association, the Hawaii Government Employees Association, and the United Public Workers to develop ways to accommodate the proposals initiated by individual school communities; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 53, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 53, H.D. 1.

Signed by all members of the Committee except Representatives Arakaki, Lee, Shon, Takamine and Halford.

SCRep. 1293 Tourism on H.R. No. 91

The purpose of this resolution is to request the Department of Business, Economic Development, and Tourism to develop and implement an international techno-tourism policy to make Hawaii the Asia-Pacific region's pre-eminent center for science and technology conferences.

Your Committee received testimony in support of this resolution from the Department of Business, Economic Development and Tourism.

Your Committee finds that the proposal would use visitor industry expertise and technological strength to induce greater use of Hawaii as a meetings center and further develop Hawaii's technological resources. Some organizations, such as the Pacific Telecommunications Council, already host annual gatherings bringing in participants from around the world.

Existing efforts by the state include the 4th Annual Japan-US Cooperation in Space Workshop in Hawaii in November 1994 and the Internet Society's INET '95 in June 1995.

Your Committee revised this resolution by:

- (1) Adding the names of various agencies and organizations that will participate in the development of the policy and receive certified copies; and
- (2) Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 91, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 91, H.D. 1.

Signed by all members of the Committee except Representative Lee.

SCRep. 1294 Tourism on H.C.R. No. 82

The purpose of this concurrent resolution is to request the Department of Business, Economic Development, and Tourism to develop and implement an international techno-tourism policy to make Hawaii the Asia-Pacific region's pre-eminent center for science and technology conferences.

Your Committee received testimony in support of this concurrent resolution from the Department of Business, Economic Development and Tourism.

Your Committee finds that the proposal would use visitor industry expertise and technological strength to induce greater use of Hawaii as a meetings center and further develop Hawaii's technological resources. Some organizations, such as the Pacific Telecommunications Council, already host annual gatherings bringing in participants from around the world. Existing efforts by the state include the 4th Annual Japan-US Cooperation in Space Workshop in Hawaii in November 1994 and the Internet Society's INET '95 in June 1995.

Your Committee revised this concurrent resolution by:

- (1) Adding the names of various agencies and organizations that will participate in the development of the policy and receive certified copies; and
- (2) Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 82, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 82, H.D. 1.

Signed by all members of the Committee except Representative Lee.

SCRep. 1295 Consumer Protection and Commerce and Judiciary on H.R. No. 15

The purpose of this resolution is to request the Director of Commerce and Consumer Affairs to examine current penalties for unlicensed contractors.

The resolution requests the Director of Commerce and Consumer Affairs to:

- (1) Examine the current complaints intake and enforcement procedures of the Regulated Industries Complaints Office (RICO) to review its efficiency and effectiveness in the abatement of unlicensed activity;
- (2) Examine the current penalties for contracting without a license to determine whether current penalties are an effective deterrent for unlicensed activity; and
- (3) Report findings and recommendations to the Legislature twenty days before the convening of the Regular Session of 1996.

Favorable testimony was received from the Department of Commerce and Consumer Affairs (DCCA) and the Subcontractors Association of Hawaii.

Your Committees adopted the recommendation of the DCCA and amended the resolution to have the Director of Commerce and Consumer Affairs examine enforcement strategies and possibilities from a statewide perspective. However, it was noted that the complaints intake and enforcement procedures of RICO should be included in the examination.

Your Committees also noted that unlicensed contracting is a state-wide problem and that unlicensed contractors often target the elderly.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.R. No. 15, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 15, H.D. 1.

Signed by all members of the Committees except Representatives Garcia, Hiraki and McMurdo.

SCRep. 1296 Consumer Protection and Commerce and Judiciary on H.C.R. No. 11

The purpose of this concurrent resolution is to request the Director of Commerce and Consumer Affairs to examine current penalties for unlicensed contractors.

The resolution requests the Director of Commerce and Consumer Affairs to:

- (1) Examine the current complaints intake and enforcement procedures of the Regulated Industries Complaints Office (RICO) to review its efficiency and effectiveness in the abatement of unlicensed activity;
- (2) Examine the current penalties for contracting without a license to determine whether current penalties are an effective deterrent for unlicensed activity; and
- (3) Report findings and recommendations to the Legislature twenty days before the convening of the Regular Session of 1996.

Favorable testimony was received from the Department of Commerce and Consumer Affairs (DCCA) and the Subcontractors Association of Hawaii.

Your Committees adopted the recommendation of the DCCA and amended the resolution to have the Director of Commerce and Consumer Affairs examine enforcement strategies and possibilities from a statewide perspective. However, it was noted that the complaints intake and enforcement procedures of RICO should be included in the examination.

Your Committees also noted that unlicensed contracting is a state-wide problem and that unlicensed contractors often target the elderly.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.C.R. No. 11, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 11, H.D. 1.

Signed by all members of the Committees except Representatives Garcia, Hiraki and McMurdo.

SCRep. 1297 Consumer Protection and Commerce on H.R. No. 196

The purpose of this resolution is to request the Insurance Commissioner to discover a means to resolve certain inequities in homeowners insurance.

The resolution requests the Insurance Commissioner to resolve the inequities in homeowners' insurance offered by the Hawaii Property Insurance Association (HPIA) to homeowners in lava zones 1 and 2 under program 1 as against homeowners in the rest of the State under program 2. The Insurance Commissioner is also requested to submit a report of the administrative actions taken to resolve the homeowners' problems to the Legislature twenty days before the convening of the Regular Session of 1996.

The American Association of Retired Persons submitted testimony in support of the resolution. The Insurance Commissioner and the HPIA submitted comments.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.R. No. 196 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hamakawa, Hiraki, Tom and Thielen.

SCRep. 1298 Consumer Protection and Commerce on H.C.R. No. 199

The purpose of this concurrent resolution is to request the Insurance Commissioner to discover a means to resolve certain inequities in homeowners insurance.

The resolution requests the Insurance Commissioner to resolve the inequities in homeowners' insurance offered by the Hawaii Property Insurance Association (HPIA) to homeowners in lava zones 1 and 2 under program 1 as against homeowners in the rest of the State under program 2. The Insurance Commissioner is also requested to submit a report of the administrative actions taken to resolve the homeowners' problems to the Legislature twenty days before the convening of the Regular Session of 1996.

The American Association of Retired Persons submitted testimony in support of the resolution. The Insurance Commissioner and the HPIA submitted comments.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.C.R. No. 199 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hamakawa, Hiraki, Tom and Thielen.

SCRep. 1299 Consumer Protection and Commerce on H.R. No. 205

The purpose of this resolution is to request the Governor, with the assistance of the various departments, to examine possible ways to:

- (1) Assist Hawaii's travel agents; and
- (2) Alleviate unnecessary job layoffs, small business closures, and the predicted decrease in general excise tax revenues;

by looking into the various programs that may be available to assist travel agents in coping with the commission caps recently announced by certain airlines.

Travel agencies provide very valuable services to local travel consumers, provide jobs for local residents, and contribute to the social fabric of Hawaii. Travel agencies also contribute to the state tax coffers through the excise tax imposed on all of their commissions. If the commission caps announced by the airlines is imposed, many travel agencies may be forced to close their operations.

Your Committee believes that it is in the best interest of the state economy to examine ways to assist travel agencies in light of the commission caps recently announced by the airlines.

Testimony in support of this measure was received from the American Society of Travel Agents and Kailua Travel. The Department of Business, Economic Development, and Tourism submitted testimony in support of the intent of the measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 205, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hamakawa, Hiraki, Tom and Thielen.

SCRep. 1300 Consumer Protection and Commerce on H.C.R. No. 207

The purpose of this concurrent resolution is to request the Governor, with the assistance of the various departments, to examine possible ways to:

- (1) Assist Hawaii's travel agents; and
- (2) Alleviate unnecessary job layoffs, small business closures, and the predicted decrease in general excise tax revenues;

by looking into the various programs that may be available to assist travel agents in coping with the commission caps recently announced by certain airlines.

Travel agencies provide very valuable services to local travel consumers, provide jobs for local residents, and contribute to the social fabric of Hawaii. Travel agencies also contribute to the state tax coffers through the excise tax imposed on all of their commissions. If the commission caps announced by the airlines is imposed, many travel agencies may be forced to close their operations.

Your Committee believes that it is in the best interest of the state economy to examine ways to assist travel agencies in light of the commission caps recently announced by the airlines.

Testimony in support of this measure was received from the American Society of Travel Agents and Kailua Travel. The Department of Business, Economic Development, and Tourism submitted testimony in support of the intent of the measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 207, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hamakawa, Hiraki, Tom and Thielen.

SCRep. 1301 Consumer Protection and Commerce on H.C.R. No. 4

The purpose of this concurrent resolution is to request the Auditor to perform a sunrise review of the regulation of marriage and family therapists.

The Hawaii County Community Mental Health Center, Comprehensive Counseling Services, Kona Therapy Associates, Inc., and fifteen individuals submitted testimony in support of this resolution.

Your Committee agrees there is an immediate need to provide for the standardization of education, experience, and training for marriage and family therapists to ensure the health, safety, and welfare of the people of this State. Without regulation, consumers harmed by incompetent or unscrupulous persons who claim to be trained marriage and family therapists have no recourse.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.C.R. No. 4, H.D. 1, and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Case, Hamakawa, Hiraki, Tom and Thielen.

SCRep. 1302 Consumer Protection and Commerce on H.C.R. No. 116

The purpose of this concurrent resolution is to request the State Auditor (Auditor) to perform a sunrise review of the regulation of physical therapist assistants.

Currently, state law prohibits individuals from practicing as physical therapists unless the individual is licensed as a physical therapist under the Physical Therapy Practice Act. Although physical therapist assistants are often required to perform many of the same functions and activities as physical therapists while acting under the supervision of physical therapists, physical therapist assistants are not required to be licensed.

To ensure that physical therapy is administered by qualified personnel, standards need to be established regarding the qualification criteria of physical therapist assistants.

This concurrent resolution is in response to the provision contained in the Hawaii Regulatory Licensing Reform Act (Act) that requires new regulatory measures being considered for unregulated professions or vocations be referred to the Auditor for analysis of the probable effects of the proposed regulatory measure and to assess whether the enactment is consistent with the policies set forth in the Act. H.B. No. 1240 proposes such regulation of physical therapist assistants.

Testimony in support of the measure was received from the Hawaii Chapter of the American Physical Therapy Association.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 116 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Hamakawa, Hiraki, Tom and Thielen.

SCRep. 1303 Consumer Protection and Commerce on H.C.R. No. 204

The purpose of this concurrent resolution is to request the Auditor to assess the impact of mandatory health insurance coverage for acupuncture services.

The concurrent resolution requests the Auditor to:

- (1) Conduct an impact assessment report, pursuant to Sections 23-51 and 23-52, Hawaii Revised Statutes, of the social and financial effects of requiring all health insurance providers to provide coverage for acupuncture services as specified in the Acupuncture Treatment Act as a mandate or rider; and
- (2) Submit findings and recommendations to the Legislature twenty days prior to the convening of the Regular Session of 1996.

Your Committee received supportive testimony from the Hawaii Medical Service Association, the Hawaii Acupuncture Association, the Kailua Acupuncture Clinic, and a concerned individual. Testimony in opposition to the resolution was received from the Hawaii Federation of Physicians & Dentists.

The resolution was amended to provide more objective phrasing regarding the Legislature's interest in studying whether health plans should include coverage for acupuncture services.

Your Committee notes that acupuncture services provided through no-fault and workers' compensation insurance may be a reasonable starting point for the Auditor to obtain information on utilization and cost.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.C.R. No. 204, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.C.R. No. 204, H.D. 2.

Signed by all members of the Committee except Representatives Hamakawa, Hiraki, Tom and Thielen.

SCRep. 1304 Hawaiian Affairs and Housing on H.R. No. 171

The purpose of this resolution is to acknowledge Public Law 103-150, a joint resolution of the U.S. Congress containing an apology by the United States to native Hawaiians for the overthrow of the Kingdom of Hawaii, and adopting its findings.

The Office of Hawaiian Affairs (OHA) submitted testimony in support of the resolution. However, it recommended that Public Law 103-150 be adopted in its entirety rather than adopting only its findings.

Your Committee fully supports the intent of this measure and the recommendation of OHA. The resolution has been amended by:

- (1) Adopting OHA's recommendation;
- (2) Revising the title to reflect the new purpose; and
- (3) Making a technical, nonsubstantive revision for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 171, as amended herein, and recommends that it be referred to the Committee on Judiciary, in the form attached hereto as H.R. No. 171, H.D. 1.

Signed by all members of the Committee except Representatives Saiki, Stegmaier and Kawanakoa.

SCRep. 1305 Hawaiian Affairs and Housing on H.C.R. No. 169

The purpose of this concurrent resolution is to acknowledge Public Law 103-150, a joint resolution of the U.S. Congress containing an apology by the United States to native Hawaiians for the overthrow of the Kingdom of Hawaii, and adopting its findings.

The Office of Hawaiian Affairs (OHA) submitted testimony in support of the concurrent resolution. However, it recommended that Public Law 103-150 be adopted in its entirety rather than adopting only its findings.

Your Committee fully supports the intent of this measure and the recommendation of OHA. The concurrent resolution has been amended by:

- (1) Adopting OHA's recommendation;
- (2) Stating that the Legislature rather than the State House of Representatives acknowledges Public Law 103-150 and adopts it;
- (3) Revising the title to reflect the new purpose; and
- (4) Making a technical, nonsubstantive revision for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 169, as amended herein, and recommends that it be referred to the Committee on Judiciary, in the form attached hereto as H.C.R. No. 169, H.D. 1.

Signed by all members of the Committee except Representatives Saiki, Stegmaier and Kawanakoa.

SCRep. 1306 Hawaiian Affairs and Housing on H.C.R. No. 157

The purpose of this concurrent resolution is to request the Hawaii Housing Authority to conduct a study exploring the ramifications of conveying rental property at rental appraisal prices rather than the "highest and best use" appraisal price.

The American Association of Retired Persons and an individual submitted testimony in support of the concurrent resolution. In Hawaii there are presently 13 rental projects, the construction of which was subsidized by the federal Department of Housing and Urban Development in the 1950s and 1960s. These projects are now being considered for sale. Many of the families now living in the rental units are low- and very low-income families. If the projects are sold at the "highest and best use," it will be impossible for the tenant associations to acquire the projects due to the high costs. The impact of conveying rental property at condominium appraisal prices should be determined as a step toward preserving rental units for low- and very low-income renters.

The Hawaii Housing Authority testified that it has always favored increasing the housing stock of rental units. However, it does not have sufficient funds to conduct the study.

Your Committee considered different alternative agencies to conduct the study and has determined that the Real Estate Research and Education Center (REREC) of the College of Business Administration at the University of Hawaii at Manoa is an agency that has the expertise and the objectivity needed to perform the study.

The concurrent resolution has been amended by:

- (1) Requesting REREC rather than the Hawaii Housing Authority to conduct the study; requesting REREC to submit the report; and having a copy of the measure sent to REREC;
- (2) Revising the title of the measure to reflect this new purpose; and
- (3) Making technical, nonsubstantive revisions for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 157, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 157, H.D. 1.

Signed by all members of the Committee except Representatives Hamakawa and Stegmaier.

SCRep. 1307 Higher Education and the Arts on H.R. No. 238

The purpose of this resolution is to request that the University of Hawaii present to the community its plans regarding how the designation of University of Hawaii Center West Hawaii will meet the higher education needs of West Hawaii.

The University of Hawaii submitted comments on this measure.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 238 and recommends its adoption.

Signed by all members of the Committee except Representatives Santiago, Takumi and Yonamine.

SCRep. 1308 Higher Education and the Arts on H.C.R. No. 246

The purpose of this resolution is to request that the University of Hawaii present to the community its plans regarding how the designation of University of Hawaii Center West Hawaii will meet the higher education needs of West Hawaii.

The University of Hawaii submitted comments on this measure.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 246 and recommends its adoption.

Signed by all members of the Committee except Representatives Santiago, Takumi and Yonamine.

SCRep. 1309 Higher Education and the Arts on H.R. No. 124

The purpose of this resolution is to urge congressional support for continued funding for the corporation for public broadcasting.

Your Committee has discussed this concurrent resolution and finds that it is of sufficient importance to pass it out of the Committee on Higher Education and the Arts to send a message to the Congress of the United States.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 124 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Santiago, Takumi and Yonamine.

SCRep. 1310 Higher Education and the Arts on H.C.R. No. 117

The purpose of this resolution is to urge congressional support for continued funding for the corporation for public broadcasting.

Your Committee has discussed this concurrent resolution and finds that it is of sufficient importance to pass it out of the Committee on Higher Education and the Arts to send a message to the Congress of the United States.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 117 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Santiago, Takumi and Yonamine.

SCRep. 1311 Higher Education and the Arts on H.C.R. No. 137

The purpose of this resolution is to request the University of Hawaii to expand its outreach efforts on the neighbor islands.

Supportive testimony was received from the University of Hawaii and a member of the Maui County Council.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 137 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Santiago, Takumi and Yonamine.

SCRep. 1312 Ocean Recreation and Marine Resources on H.R. No. 72

The purpose of this resolution is to recognize the importance of research into the cause and cure of fibropapilloma.

Testimony in support of this resolution was received from The Honu Project.

Based upon careful consideration by your Committee, this resolution has been amended by adding new sections to read as follows:

- (1) WHEREAS, the National Marine Fisheries Service, Honolulu Laboratory is conducting research on fibropapilloma in the Hawaii green sea turtle population with the assistance of the Department of Land and Natural Resources, and:

- (2) WHEREAS, there is uncertainty as to whether or not there will be continued federal funding for fibropapilloma research, it is important for the legislature to show its strong support; and

This resolution has also been amended by:

- (1) Providing for certified copies to be transmitted to the members of the State of Hawaii Congressional Delegation, the Secretary of the United States Department of Commerce, the Director of the Department of Land and Natural Resources, and the Director of the National Marine Fisheries Service, Honolulu Laboratory.
- (2) Making technical and nonsubstantive amendments for purposes of style, consistency, and clarity.

These amendments were made in response to concerns raised during discussion by your Committee members.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 72, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 72, H.D. 1.

Signed by all members of the Committee except Representatives Nekoba and Shon.

SCRep. 1313 Ocean Recreation and Marine Resources on H.C.R. No. 65

The purpose of this concurrent resolution is to recognize the importance of research into the cause and cure of fibropapilloma.

Testimony in support of this concurrent resolution was received from the Honu Project.

Based upon careful consideration by your Committee, this concurrent resolution has been amended by adding new sections to read as follows:

- (1) WHEREAS, the National Marine Fisheries Service, Honolulu Laboratory is conducting research on fibropapilloma in the Hawaii green sea turtle population with the assistance of the Department of Land and Natural Resources; and
- (2) WHEREAS, there is uncertainty as to whether or not there will be continued federal funding for fibropapilloma research, it is important for the legislature to show its strong support; and

This concurrent resolution has also been amended by:

- (1) Providing for certified copies to be transmitted to the members of the Hawaii Congressional Delegation, the Secretary of the United States Department of Commerce, Director of the Department of Land and Natural Resources, and the Director of the National Marine Fisheries Service, Honolulu Laboratory.
- (2) Making technical and nonsubstantive amendments for purposes of style, consistency, and clarity.

These amendments were made in response to concerns raised during discussion by your Committee members.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 65, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 65, H.D. 1.

Signed by all members of the Committee except Representatives Nekoba and Shon.

SCRep. 1314 Ocean Recreation and Marine Resources on H.R. No. 211

The purpose of this resolution is to encourage the Board of Land and Natural Resources to designate Kiholo Bay as a marine fisheries management area where gill netting is prohibited.

The Department of Land and Natural Resources submitted testimony recommending that the establishment of a marine fisheries management area be delayed until completion of the Kiholo Bay State Park. Supportive testimony was received from various concerned citizens.

Your Committee has amended this resolution by adding three "WHEREAS" sections to read as follows:

- (1) WHEREAS, the endangered hawksbill sea turtle has also been recorded at the site; and
- (2) WHEREAS, the Department of Land and Natural Resources is considering the establishment of a state park at Kiholo Bay; and
- (3) WHEREAS, access to Kiholo Bay is essential for the enforcement of rules and regulations for protecting the green sea turtle and the hawksbill sea turtle; and

This resolution has also been amended by:

- (1) Providing for certified copies to be transmitted to the Hawaii Island Aquatic Life and Wildlife Advisory Committee.

- (2) Making technical and nonsubstantive amendments for purposes of style, consistency, and clarity.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 211, as amended herein, and recommends that it be referred to the Committee on Judiciary, in the form attached hereto as H.R. No. 211, H.D. 1.

Signed by all members of the Committee except Representative Shon.

SCRep. 1315 Ocean Recreation and Marine Resources on H.C.R. No. 216

The purpose of this concurrent resolution is to encourage the Board of Land and Natural Resources to designate Kiholo Bay as a marine fisheries management area where gill netting is prohibited.

The Department of Land and Natural Resources submitted testimony recommending that the establishment of a marine fisheries management area be delayed until completion of the Kiholo Bay State Park. Supportive testimony was received from various concerned citizens.

Your Committee has amended this concurrent resolution by adding three "WHEREAS" sections to read as follows:

- (1) WHEREAS, the endangered hawksbill sea turtle has also been recorded at the site; and
- (2) WHEREAS, the Department of Land and Natural Resources is considering the establishment of a state park at Kiholo Bay; and
- (3) WHEREAS, access to Kiholo Bay is essential for the enforcement of rules and regulations for protecting the green sea turtle and the hawksbill sea turtle; and

This concurrent resolution has also been amended by:

- (1) Providing for certified copies to be transmitted to the Hawaii Island Aquatic Life and the Wildlife Advisory Committee.
- (2) Making technical and nonsubstantive amendments for purposes of style, consistency, and clarity.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 216, as amended herein, and recommends that it be referred to the Committee on Judiciary, in the form attached hereto as H.C.R. No. 216, H.D. 1.

Signed by all members of the Committee except Representative Shon.

SCRep. 1316 Transportation on H.R. No. 271

The purpose of House Resolution No. 271 as received by your Committee, is to acquire the Hanalei Boatyard adjacent to the state pier and wharf and boat launch ramp at Hanalei, Kauai to allow commercial and private boating activities.

Your Committee on Transportation finds that there are many unanswered questions surrounding the acquisition of the Hanalei Boatyard which necessitate further information before any action is undertaken. The public has strong concerns regarding, among other things, the method and cost of acquisition, the impact on the lifestyle of the community, and the proposed uses of the facility. Therefore, your Committee recommends a study by the Department of Land and Natural Resources to determine the feasibility of this proposal.

The Department of Transportation deferred all responsibilities to the Department of Land and Natural Resources on this matter as it does not involve commercial harbor operations. Your Committee received testimony in support of this resolution from Department of Land and Natural Resources which suggested amending the resolution to eliminate reference to the Department of Transportation.

Testimonies in opposition to this resolution were provided by Hui Ho'omalu I Ka 'Aina and several other concerned citizens.

Your Committee has amended this House Resolution to:

- (1) Eliminate all references to the Department of Transportation since Hanalei Pier and Wharf facility are under the jurisdiction of the Department of Land and Natural Resources; and
- (2) Make a request that the Department of Land and Natural Resources conduct a feasibility study to determine whether this is a worthwhile project; and
- (3) Create some guidelines to help focus the study; and
- (4) Eliminate the paragraph requesting the Department of Transportation and the Department of Land and Natural Resources to operate the boatyard to allow commercial and private boating activities, since this study will be requesting a feasibility study rather than outright acquisition of the boatyard.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 271, as amended herein, and recommends that it be referred to the Committees on Water and Land Use Planning and Ocean Recreation and Marine Resources, in the form attached hereto as H.R. No. 271, H.D. 1.

Signed by all members of the Committee.

SCRep. 1317 Transportation on H.C.R. No. 283

The purpose of House Concurrent Resolution No. 283 as received by your Committee, is to acquire the Hanalei Boatyard adjacent to the state pier and wharf and boat launch ramp at Hanalei, Kauai to allow commercial and private boating activities.

Your Committee on Transportation finds that there are many unanswered questions surrounding the acquisition of the Hanalei Boatyard which necessitate further information before any action is undertaken. The public has strong concerns regarding, among other things, the method and cost of acquisition, the impact on the lifestyle of the community, and the proposed uses of the facility. Therefore, your Committee recommends a study by the Department of Land and Natural Resources to determine the feasibility of this proposal.

The Department of Transportation deferred all responsibilities to the Department of Land and Natural Resources on this matter as it does not involve commercial harbor operations. Your Committee received testimony in support of this resolution from Department of Land and Natural Resources which suggested amending the resolution to eliminate reference to the Department of Transportation.

Testimonies in opposition to this resolution were provided by Hui Ho'omalu I Ka 'Aina and several other concerned citizens.

Your Committee has amended the House Concurrent Resolution to:

- (1) Eliminate all references to the Department of Transportation since Hanalei Pier and Wharf facility are under the jurisdiction of the Department of Land and Natural Resources; and
- (2) Make a request that the Department of Land and Natural Resources conduct a feasibility study to determine whether this is a worthwhile project; and
- (3) Create some guidelines to help focus the study; and
- (4) Eliminate the paragraph requesting the Department of Transportation and the Department of Land and Natural Resources to operate the boatyard to allow commercial and private boating activities, since this study will be requesting a feasibility study rather than outright acquisition of the boatyard.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 283, as amended herein, and recommends that it be referred to the Committees on Water and Land Use Planning and Ocean Recreation and Marine Resources, in the form attached hereto as H.C.R. No. 283, H.D. 1.

Signed by all members of the Committee.

SCRep. 1318 Transportation on H.R. No. 297

The purposes of House Resolution No. 297, as received by your Committee on Transportation, are to preserve and enhance the beauty and natural resources of Hawaii, and to provide alternatives for motorized vehicles for transportation, by designing and constructing greenways along roadways and natural corridors.

Your Committee finds that funds may be available under the 1991 Intermodal Surface Transportation Efficiency Act (ISTEA) to design and construct greenways and other enhancements that promote modes of transportation, other than motor vehicles. Greenways are defined as linear open spaces connecting recreational, cultural and natural areas that are established along natural corridors such as trails, bodies of water, and streams.

Your Committee further finds that greenways, not only provide alternatives to vehicular traffic, but also preserve natural resources, create jobs, enhance property values, help adjacent businesses, promote tourism, and benefit the local community.

House Resolution No. 297 requests the Department of Transportation (DOT), the Office of State Planning (OSP), and the Department of Land and Natural Resources (DLNR) to work together in identifying and assessing existing and potential lands, corridors, roadways, and other areas that are under-utilized, and that could be converted into greenways. The above agencies are to involve the Land Use Commission and the counties in their respective roles.

Testimonies in support of this measure were heard from the DOT, the OSP, and the DLNR. The DOT pointed out that ISTEA funds could be used only for the development of bikeways and pedestrian paths for the purpose of traveling to and from work, and not for recreational purposes. The Land Use Commission supports the measure, and suggests that the counties be involved in developing the definition of and requirements for greenways to ensure their support in their implementation.

The Hawaii Green Party also testified in support of this measure, offering suggestions for enlarging its scope.

Your Committee has amended this House Resolution by deleting the DOT and the DLNR from the first "Be It Resolved" paragraph, since no lead agency was identified. The OSP remains in charge of this request, but is advised to work with other State, county, and nongovernmental agencies, as appropriate. Your Committee changed "aforementioned" to "involved" in the first "Be It Further Resolved" paragraph, since the DOT and the DLNR become supportive, rather than principal agencies in fulfilling this request.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 297, as amended herein, and recommends that it be referred to the Committee on Water and Land Use Planning, in the form attached hereto as H.R. No. 297, H.D. 1.

Signed by all members of the Committee.

SCRep. 1319 Transportation on H.C.R. No. 321

The purposes of this House Concurrent Resolution, as received by your Committee on Transportation, are to preserve and enhance the beauty and natural resources of Hawaii, and to provide alternatives for motorized vehicles for transportation, by designing and constructing greenways along roadways and natural corridors.

Your Committee finds that funds may be available under the 1991 Intermodal Surface Transportation Efficiency Act (ISTEA) to design and construct greenways and other enhancements that promote modes of transportation, other than motor vehicles. Greenways are defined as linear open spaces connecting recreational, cultural and natural areas that are established along natural corridors such as trails, bodies of water, and streams.

Your Committee further finds that greenways, not only provide alternatives to vehicular traffic, but also preserve natural resources, create jobs, enhance property values, help adjacent businesses, promote tourism, and benefit the local community.

House Concurrent Resolution No. HCR 321 requests the Department of Transportation (DOT), the Office of State Planning (OSP), and the Department of Land and Natural Resources (DLNR) to work together in identifying and assessing existing and potential lands, corridors, roadways, and other areas that are under-utilized, and that could be converted into greenways. The above agencies are to involve the Land Use Commission and the counties in their respective roles.

Testimonies in support of this measure were heard from the DOT, the OSP, and the DLNR. The DOT pointed out that ISTEA funds could be used only for the development of bikeways and pedestrian pathways for the purpose of traveling to and from work, and not for recreational purposes. The Land Use Commission supported the measure, and suggested that the counties be involved in developing the definition of and requirements for greenways to ensure their support in their implementation.

The Hawaii Green Party also testified in support of this measure, offering suggestions for enlarging its scope.

Your Committee has amended House Concurrent Resolution by deleting the Department of Transportation and the Department of Land and Natural Resources from the first "Be It Resolved" paragraph, since no lead agency was identified. The Office of State Planning remains in charge of this request, but is advised to work with other State, county, and nongovernmental agencies, as appropriate. Your Committee changed "aforementioned" to "involved" in the first "Be It Further Resolved" paragraph, since the DOT and the DLNR become supportive, rather than principal agencies in fulfilling this request.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 321, as amended herein, and recommends that it be referred to the Committee on Water and Land Use Planning, in the form attached hereto as H.C.R. No. 321, H.D. 1.

Signed by all members of the Committee.

SCRep. 1320 Human Services on H.C.R. No. 102

The purpose of this concurrent resolution is to urge the training of a corps of caregivers who would provide services mainly to children and the elderly. This training would be administered by the Department of Human Services in conjunction with the Department of Labor and Industrial Relations, the University of Hawaii, and other public and private agencies working with children and the elderly.

The concurrent resolution contemplates that such a training program would be developed within JOBS, a program under the Federal Family Support Act of 1988 (AFDC), designed to help recipients of AFDC obtain basic skills and education.

Your Committee heard favorable testimony from the Office of Children and Youth and the Democratic Party of Hawaii.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 102 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Hamakawa and Kahikina.

SCRep. 1321 Human Services on H.C.R. No. 182

The purpose of this concurrent resolution is to urge Congress to maintain the comprehensive system of services provided by the Older Americans Act (Act), by continuing funding of the Senior Nutrition Program and other supportive services through the Act. This concurrent resolution urges Congress to reauthorize the Act at the current funding level so that quality, cost-effective services may continue for American's seniors.

The State of Hawaii, Executive Office on Aging submitted testimony in full support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 182 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Hamakawa and Kahikina.

SCRep. 1322 Human Services on H.C.R. No. 305

The purpose of this concurrent resolution is to request a continuation of partnership efforts between government agencies and communities to facilitate community-based efforts to respond to the issues surrounding teen pregnancy prevention and teen parenting.

The Departments of Health and Education, the Office of Youth Services, the Office of Children and Youth, and the Healthy Mothers, Healthy Babies Coalition of Hawaii all offered strong support for this concurrent resolution. Testimony indicated that sustainable solutions to the problems of teen pregnancy and teen parenting are best developed at the community level, with the support and collaboration of government agencies.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 305 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1323 Intergovernmental Relations and International Affairs on S.B. No. 1155

The purpose of this bill is to amend the business development corporations law by amending the definition of "Pacific Islands" by deleting the obsolete reference to the Trust Territories of the Pacific and adding other Pacific Island nations.

Testimony in support of this bill was received from the Native Hawaiian Chamber of Commerce, Outrigger Hotels Hawaii, Matson Navigation Co., Inc, Pacific Maritime Agencies, Inc., and from Pacific Jurisdictions.

Your Committee acknowledges that the definition of the Pacific islands should be expanded and updated and the archaic reference to Trust Territories of the Pacific should be deleted. In doing so, this sphere is properly recognized by the State for its growing importance in the world arena. This will result in better interchange between our island nations.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1155 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1324 Labor and Public Employment on H.R. No. 207

The purpose of this resolution is to request the Auditor to conduct a study to improve efficiency, cost-effectiveness, and accountability in processing claims against the State for workers' compensation benefits.

The Department of Human Resources Development supported the measure with proposed amendments.

After full and open discussion, your Committee has amended this measure to:

- (1) Provide that the study consider:
 - (A) Restructuring the system, including the advisability of allowing the Research Corporation of the University of Hawaii, the Judiciary, the University of Hawaii, and the Department of Education to manage their own claims and workers' compensation benefits appropriation, if necessary; and
 - (B) Improving the accountability and compliance procedures for those agencies that presently manage their own workers' compensation claims; and
- (2) Make technical, nonsubstantive amendments for purposes of style, clarification, and consistency.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 207, as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.R. No. 207, H.D. 1.

Signed by all members of the Committee.

SCRep. 1325 Labor and Public Employment on H.C.R. No. 211

The purpose of this concurrent resolution is to request the Auditor to conduct a study to improve efficiency, cost-effectiveness, and accountability in processing claims against the State for workers' compensation benefits.

The Department of Human Resources Development supported the measure with proposed amendments.

After full and open discussion, your Committee has amended this measure to:

- (1) Provide that the study consider:
 - (A) Restructuring the system, including the advisability of allowing the Research Corporation of the University of Hawaii, the Judiciary, the University of Hawaii, and the Department of Education to manage their own claims and workers' compensation benefits appropriation, if necessary; and
 - (B) Improving the accountability and compliance procedures for those agencies that presently manage their own workers' compensation claims; and
- (2) Make technical, nonsubstantive amendments for purposes of style, clarification, and consistency.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 211 as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.C.R. No. 211, H.D. 1.

Signed by all members of the Committee.

SCRep. 1326 Labor and Public Employment on H.C.R. No. 213

The purpose of this concurrent resolution is to urge the Governor and the Department of Human Resources Development to expedite the implementation of a cafeteria plan for public employees.

The Department of Human Resources Development submitted testimony supporting this measure.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 213 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1327 Labor and Public Employment and Intergovernmental Relations and International Affairs on H.R. No. 301

The purpose of this resolution is to request the Governor and the Mayors of all of the counties of the State of Hawaii to assist the Legislature in evaluating all aspects of compensation and benefits of present and former state and county employees, their dependents, and other beneficiaries.

A state representative testified in support of this measure.

As affirmed by the records of votes of the members of your Committees on Labor and Public Employment and Intergovernmental Relations and International Affairs that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 301 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Alcon and Ito.

SCRep. 1328 Labor and Public Employment and Intergovernmental Relations and International Affairs on H.C.R. No. 325

The purpose of this concurrent resolution is to request the Governor and the Mayors of all of the counties of the State of Hawaii to assist the Legislature in evaluating all aspects of compensation and benefits of present and former state and county employees, their dependents, and other beneficiaries.

A state representative testified in support of this measure.

As affirmed by the records of votes of the members of your Committees on Labor and Public Employment and Intergovernmental Relations and International Affairs that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 325 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Alcon and Ito.

SCRep. 1329 Human Services on H.C.R. No. 256

The purpose of this concurrent resolution is to encourage the Department of Health, the Administrator of the State Office of the Cluster System, and the directors of the other state agencies participating in the state cluster system, to support the return and 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.

The Judiciary of the State of Hawaii and a concerned citizen submitted testimony in support of this measure. The Department of Education (DOE) submitted testimony concurring with the need to increase residential capacity for emotionally impaired adolescents. It is the DOE's understanding that the personnel and fiscal resources of the Child and Adolescent Mental Health Division must be applied to providing basic mental health services that are not currently available rather than expand existing programs.

Your Committee understands that the intent of this concurrent resolution is not to increase funds to expand the residential capacity of the Kailana program, but to utilize the existing mental health service funds for such purpose.

Your Committee has amended this concurrent resolution by adding that a certified copy of this concurrent resolution be transmitted to the Office of Hawaiian Affairs, and by making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 256, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 256, H.D. 1.

Signed by all members of the Committee except Representative Hamakawa.

SCRep. 1330 Public Safety and Military Affairs and Judiciary on H.R. No. 147

The purpose of this resolution is to request each member of Hawaii's congressional delegation to urge the Congress of the United States to propose an amendment to the United States Constitution, for ratification by the states, providing Congress and the states with the power to prohibit the willful physical desecration of the flag of the United States.

Testimony in support of this measure was received from the State of Hawaii Adjutant General designate, the Office of Veterans Services, the Advisory Board on Veterans Services, the American Legion, the Veterans of Foreign Wars, the Disabled American Veterans, the Military Order of the Purple Heart, the Fleet Reserve Association, the Oahu Veterans Council, the National Sojourners, the Mark A. Robinson Trusts, and numerous private citizens. The American Civil Liberties Union and a private citizen also submitted testimony regarding this resolution.

Upon consideration, your Committees have amended this resolution by updating the stated number of states which have adopted similar resolutions from forty-three states to forty-six states. Further, information provided at the hearing indicated that Congress has already initiated enabling legislation in both Houses to amend the Constitution to prohibit the physical desecration of the United States flag. Therefore, the word "propose" has been changed to "support" in the BE IT RESOLVED paragraph.

As affirmed by the records of votes of the members of your Committees on Public Safety and Military Affairs and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.R. No. 147, as amended herein, and recommend its adoption, in the form attached hereto as H.R. No. 147, H.D. 1.

Signed by all members of the Committees except Representatives Menor and Kawanakoa.
(Representatives Chun Oakland, Hamakawa and Saiki voted no.)

SCRep. 1331 Public Safety and Military Affairs and Judiciary on H.C.R. No. 142

The purpose of this concurrent resolution is to request each member of Hawaii's congressional delegation to urge the Congress of the United States to propose an amendment to the United States Constitution, for ratification by the states, providing Congress and the states with the power to prohibit the willful physical desecration of the flag of the United States.

Testimony in support of this measure was received from the State of Hawaii Adjutant General designate, the Office of Veterans Services, the Advisory Board on Veterans Services, the American Legion, the Veterans of Foreign Wars, the Disabled American Veterans, the Military Order of the Purple Heart, the Fleet Reserve Association, the Oahu Veterans Council, the National Sojourners, the Mark A. Robinson Trusts, and numerous private citizens. The American Civil Liberties Union and a private citizen also submitted testimony regarding this concurrent resolution.

Upon consideration, your Committees have amended this concurrent resolution by updating the stated number of states which have adopted similar resolutions from forty-three states to forty-six states. Further, information provided at the hearing indicated that Congress has already initiated enabling legislation in both Houses to amend the Constitution to prohibit the physical desecration of the United States flag. Therefore, the word "propose" was changed to "support" in the BE IT RESOLVED paragraph.

As affirmed by the records of votes of the members of your Committees on Public Safety and Military Affairs and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.C.R. No. 142, as amended herein, and recommend its adoption, in the form attached hereto as H.C.R. No. 142, H.D. 1.

Signed by all members of the Committees except Representatives Menor and Kawanakoa.
(Representatives Chun Oakland, Hamakawa and Saiki voted no.)

SCRep. 1332 Transportation on H.R. No. 98

The purpose of House Resolution No. 98, as received by your Committee on Transportation, is to determine the feasibility and acceptability of creating additional special number and special design license plates.

Your Committee finds that some special license plates for vehicles have been approved, and that other groups are applying for such privileges. Your Committee further finds that no guidelines exist to assist legislators in determining the validity of such requests, requiring them to review each request on a case by case basis. The development of criteria for considering applications for special license plates will help potential applicants for special plates, as well as legislators, who must approve or disapprove such applications.

This House Resolution establishes a task force with specific assignments to:

- (1) Develop a clear statement of the purposes for having license plates, and determine whether these purposes are being served through the issuance of special number and special design license plates;
- (2) Analyze whether such plates should be issued, and if so, to draft criteria to be used by the legislators in evaluating future requests for special plates; and
- (3) Recommend, including legislative proposals, as to how applications for special plates should be handled by the legislature in the future.

Supportive testimony was heard from the City and County of Honolulu.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 98 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1333 Transportation on H.C.R. No. 90

The purpose of House Concurrent Resolution No. 90, as received by your Committee on Transportation, is to determine the feasibility and acceptability of creating additional special number and special design license plates.

Your Committee finds that some special license plates for vehicles have been approved, and that other groups are applying for such privileges. Your Committee further finds that no guidelines exist to assist legislators in determining the validity of such requests, requiring them to review each request on a case by case basis. The development of criteria for considering applications for special license plates will help potential applicants for special plates, as well as legislators, who must approve or disapprove these applications.

This House Concurrent Resolution establishes a task force with specific assignments to:

- (1) Develop a clear statement of the purposes for having license plates, and determine whether these purposes are being served through the issuance of special number and special design license plates;
- (2) Analyze whether such plates should be issued, and if so, to draft criteria to be used by the legislators in evaluating future requests for special plates; and
- (3) Recommend, including legislative proposals, as to how applications for special plates should be handled by the legislature in the future.

Supportive testimony was heard from the City and County of Honolulu.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 90 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1334 Transportation on H.R. No. 235

The purposes of House Resolution No. 235, as referred to your Committee on Transportation, are to increase the amounts of glass being recycled, and to make greater use of recycled crushed glass in road construction.

Your Committee finds that the Legislature has taken a strong position for the recycling of glass and its use as glassphalt for highway construction through the lawmaking process. Glassphalt is defined as "an asphaltic concrete mixture utilizing crushed glass, under controlled gradation conditions, as a substitute for a percentage of the aggregate in the mixture." The use of recycled crushed glass as a road base aggregate is consistent with the State's efforts to provide local markets for the use of recycled glass.

Your Committee further finds that state agencies must take a more active role in the development of markets for recovered recyclable materials, expedite the acceptance of the use of glass as an aggregate substitute, and assist in providing a stable base market for large volumes of glass being recovered or could be recovered through county recycling efforts.

House Resolution No. 235 requests the State to implement and enforce statutes that have already been passed.

This measure further requests that the Department of Transportation (DOT), in cooperation with other departments and agencies, take the following steps:

- (1) Complete research and conduct demonstrations of possible uses for recycled crushed glass as roadway aggregate as directed by Act 201;
- (2) Develop an implementation schedule for using crushed glass in roadways, and determine the total amount of crushed glass that will be used, based on the implementation schedule; and
- (3) Provide technical assistance to each of the counties for the purpose of developing county programs to use recycled crushed glass in road construction.

The DOT is requested to report its findings, specifications, and recommendations to the Legislature no later than twenty days prior to the convening of the Regular Session of 1996.

Testimonies in support of House Resolution No. 235 were heard from the DOT, the City and County of Honolulu, and the Hawaii Food Industry Association. The City and County of Honolulu reported that 13,000 tons of crushed glass have been used over the past three years to reconstruct municipal streets, providing proof that such use can replace the disposal of glass in landfills.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 235 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Suzuki.

SCRep. 1335 Transportation on H.C.R. No. 243

The purposes of House Concurrent Resolution No. 243, as referred to your Committee on Transportation, are to increase the amounts of glass being recycled, and to make greater use of recycled crushed glass in road construction.

Your Committee finds that the Legislature has taken a strong position for the recycling of glass and its use as glassphalt for highway construction through the lawmaking process. Glassphalt is defined as "an asphaltic concrete mixture utilizing crushed glass, under controlled gradation conditions, as a substitute for a percentage of the aggregate in the mixture." The use of crushed glass as a road base aggregate is consistent with the State's efforts to provide local markets for the use of recycled glass.

Your Committee further finds that state agencies must take a more active role in the development of markets for recovered recyclable materials, expedite the acceptance of the use of glass as an aggregate substitute, and assist in providing a stable base market for large volumes of glass being recovered or could be recovered through county recycling efforts.

House Concurrent Resolution No. 243 requests the State to implement and enforce statutes that have already been passed.

This measure further requests that the Department of Transportation (DOT), in cooperation with other departments and agencies, take the following steps:

- (1) Complete research and conduct demonstrations of possible uses for recycled crushed glass as roadway aggregate as directed by Act 201;
- (2) Develop an implementation schedule for using crushed glass in roadways, and determine the total amount of crushed glass that will be used, based on the implementation schedule; and
- (3) Provide technical assistance to each of the counties for the purpose of developing county programs to use recycled crushed glass in road construction.

The DOT is requested to report its findings, specifications, and recommendations to the Legislature no later than twenty days prior to the convening of the Regular Session of 1996.

Testimonies in support of House Concurrent Resolution No. 243 were heard from the DOT, the City and County of Honolulu, and the Hawaii Food Industry Association. The City and County of Honolulu reported that 13,000 tons of crushed glass have been used over the past three years to reconstruct municipal streets, providing proof that such use can replace the disposal of glass in landfills.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 243 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Suzuki.

SCRep. 1336 Transportation on H.R. No. 249

The purpose of House Resolution No. 249, as referred to your Committee on Transportation, is to improve safety for children who ride school buses for their transportation.

Your Committee finds that studies on the Mainland have recommended the use of seat belts, higher padded seats, instruction in evacuation procedures, and safety education to reduce the number and severity of casualties should school bus accidents occur. Your Committee further finds that there is a potential for injuries to children transported by school

buses in Hawaii, and agrees that implementing a requirement for seat belts and other safety measures should be considered.

House Resolution No. 249 requests the Department of Transportation (DOT) to determine the need for seat belts and other safety requirements for school buses, and to submit its findings to the Legislature twenty days before the convening of the Regular Session of 1996. The measure lists the types of information that would be helpful, and requests the Departments of Education (DOE) and Accounting and General Services (DAGS) to cooperate with the DOT in this study, including the assignment of a contact person from each department.

The DOT and the DAGS testified in support of the intent of House Resolution No. 249. The DOE testified in opposition to this measure.

Your Committee has amended this House Resolution by:

- (1) Using "seat belts", rather than "seatbelts" throughout the measure for consistency; and
- (2) Deleting the inclusion of the tenth item in the first "Be It Further Resolved" paragraph, since there is no relationship between the calibration of speedometers and the purpose of this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 249, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 249, H.D. 1.

Signed by all members of the Committee.

SCRep. 1337 Transportation on H.C.R. No. 263

The purpose of House Concurrent Resolution No. 263, as referred to your Committee on Transportation, is to improve safety for children who ride school buses for their transportation.

Your Committee finds that studies on the Mainland have recommended the use of seat belts, higher padded seats, instruction in evacuation procedures, and safety education to reduce the number and severity of casualties should school bus accidents occur. Your Committee further finds that there is a potential for injuries to children transported by school buses in Hawaii, and agrees that implementing a requirement for seat belts and other safety measures should be considered.

House Concurrent Resolution No. 263 requests the Department of Transportation (DOT) to determine the need for seat belts and other safety requirements for school buses, and to submit its findings to the Legislature twenty days before the convening of the Regular Session of 1996. The measure lists the types of information that would be helpful, and requests the Departments of Education (DOE) and Accounting and General Services (DAGS) to cooperate with the DOT in this study, including the assignment of a contact person from each department.

The DOT and the DAGS testified in support of the intent of House Concurrent Resolution No. 263. The DOE testified in opposition to this measure.

Your Committee has amended this House Concurrent Resolution by:

- (1) Using "seat belts", rather than "seatbelts" throughout the measure for consistency; and
- (2) Deleting the inclusion of the tenth item in the first "Be It Further Resolved" paragraph, since there is no relationship between the calibration of speedometers and the purpose of this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 263, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 263, H.D. 1.

Signed by all members of the Committee.

SCRep. 1338 Legislative Management on H.R. No. 70

The purpose of this resolution is to request that the Auditor examine the effectiveness of state and county grants and contracts issued to assist sugar-based districts in economic development, as a result of the phase-out of the sugar industry from these areas.

The Department of Business, Economic Development, and Tourism submitted testimony in support of this resolution.

Upon careful consideration, your Committee has amended this resolution by:

- (1) Requesting that certified copies be transmitted to:
 - (A) The Department of Business, Economic Development, and Tourism;
 - (B) The Office of State Planning;
 - (C) The Department of Labor and Industrial Relations; and

(D) The Hilo Hamakua Liaison; and

(2) Making technical, nonsubstantive amendments for purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 70, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 70, H.D. 2.

Signed by all members of the Committee except Representatives Say, P. Oshiro, Souki and Thielen.

SCRep. 1339 Legislative Management on H.C.R. No. 63

The purpose of this concurrent resolution is to request that the Auditor examine the effectiveness of state and county grants and contracts issued to assist sugar-based districts in economic development, as a result of the phase-out of the sugar industry from these areas.

The Department of Business, Economic Development, and Tourism submitted testimony in support of this concurrent resolution.

Upon careful consideration, your Committee has amended this concurrent resolution by:

(1) Requesting that certified copies be transmitted to:

(A) The Department of Business, Economic Development, and Tourism;

(B) The Office of State Planning;

(C) The Department of Labor and Industrial Relations; and

(D) The Hilo Hamakua Liaison; and

(2) Making technical, nonsubstantive amendments for purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 63, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 63, H.D. 2.

Signed by all members of the Committee except Representatives Say, P. Oshiro, Souki and Thielen.

SCRep. 1340 Legislative Management on H.R. No. 204

The purpose of this resolution is to request the Auditor to perform a review of the State's general fund covering the past ten fiscal years to:

(1) Ascertain the amounts of any surplus at the end of each fiscal year;

(2) Determine the policies that were in place to manage the surplus;

(3) Determine how the surplus funds were used, including an itemization of expenditures; and

(4) Determine why a surplus no longer exists.

Supportive testimony was received from the Department of Budget and Finance, the Chamber of Commerce of Hawaii, the Hawaiian Political Action Council of Hawaii, and a concerned citizen.

Upon careful consideration, your Committee has amended this resolution by:

(1) Adding that the Auditor also suggest any changes or improvements to the budgetary process in reviewing the State's general fund; and

(2) Making technical, nonsubstantive amendments for purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 204, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 204, H.D. 1.

Signed by all members of the Committee except Representatives Say, P. Oshiro, Souki and Thielen.

SCRep. 1341 Legislative Management on H.C.R. No. 206

The purpose of this concurrent resolution is to request the Auditor to perform a review of the State's general fund covering the past ten fiscal years to:

(1) Ascertain the amounts of any surplus at the end of each fiscal year;

(2) Determine the policies that were in place to manage the surplus;

- (3) Determine how the surplus funds were used, including an itemization of expenditures; and
- (4) Determine why a surplus no longer exists.

Supportive testimony was received from the Department of Budget and Finance, the Chamber of Commerce of Hawaii, the Hawaiian Political Action Council of Hawaii, and a concerned citizen.

Upon careful consideration, your Committee has amended this concurrent resolution by:

- (1) Adding that the Auditor also suggest any changes or improvements to the budgetary process in reviewing the State's general fund; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 206, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 206, H.D. 1.

Signed by all members of the Committee except Representatives Say, P. Oshiro, Souki and Thielen.

SCRep. 1342 Legislative Management on H.C.R. No. 337

The purpose of this concurrent resolution is to seek ways to manage state government in the most efficient and economical manner possible.

This measure would request the Legislative Auditor to conduct an assessment of privatization options in audits mandated during the 1995 legislative session.

The Chamber of Commerce of Hawaii testified in support of this measure. The United Public Workers (UPW), AFSCME, Local 646, AFL-CIO opposed this measure. It testified that implementing a privatization program would directly violate the provisions of Chapter 89, Hawaii Revised Statutes (HRS), relating to collective bargaining in public employment.

Upon further consideration, your Committee has amended this measure to address UPW's concerns by requesting the Auditor to study whether any of the recommendations for privatization would be in compliance with Chapter 89, HRS.

Other technical, nonsubstantive amendments were made for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 337, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 337, H.D. 1.

Signed by all members of the Committee except Representatives Say, P. Oshiro, Souki and Thielen.

SCRep. 1343 Legislative Management on H.R. No. 233

The purpose of this resolution is to request the Auditor to:

- (1) Conduct an audit; and
- (2) Make recommendations, including proposed legislation;

to improve the administration of the Purchase of Service (POS) system under Chapter 42D, Hawaii Revised Statutes.

Supportive testimony was submitted by the Alliance for Health and Human Services and the Office of State Planning.

Upon careful consideration, your Committee has amended this resolution by:

- (1) Changing the scope of the audit to require the Auditor to consider the following:
 - (A) Basic principles of a POS system;
 - (B) A proposed Office of Purchased Services;
 - (C) Flexibility for state agencies to enter into contracts with individual providers, including terms of up to five years; and
 - (D) Appropriate administrative placements of the Advisory Council and the Executive Coordinating Council;
- (2) Requesting the Auditor to solicit input from organizations representing providers of services such as the Alliance for Health and Human Services;
- (3) Requesting the Auditor to submit proposed legislation, if necessary, to the Legislature no later than twenty days before the convening of the Regular Session of 1996; and

- (4) Making technical, nonsubstantive amendments for purposes of clarity, style, and consistency.

Your Committee requests that the Auditor submit drafts of the audit, with findings and recommendations, including any proposed legislation, to the appropriate agencies no later than forty-five days prior to the convening of the Regular Session of 1996.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 233, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 233, H.D. 1.

Signed by all members of the Committee except Representatives Say, P. Oshiro, Saiki and Thielen.

SCRep. 1344 Legislative Management on H.C.R. No. 240

The purpose of this concurrent resolution is to request the Auditor to:

- (1) Conduct an audit; and
 (2) Make recommendations, including proposed legislation;

to improve the administration of the Purchase of Service (POS) system under Chapter 42D, Hawaii Revised Statutes.

Supportive testimony was submitted by the Alliance for Health and Human Services and the Office of State Planning.

Upon careful consideration, your Committee has amended this concurrent resolution by:

- (1) Changing the scope of the audit to require the Auditor to consider the following:
- (A) Basic principles of a POS system;
 - (B) A proposed Office of Purchased Services;
 - (C) Flexibility for state agencies to enter into contracts with individual providers, including terms of up to five years; and
 - (D) Appropriate administrative placements of the Advisory Council and the Executive Coordinating Council;
- (2) Requesting the Auditor to solicit input from organizations representing providers of services such as the Alliance for Health and Human Services;
- (3) Requesting the Auditor to submit proposed legislation, if necessary, to the Legislature no later than twenty days before the convening of the Regular Session of 1996; and
- (4) Making technical, nonsubstantive amendments for purposes of clarity, style, and consistency.

Your Committee requests that the Auditor submit drafts of the audit, with findings and recommendations, including any proposed legislation, to the appropriate agencies no later than forty-five days prior to the convening of the Regular Session of 1996.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 240, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 240, H.D. 1.

Signed by all members of the Committee except Representatives Say, P. Oshiro, Souki and Thielen.

SCRep. 1345 Legislative Management on H.C.R. No. 30

The purpose of this concurrent resolution is to request the Legislative Reference Bureau to conduct a study of present and potential modes of public financing of campaigns for public office within the context of possible application to campaigns for state offices in Hawaii.

Supportive testimony was received from the Democratic Party of Hawaii, the League of Women Voters of Honolulu, the Working Group on Electoral Democracy, the Hawaii Green Party, and Common Cause Hawaii.

Upon careful consideration, your Committee has amended this concurrent resolution by:

- (1) Changing references to "state offices" to "public offices";
- (2) Requesting the Legislative Reference Bureau to consider issues of equity in elections, such as:
- (A) Including indirect funding such as television or radio time, campaign brochures, and voters' information guides as partial financing; and

- (B) Considering the appropriateness of imposing further limits on the amount of contributions from individuals, businesses, or political action committees;
- (3) Requesting the Legislative Reference Bureau to consider models used or in practice in other states or other countries with respect to public financing;
- (4) Requesting the Legislative Reference Bureau to submit its study to the Legislature no later than twenty days prior to the convening of the Regular Session of 1996 instead October 31, 1995; and
- (5) Making technical, nonsubstantive amendments for purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 30, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 30, H.D. 1.

Signed by all members of the Committee except Representatives Say, P. Oshiro, Souki and Thielen.

SCRep. 1346 Legislative Management on H.C.R. No. 49

The purpose of this concurrent resolution is to request the Auditor to study the administration and functioning of the Special Compensation Fund (Fund) to facilitate the timely collection of assessments and payment of workers' compensation benefits.

The Fund serves a wide range of critical functions including:

- (1) Payment of workers' compensation benefits to employees and their beneficiaries; and
- (2) Reimbursements to employers,

under different circumstances that arise in the complex workers' compensation system established under Chapter 386, Hawaii Revised Statutes.

Some are concerned that the multiple jurisdictions and procedures currently associated with the administration of the Fund inhibits, rather than facilitates, the timely collection of assessments and payment of benefits.

This measure requests the Auditor to determine whether the Fund might function more effectively and efficiently:

- (1) As a separate entity with its own administrator and staff devoted solely to its specific purposes; or
- (2) By being placed in an administrative setting other than the Department of Labor and Industrial Relations (DLIR).

Both DLIR and the ILWU Local 142 testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 49 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Say, P. Oshiro, Souki and Thielen.

SCRep. 1347 Economic Development and Business Concerns on H.R. No. 304

The purpose of this resolution is to request:

- (1) The Department of Business, Economic Development, and Tourism (DBEDT) and the High Technology Department Corporation (HTDC) to work with the Hawaii Island Economic Development Board to:
 - (a) Assess the Big Island's high technology infrastructure and identify emerging opportunities, skill-base requirements, locations, and existing resources; and
 - (b) Establish a five-year high technology implementation plan that integrates existing and planned scientific and technological endeavors so that synergistic benefits may be enjoyed by those engaging in these endeavors; and
- (2) The DBEDT and HTDC to assess the feasibility of attracting technologies to the Big Island, such as remote sensing and other advanced technology businesses by providing a facility with shared equipment, business advice and counseling services, and training.

Testimony in support of this resolution was received from DBEDT and HTDC.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 304 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative White.

SCRep. 1348 Economic Development and Business Concerns on H.C.R. No. 332

The purpose of this concurrent resolution is to request:

- (1) The Department of Business, Economic Development, and Tourism (DBEDT) and the High Technology Department Corporation (HTDC) to work with the Hawaii Island Economic Development Board to:
 - (a) Assess the Big Island's high technology infrastructure and identify emerging opportunities, skill-base requirements, locations, and existing resources;
 - (b) Establish a five-year high technology implementation plan that integrates existing and planned scientific and technological endeavors so that synergistic benefits may be enjoyed by those engaging in these endeavors; and
- (2) The DBEDT and HTDC to assess the feasibility of attracting technologies to the Big Island, such as remote sensing and other advanced technology businesses by providing a facility with shared equipment, business advice and counseling services, and training.

Testimony in support of this concurrent resolution was received from DBEDT and HTDC.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 332 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative White.

SCRep. 1349 Economic Development and Business Concerns on H.R. No. 308

The purpose of this resolution, as received by your Committee, is to establish the State as a free-trade zone by:

- (1) Urging the President of the United States to establish the State as a free-trade zone; and
- (2) Requesting the Department of Business, Economic Development, and Tourism (DBEDT) to prepare a report to the Legislature listing the steps and involvement of entities and agencies necessary for Hawaii to be designated as a free-trade zone.

Your Committee notes that the State is the oldest operating foreign-trade zone in the United States and is the nation's only statewide program. Although Hawaii-based manufacturers and businesses have reaped the benefits of free trade as a result of the State's foreign-trade zone, it is your Committee's belief that Hawaii would accrue greater advantages from a totally free-trade zone.

Comments were received from DBEDT. A private citizen submitted testimony in support of the measure.

Upon consideration, your Committee has amended this resolution extensively by:

- (1) Urging the State Legislature, rather than the President of the United States, to support efforts to establish the State as a free-trade zone;
- (2) Changing the title of the resolution to read: "HOUSE RESOLUTION URGING THE ESTABLISHMENT OF THE STATE OF HAWAII AS A FREE-TRADE ZONE";
- (3) Changing the deadline to no later than twenty days before the Regular Session of 1996, in which DBEDT is to submit a report to the Legislature regarding:
 - (a) A list of the steps necessary to achieve the designation of the State as a free-trade zone and of involvement of entities and agencies necessary to achieve the designation of Hawaii as a free-trade zone; and
 - (b) Recommendations to the Legislature of the impact, both positive and negative, on the existing business structure in the State;
- (4) Requesting the Department of Taxation to submit a report to the Legislature no later than twenty days before the convening of the Regular Session of 1996 on the impact and ramification on the State's tax structure resulting from the designation of the State as a free-trade zone, including any tax incentives and disincentives;
- (5) Deleting the President of the United States and the members of Hawaii's Congressional delegation from receiving certified copies of this resolution, and instead adding the Senate President, the Speaker of the House of Representatives, and the Director of Taxation to receive certified copies of this resolution; and
- (6) Making technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 308, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 308, H.D. 1.

Signed by all members of the Committee except Representative White.

SCRep. 1350 Economic Development and Business Concerns on H.C.R. No. 338

The purpose of this concurrent resolution, as received by your Committee, is to establish the State as a free-trade zone by:

- (1) Urging the President of the United States to establish the State as a free-trade zone; and
- (2) Requesting the Department of Business, Economic Development, and Tourism (DBEDT) to prepare a report to the Legislature listing the steps and involvement of entities and agencies necessary for Hawaii to be designated as a free-trade zone.

Your Committee notes that the State is the oldest operating foreign-trade zone in the United States and is the nation's only statewide program. Although Hawaii-based manufacturers and businesses have reaped the benefits of free trade as a result of the State's foreign-trade zone, it is your Committee's belief that Hawaii would accrue greater advantages from a totally free-trade zone.

Comments were received from DBEDT. A private citizen submitted testimony in support of the measure.

Upon consideration, your Committee has amended this concurrent resolution extensively by:

- (1) Urging the State Legislature, rather than the President of the United States, to support efforts to establish the State as a free-trade zone;
- (2) Changing the title of the concurrent resolution to read: "HOUSE CONCURRENT RESOLUTION URGING THE ESTABLISHMENT OF THE STATE OF HAWAII AS A FREE-TRADE ZONE";
- (3) Changing the deadline to no later than twenty days before the Regular Session of 1996, in which DBEDT is to submit a report to the Legislature regarding:
 - (a) A list of the steps necessary to achieve the designation of the State as a free-trade zone and of involvement of entities and agencies necessary to achieve the designation of Hawaii as a free-trade zone; and
 - (b) Recommendations to the Legislature of the impact, both positive and negative, on the existing business structure in the State;
- (4) Requesting the Department of Taxation to submit a report to the Legislature no later than twenty days before the convening of the Regular Session of 1996 on the impact and ramification on the State's tax structure resulting from the designation of the State as a free-trade zone, including any tax incentives and disincentives;
- (5) Deleting the President of the United States and the members of Hawaii's Congressional delegation from receiving certified copies of this concurrent resolution, and instead adding the Senate President, the Speaker of the House of Representatives, and the Director of Taxation to receive certified copies of this concurrent resolution; and
- (6) Making technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 338, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 338, H.D. 1.

Signed by all members of the Committee except Representative White.

SCRep. 1351 Economic Development and Business Concerns on H.C.R. No. 328

The purpose of this concurrent resolution, as received by your Committee, is to request the Auditor to conduct a management and financial audit of the Natural Energy Laboratory of Hawaii Authority (NELHA).

The Executive Director of NELHA submitted testimony indicating his support for an audit. Testimony in opposition to the measure was received from Keahole Point Association. Kona Cold Lobsters Ltd. also commented on this measure.

Upon consideration, your Committee has amended this concurrent resolution to address the concerns enumerated in it by instead requesting the Department of Business, Economic Development, and Tourism to submit recommendations to the Legislature no later than twenty days before the convening of the 1996 Regular Session on ways to improve the efficiency of the operational and financial management of NELHA.

Your Committee also amended the concurrent resolution by:

- (1) Changing the title of the concurrent resolution to reflect the substantive change to the "BE IT RESOLVED" clause;
- (2) Deleting the Auditor from receiving a certified copy of this concurrent resolution; and

- (3) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 328, as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.C.R. No. 328, H.D. 1.

Signed by all members of the Committee except Representative White.

SCRep. 1352 Economic Development and Business Concerns on H.R. No. 240

The purpose of this resolution is to request the Department of Business, Economic Development, and Tourism to conduct a comprehensive review of the strategy being developed by the Hawaii Alliance for Community-Based Economic Development (HACBED) to establish a Hawaii-based community development financial institution (CDFI).

Your Committee notes that HACBED has received a grant from the Department of Business, Economic Development, and Tourism (DBEDT) to enable it to develop a statewide CDFI. It is your Committee's belief that this resolution will further facilitate HACBED's efforts to create a statewide CDFI.

Testimony in support of this measure was submitted by DBEDT.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 240 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative White.

SCRep. 1353 Economic Development and Business Concerns on H.C.R. No. 252

The purpose of this concurrent resolution is to request the Department of Business, Economic Development, and Tourism to conduct a comprehensive review of the strategy being developed by the Hawaii Alliance for Community-Based Economic Development (HACBED) to establish a Hawaii-based community development financial institution (CDFI).

Your Committee notes that HACBED has received a grant from the Department of Business, Economic Development, and Tourism (DBEDT) to enable it to develop a statewide CDFI. It is your Committee's belief that this concurrent resolution will further facilitate HACBED's efforts to create a statewide CDFI.

Testimony in support of this measure was submitted by DBEDT.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 252 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative White.

SCRep. 1354 Economic Development and Business Concerns on H.R. No. 21

The purpose of this resolution is to request the Office of the Auditor to:

- (1) Conduct a comprehensive review of all federal, state, and county laws, rules, and procedures that impact small businesses;
- (2) Identify those laws, rules, or requirements that hinder the formation, operation, and expansion of small businesses in Hawaii;
- (3) Develop recommendations to facilitate the removal of those barriers; and
- (4) Submit a report to the Legislature before the 1996 Regular Session.

Testimony in support of this measure was received from the Honolulu Japanese Chamber of Commerce and the State Director of the National Federation of Independent Business. Comments were received from the Department of Business, Economic Development, and Tourism.

Your Committee has amended this measure by:

- (1) Requesting the Legislative Reference Bureau (LRB), instead of the Office of the Auditor, to carry out the provisions contained in the resolution, and amending the title of the measure to reflect this amendment;
- (2) Including in the request that the LRB identify those departments within state government that have the greatest impact on small business in Hawaii; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 21, as amended herein,

and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.R. No. 21, H.D. 1.

Signed by all members of the Committee except Representative Cachola.

SCRep. 1355 Economic Development and Business Concerns on H.C.R. No. 17

The purpose of this concurrent resolution is to request the Office of the Auditor to:

- (1) Conduct a comprehensive review of all federal, state, and county laws, rules, and procedures that impact small businesses;
- (2) Identify those laws, rules, or requirements that hinder the formation, operation, and expansion of small businesses in Hawaii;
- (3) Develop recommendations to facilitate the removal of those barriers; and
- (4) Submit a report to the Legislature before the 1996 Regular Session.

Testimony in support of this measure was received from the Honolulu Japanese Chamber of Commerce and the State Director of the National Federation of Independent Business. Comments were received from the Department of Business, Economic Development, and Tourism.

Your Committee has amended this measure by:

- (1) Requesting the Legislative Reference Bureau (LRB), instead of the Office of the Auditor, to carry out the provisions contained in the concurrent resolution, and amending the title of the measure to reflect this amendment;
- (2) Including in the request that the LRB identify those departments within state government that have the greatest impact on small business in Hawaii; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 17, as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.C.R. No. 17, H.D. 1.

Signed by all members of the Committee except Representative Cachola.

SCRep. 1356 Economic Development and Business Concerns on H.C.R. No. 312

The purpose of this concurrent resolution is to request the major discount chains doing business in Hawaii to:

- (1) Enter into favorable marketing or distribution arrangements with Hawaii's small-scale producers, manufacturers, and distributors; and
- (2) Sell and promote more local products such as locally-manufactured goods and locally-grown or packaged fruits, vegetables, and other produce.

Your Committee recognizes that it cannot dictate business practices to these major discount chains. However, it is your Committee's belief that it is in the State's best interest to represent Hawaii's local producers and growers to find out what can be done to access these discount chains to sell and distribute their products.

Testimony was submitted by the Department of Agriculture (DOA) in support of the intent and purpose of this measure.

Your Committee has amended this measure by:

- (1) Requesting the DOA, in conjunction with the Department of Business, Economic Development, and Tourism (DBEDT), to:
 - (a) Assess the problems local producers and small businesses face in dealing with and accessing these discount chains; and
 - (b) Examine the problems or obstacles of local producers and businesses to sell and distribute their products in these discount chains;
- (2) Requesting the DOA to submit a report of its findings and actions to the Legislature no later than twenty days before the convening of the 1996 Regular Session;
- (3) Adding DBEDT to receive certified copies of this concurrent resolution; and
- (4) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 312, as amended herein, and recommends that it be referred to the Committee on Consumer Protection and Commerce, in the form attached hereto as H.C.R. No. 312, H.D. 1.

Signed by all members of the Committee except Representative White.

SCRep. 1357 Judiciary on H.R. No. 59

The purpose of this resolution is to protect the rights of children involved in judicial proceedings as victims or witnesses by:

- (1) Requesting that the Attorney General conduct a comprehensive review of legislation and court rules in other jurisdictions which have addressed the rights of children as victims or witnesses in criminal cases; and
- (2) Urging the Attorney General upon completion of the review to consult with the Judiciary, the Prosecuting Attorneys of the counties, and the Public Defender and to submit a report to the Legislature on the findings.

The Department of the Prosecuting Attorney for the City and County of Honolulu, the Commission on the Status of Women, the Hawaii State Coalition against Sexual Assault and the Sex Abuse Treatment Center submitted testimony in support of this measure. The Judiciary commented on this measure.

Your Committee recognizes the grave problems concerning cases involving child victims and witnesses and finds that a study of these issues is timely and would be beneficial if the study can, in any way, contribute to the reduction of the anxiety and trauma experienced by children who are innocently drawn into the criminal justice system.

Your Committee has amended this resolution by:

- (1) Adding child victim agencies to the list of entities which the Attorney General may consult with for the purpose of submitting its report to the Legislature; and
- (2) Making technical, nonsubstantive amendments for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 59, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 59, H.D. 1.

Signed by all members of the Committee except Representative McMurdo.

SCRep. 1358 Judiciary on H.C.R. No. 50

The purpose of this concurrent resolution is to protect the rights of children involved in judicial proceedings as victims or witnesses by:

- (1) Requesting that the Attorney General conduct a comprehensive review of legislation and court rules in other jurisdictions which have addressed the rights of children as victims or witnesses in criminal cases; and
- (2) Urging the Attorney General upon completion of the review to consult with the Judiciary, the Prosecuting Attorneys of the counties, and the Public Defender and to submit a report to the Legislature on the findings.

The Department of the Prosecuting Attorney for the City and County of Honolulu, the Commission on the Status of Women, the Hawaii State Coalition against Sexual Assault and the Sex Abuse Treatment Center submitted testimony in support of this measure. The Judiciary commented on this measure.

Your Committee recognizes the grave problems concerning cases involving child victims and witnesses and finds that a study of these issues is timely and would be beneficial if the study can, in any way, contribute to the reduction of the anxiety and trauma experienced by children who are innocently drawn into the criminal justice system.

Your Committee has amended this concurrent resolution by:

- (1) Adding child victim agencies to the list of entities which the Attorney General may consult with for the purpose of submitting its report to the Legislature; and
- (2) Making technical, nonsubstantive amendments for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 50, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 50, H.D. 1.

Signed by all members of the Committee except Representative McMurdo.

SCRep. 1359 Judiciary on H.B. No. 60

The purpose of this resolution is to request that the Legislative Reference Bureau (LRB) study the problems of liability exposure of volunteers in nonprofit organizations and government agencies that rely on the services of those volunteers.

The Judiciary submitted oral testimony in support of this measure. The Hawaii Trial Lawyers Association and a member of the public testified favorably on this measure.

Your Committee finds that the growing number of lawsuits against community volunteers has adversely affected the willingness of these volunteers to donate their time and talents to nonprofit organizations and government agencies in this State. A study is necessary in order to determine solutions to this growing problem.

Your Committee has amended this resolution by:

- (1) Requesting that the scope of the study be broadened to include government agencies "and their employees"; and
- (2) Urging the LRB to obtain data relating to liability issues regarding volunteers, nonprofit organizations, and government agencies and their employees including the number, nature, and basis of lawsuits in the State of Hawaii, as well as the liability insurance aspects involved.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 60, as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.R. No. 60, H.D. 1.

Signed by all members of the Committee except Representatives Menor and Yoshinaga.

SCRep. 1360 Judiciary on H.C.R. No. 52

The purpose of this concurrent resolution is to request that the Legislative Reference Bureau (LRB) study the problems of liability exposure of volunteers in nonprofit organizations and government agencies that rely on the services of those volunteers.

The Judiciary submitted oral testimony in support of this measure. The Hawaii Trial Lawyers Association and a member of the public testified favorably on this measure.

Your Committee finds that the growing number of lawsuits against community volunteers has adversely affected the willingness of these volunteers to donate their time and talents to nonprofit organizations and government agencies in this State. A study is necessary in order to determine solutions to this growing problem.

Your Committee has amended this concurrent resolution by:

- (1) Requesting that the scope of the study be broadened to include government agencies "and their employees"; and
- (2) Urging the LRB to obtain data relating to liability issues regarding volunteers, nonprofit organizations, and government agencies and their employees including the number, nature, and basis of lawsuits in the State of Hawaii, as well as the liability insurance aspects involved.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 52, as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.C.R. No. 52, H.D. 1.

Signed by all members of the Committee except Representatives Menor and Yoshinaga.

SCRep. 1361 Judiciary on H.C.R. No. 147

The purpose of this resolution is to extend the Child Welfare Services Reform Task Force to develop a blueprint for reform in Child Protective Services.

Favorable testimony was received from the Judiciary, the Department of Human Services, HGEA, and the Domestic Violence Hotline.

Your Committee recognizes and validates the need for the extension of the Child Welfare Services Reform Task Force (Task Force). This Task Force was established in 1994 in response to a LRB study which found that there was data lacking on the effectiveness of Child Protective Services in resolving child abuse and neglect cases in the State.

Your Committee further acknowledges the efforts of the Children's Advocacy Center and the Family Court who have been working on a child protective services model for Hawaii.

The apparent focus of the Task Force is targeted family support diversion and child protective services. Because of the broad scope of this focus and the critical importance for ensuring that positive changes will occur as the result of this blueprint, your Committee concurs that additional time is needed.

Accordingly, your Committee requests that the Task Force continue its work with funding provided by private donors and that it continue to solicit the expertise and advice from a variety of specialists, agencies, individuals, and others concerned with child protective and welfare services.

Your Committee further requests that the Task Force submit a report to the 1996 Legislature, and that the LRB assist the Task Force in preparation of proposed legislation as part of the report.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 147, H.D. 1, and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Tom, Hamakawa, McMurdo, Menor, Saiki and Yoshinaga.

SCRep. 1362 Judiciary on H.C.R. No. 313

The purpose of this resolution is to request that the Department of Agriculture, the Department of Health, the Department of the Attorney General, and the county Police Departments cooperate to stop illegal slaughterhouse operations, to prosecute offenders, to educate consumers and retailers, and to submit their findings and any proposed recommendations no later than 20 days prior to the 1996 legislative session.

Favorable testimony was received from the Department of Health, the Department of Agriculture, the Hawaiian Humane Society, and Animal Rights Hawaii.

Your Committee concurs that the illegal slaughter and processing of livestock for the purpose of sale needs to be more aggressively pursued. The health risks from unwholesome, adulterated, mislabeled or deceptively packaged meat products are apparent, and, therefore, efforts must be made to curtail this practice which apparently far exceeds the personal use provisions of Chapter 159.

Your Committee requests that the Department of Health identify retail outlets which may be marketing illegally slaughtered and processed meat products, and to monitor "off-market" sellers such as swap meets and open markets.

Your Committee also requests that the Department of Agriculture act on leads furnished by the Department of Health and continue to inspect, to the extent possible with limited resources, the slaughter and processing operations which it can feasibly identify.

Your Committee further mandates the Department of the Attorney General and the Police Departments of the respective counties to investigate, act on leads from the Department of Health and the Department of Agriculture, and to more aggressively pursue the arrest and prosecution of the illegal slaughtering, processing, and selling operations which appear to be widely prevalent.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 313, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Tom, Hamakawa, McMurdo, Menor, Saiki and Yoshinaga.

SCRep. 1363 Higher Education and the Arts on H.C.R. No. 299

The purpose of this concurrent resolution is to request the Auditor to conduct an audit of the Hawaii Theater Center to ensure that the standards of historic restoration have been met and that the funds appropriated by the Legislature have been spent in accordance with legislative intent.

Several concerned citizens submitted testimony in support of this measure. The Hawaii Theater Center submitted testimony stating that it did not support this measure.

Upon careful consideration, your Committee has amended this concurrent resolution by:

- (1) Clarifying that the Legislature appropriated \$13,400,000, and not \$14,000,000 for the restoration;
- (2) Deleting reference to the seating capacity of 1,800 individuals; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity, style, and consistency.

Your Committee has learned that the Hawaii Theater Center obtained a syndicated loan from Bank of Hawaii, and not First Hawaiian Bank, in the amount of \$6,000,000. The security for the loan is the Hawaii Theater Center property. Further testimony indicated that the Bank of Hawaii loan was approved based on the assumption that the State would appropriate \$1,000,000 to the Hawaii Theater Center.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 299, as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.C.R. No. 299, H.D. 1.

Signed by all members of the Committee except Representatives Santiago, Takumi and Yonamine.

SCRep. 1364 Transportation on H.R. No. 100

The purpose of House Resolution No. 100, as received by your Committee on Transportation, is to reduce the incidence of driving vehicles after consuming intoxicating liquor, and thus, reduce alcohol-related vehicular accidents.

Your Committee is aware that driving under the influence of intoxicating liquor results in a large toll of deaths, bodily injuries, and property damage, as impaired drivers become involved in traffic accidents. Your Committee finds that deaths from alcohol-related accidents have decreased in Hawaii, but that more needs to be done to educate the driving public about the dangers and penalties when driving under the influence of intoxicating liquor, since our State still ranks as the fourth highest in the Nation for alcohol-related traffic deaths.

Your Committee further finds that alcohol abuse is prevalent among teenagers, and that the constant warning of consequence for driving after drinking may have an effect on their illegal behaviors.

This House Resolution requests the Department of Transportation (DOT) to add this admonition to all new road signs installed or replaced by the DOT: "If you drink and drive, you will lose your license."

Testimony in support of this House Resolution was heard from Mothers Against Drunk Driving (MADD).

Your Committee has amended this House Resolution by:

- (1) Eliminating "all new" from the title to provide greater flexibility for the Department of Transportation (DOT);
- (2) Amending the Be It Resolved paragraph by removing "all new" in reference to road signs, by adding alternatives for the warning signs to the one contained in the original measure, and to indicate that warning signs are to be placed wherever feasible to give the DOT greater flexibility.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 100, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 100, H.D. 1.

Signed by all members of the Committee.

SCRep. 1365 Transportation on H.C.R. No. 92

The purpose of House Concurrent Resolution No. 92, as referred to your Committee on Transportation, is to reduce the incidence of driving vehicles after consuming intoxicating liquor, and thus, reduce alcohol-related vehicular accidents.

Your Committee is aware that driving under the influence of intoxicating liquor results in a large toll of deaths, bodily injuries, and property damage, as impaired drivers become involved in traffic accidents. Your Committee finds that deaths from alcohol-related accidents have decreased in Hawaii, but that more needs to be done to educate the driving public about the dangers and penalties when driving under the influence of intoxicating liquor, since our State still ranks as the fourth highest in the Nation for alcohol-related traffic deaths.

Your Committee further finds that alcohol abuse is prevalent among teenagers, and that the constant warning of consequences for driving after drinking may have an effect on their illegal behaviors.

This House Concurrent Resolution requests the Department of Transportation (DOT) to add this admonition to all new road signs installed or replaced by the DOT: "If you drink and drive, you will lose your license."

Testimony in support of this House Concurrent Resolution was heard from Mothers Against Drunk Driving (MADD).

Your Committee has amended this House Concurrent Resolution by:

- (1) Eliminating "all new" from the title to provide greater flexibility to the Department of Transportation (DOT).
- (2) Amending the Be It Resolved paragraph by removing "all new" in reference to road signs, by adding alternatives for the warning signs to the one contained in the original measure, and to indicate that warning signs are to be placed wherever feasible to give the DOT greater flexibility.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 92, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 92, H.D. 1.

Signed by all members of the Committee.

SCRep. 1366 Judiciary and Public Safety and Military Affairs on H.R. No. 8

The purpose of this resolution is to create a task force that will study the management and treatment of insanity acquittees.

Your Committees received testimony in support of this resolution from the Judiciary and the Mental Health Association in Hawaii.

The Committee to Conduct a Comprehensive Review of the Hawaii Penal Code recommended the establishment of a task force to study the issues presented in this resolution. Your Committees agree with the Hawaii Penal Code Committee's recommendation and finds that a task force charged with performing a study of the management and treatment of persons found not responsible for their behavior as a result of physical or mental disease, disorder, or defect should be convened.

Your Committees have amended this resolution by including the Office of the Public Defender on the task force because the Office of the Public Defender represents the majority of persons affected by Hawaii's penal responsibility laws.

Your Committees believe that selection of a qualified individual who has been acquitted by reason of insanity may pose difficulties. Consequently, this resolution has been amended to include participation on the task force of a mental health advocate or an individual who was previously acquitted of a crime as a result of a physical or mental disease.

Your Committees recommend that a responsible insanity acquittee participate on the task force, but if such a person cannot be located, then a mental health advocate should participate. This will ensure adequate representation for insanity acquittees.

As affirmed by the records of votes of the members of your Committees on Judiciary and Public Safety and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 8, H.D. 1, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 8, H.D. 2.

Signed by all members of the Committees except Representatives Cachola, Chun Oakland, McMurdo, Menor, Swain and Yoshinaga.

SCRep. 1367 Judiciary and Public Safety and Military Affairs on H.C.R. No. 3

The purpose of this resolution is to create a task force that will study the management and treatment of insanity acquittees.

Your Committees received testimony in support of this resolution from the Judiciary and the Mental Health Association in Hawaii.

The Committee to Conduct a Comprehensive Review of the Hawaii Penal Code recommended the establishment of a task force to study the issues presented in this resolution. Your Committees agree with the Hawaii Penal Code Committee's recommendation and finds that a task force charged with performing a study of the management and treatment of persons found not responsible for their behavior as a result of physical or mental disease, disorder, or defect should be convened.

Your Committees have amended this measure by including the Office of the Public Defender on the task force because the Office of the Public Defender represents the majority of persons affected by Hawaii's penal responsibility laws.

Your Committees believe that selection of a qualified individual who has been acquitted by reason of insanity may pose difficulties. Consequently, this resolution has been amended to include participation on the task force of a mental health advocate or an individual who was previously acquitted of a crime as a result of a physical or mental disease.

Your Committees recommend that a responsible insanity acquittee participate on the task force, but if such a person cannot be located, then a mental health advocate should participate. This will ensure adequate representation for insanity acquittees.

As affirmed by the records of votes of the members of your Committees on Judiciary and Public Safety and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 3, H.D. 1, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 3, H.D. 2.

Signed by all members of the Committees except Representatives Cachola, Chun Oakland, McMurdo, Menor, Swain and Yoshinaga.

SCRep. 1368 Water and Land Use Planning; Ocean Recreation and Marine Resources; and Energy and Environmental Protection on H.R. No. 269

The purpose of this resolution is to protect the Wahiawa Reservoir on Oahu as a valuable asset not only to the Wahiawa community but to Oahu residents as well.

This measure would prepare for the possible transfer of the privately-owned reservoir to State ownership by creating a task force to begin studying present and potential uses of the reservoir.

The Wahiawa Reservoir is a unique resource that serves a variety of functions including:

- (1) Recreational uses such as fishing and boating;
- (2) Wastewater storage and effluent reuse;
- (3) Irrigation; and
- (4) Flood control.

The following organizations and individuals supported the intent of this measure: the Department of Health, the City and County of Honolulu's Department of Planning, the Wahiawa Community and Business Association, Inc., the Association of Freshwater Sport Anglers, the Hawaii Freshwater Fishing Association, Kilani Rod and Tackle, the City Council member representing Council District 1, and a Wahiawa resident. The Department of Land and Natural

Resources also supported this measure and suggested amendments. The Office of State Planning (OSP) and the Board of Agriculture expressed certain concerns. The Dole Food Company's Hawaii Division did not support this measure.

Your Committees were impressed with the number of community organizations and individuals who testified and indicated a willingness to be a part of the task force. This is an indication that the community clearly recognizes the importance of this unique resource.

Your Committees appreciated OSP's testimony that discussed the relationship between the ownership of the Wahiawa Reservoir and the larger land use issues in Central Oahu. These issues include:

- (1) The land exchange between the Galbraith Estate and the State;
- (2) Alternative uses on the North Shore for the wastewater that is pumped into the Wahiawa Reservoir; and
- (3) The State's recent acquisition of the Hawaii Raceway Park and the former Hawaii Meat Co. feedlot.

Certainly, this measure should not impede OSP's efforts to resolve these important issues. At the same time, however, your Committees find that the task force can contribute towards these efforts in a positive manner by providing as a key communication link with the Wahiawa and North Shore communities.

Upon further consideration, your Committees have amended this resolution by:

- (1) Deleting the last three WHEREAS clauses relating to the possible transfer of the reservoir to the State;
- (2) Inserting three new WHEREAS clauses that identify the Galbraith Estate's involvement as a co-landowner of the reservoir and dam; these WHEREAS clauses also refer to a land exchange authorized by the 1994 Legislature which affects any acquisition of these facilities;
- (3) Inserting a new WHEREAS clause expressing the public interest in the examination of the various policy issues surrounding the future use of the reservoir and dam;
- (4) Expanding the number of issues for the task force to address;
- (5) Adding the City and County of Honolulu's Department of Planning, the Waiialua Community Association, the Wahiawa Neighborhood Board No. 26, and the North Shore Neighborhood Board No. 27, to the task force;
- (6) Deleting the BE IT FURTHER RESOLVED clause that requested OSP to provide staff support for the task force; and
- (7) Making technical, nonsubstantive revisions for the purpose of clarity.

Finally, your Committees acknowledge the individuals who provided the extensive groundwork that preceded this public hearing which resulted in the participation of many community organizations as well as individuals.

As affirmed by the records of votes of the members of your Committees on Water and Land Use Planning; Ocean Recreation and Marine Resources; and Energy and Environmental Protection that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 269, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 269, H.D. 1.

Signed by all members of the Committees except Representatives Kanohe, Shon and Yoshinaga.

SCRep. 1369 Water and Land Use Planning; Ocean Recreation and Marine Resources; and Energy and Environmental Protection on H.C.R. No. 88

The purpose of this concurrent resolution is to protect the Wahiawa Reservoir on Oahu as a valuable asset not only to the Wahiawa community but to Oahu residents as well.

This measure would prepare for the possible transfer of the privately-owned reservoir to State ownership by creating a task force to begin studying present and potential uses of the reservoir.

The Wahiawa Reservoir is a unique resource that serves a variety of functions including:

- (1) Recreational uses such as fishing and boating;
- (2) Wastewater storage and effluent reuse;
- (3) Irrigation; and
- (4) Flood control.

The following organizations and individuals supported the intent of this measure: the Department of Health, the City and County of Honolulu's Department of Planning, the Wahiawa Community and Business Association, Inc., the Association of Freshwater Sport Anglers, the Hawaii Freshwater Fishing Association, Kilani Rod and Tackle, the City Council member representing Council District 1, and a Wahiawa resident. The Department of Land and Natural Resources also supported this measure and suggested amendments. The Office of State Planning (OSP) and the Board of Agriculture expressed certain concerns. The Dole Food Company's Hawaii Division did not support this measure.

Your Committees were impressed with the number of community organizations and individuals who testified and indicated a willingness to be a part of the task force. This is an indication that the community clearly recognizes the importance of this unique resource.

Your Committees appreciated OSP's testimony that discussed the relationship between the ownership of the Wahiawa Reservoir and the larger land use issues in Central Oahu. These issues include:

- (1) The land exchange between the Galbraith Estate and the State;
- (2) Alternative uses on the North Shore for the wastewater that is pumped into the Wahiawa Reservoir; and
- (3) The State's recent acquisition of the Hawaii Raceway Park and the former Hawaii Meat Co. feedlot.

Certainly, this measure should not impede OSP's efforts to resolve these important issues. At the same time, however, your Committees find that the task force can contribute towards these efforts in a positive manner by providing as a key communication link with the Wahiawa and North Shore communities.

Upon further consideration, your Committees have amended this concurrent resolution by:

- (1) Deleting the last three WHEREAS clauses relating to the possible transfer of the reservoir to the State;
- (2) Inserting three new WHEREAS clauses that identify the Galbraith Estate's involvement as a co-landowner of the reservoir and dam; these WHEREAS clauses also refer to a land exchange authorized by the 1994 Legislature which affects any acquisition of these facilities;
- (3) Inserting a new WHEREAS clause expressing the public interest in the examination of the various policy issues surrounding the future use of the reservoir and dam;
- (4) Expanding the number of issues for the task force to address;
- (5) Adding the City and County of Honolulu's Department of Planning, the Waialua Community Association, the Wahiawa Neighborhood Board No. 26, and the North Shore Neighborhood Board No. 27, to the task force;
- (6) Deleting the BE IT FURTHER RESOLVED clause that requested OSP to provide staff support for the task force; and
- (7) Making technical, nonsubstantive revisions for the purpose of clarity.

Finally, your Committees acknowledge the individuals who provided the extensive groundwork that preceded this public hearing which resulted in the participation of many community organizations as well as individuals.

As affirmed by the records of votes of the members of your Committees on Water and Land Use Planning; Ocean Recreation and Marine Resources; and Energy and Environmental Protection that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 88, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 88, H.D. 1.

Signed by all members of the Committees except Representatives Kanohe, Shon and Yoshinaga.

SCRep. 1370 Water and Land Use Planning on H.R. No. 216

The purpose of this resolution is to request that public agencies charged with the development of public lands, in addition to assessing environmental, economic, and technical impacts, also assess a development activity's potential impact on the rights, culture, and traditions of native Hawaiians; this could become part of the land utilization approval and permitting process, including this new assessment as part of any environmental assessment or environmental impact statement.

The Department of Land and Natural Resources, the Association of Hawaiian Civic Clubs, and the Office of Hawaiian Affairs submitted testimony in support of this measure. The City and County of Honolulu submitted testimony in support of the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 216 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Nekoba, McMurdo, Tarnas and Yoshinaga.

SCRep. 1371 Water and Land Use Planning on H.C.R. No. 221

The purpose of this concurrent resolution is to request that public agencies charged with the development of public lands, in addition to assessing environmental, economic, and technical impacts, also assess a development activity's potential impact on the rights, culture, and traditions of native Hawaiians; this could become part of the land utilization approval and permitting process, including this new assessment as part of any environmental assessment or environmental impact statement.

The Department of Land and Natural Resources, the Association of Hawaiian Civic Clubs, and the Office of Hawaiian Affairs submitted testimony in support of this measure. The City and County of Honolulu submitted testimony in support of the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 221 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Nekoba, McMurdo, Tarnas and Yoshinaga.

SCRep. 1372 Water and Land Use Planning on H.R. No. 9

The purpose of this resolution is to obtain legislative review of a land exchange between the State of Hawaii and Mr. and Mrs. Miller.

The Department of Land and Natural Resources submitted testimony in support of the resolution, indicating that the land exchange is required by the State to control erosion and make improvements to the Maakua stream bed and channel.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 9 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kanoho, Yamane, Yoshinaga and Thielen.

SCRep. 1373 Water and Land Use Planning on H.C.R. No. 230

The purpose of this concurrent resolution is to request the Auditor to:

- (1) Study the feasibility of making the Commission on Water Resource Management (Commission) a permanent, full-time Commission; and
- (2) Explore additional sources for funding the operations of the Commission.

The Commission submitted testimony in support of this concurrent resolution. A private citizen offered comments and suggestions regarding the concurrent resolution.

In response to testimony, your Committee amended the concurrent resolution by:

- (1) Asking the Auditor to study whether the Commission has adequate ability to investigate and enforce Water Code violations and whether fines could be used as a source of funding the Commission's operations; and
- (2) Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 230, as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.C.R. No. 230, H.D. 1.

Signed by all members of the Committee except Representatives Nekoba, Garcia, Kanoho and Yoshinaga.

SCRep. 1374 Hawaiian Affairs and Housing on H.C.R. No. 257

The purpose of this study is to request the Auditor to conduct a study on management alternatives for beneficiaries of the Hawaiian Home Lands Trust.

Testimony in support of the measure was received from the Department of Hawaiian Home Lands and the Association of Hawaiian Civic Clubs.

Upon careful consideration, your Committee has amended this bill by:

- (1) Recognizing a potential conflict of interest with the Chair of the Hawaiian Homes Commission being the Director of the Department of Hawaiian Home Lands;
- (2) Referencing the Hawaiian Home Lands Land Title and Related Claims potential settlement and the subsequent establishment of a settlement trust fund; and
- (3) Including Hui Kako'o 'Aina Ho'opulapula as an organization receiving a certified copy of the adopted resolution.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 257, as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.C.R. No. 257, H.D. 1.

Signed by all members of the Committee except Representatives Hamakawa and Stegmaier.

SCRep. 1375 Ocean Recreation and Marine Resources on H.R. No. 257

The purpose of this resolution is to request the Department of Land and Natural Resources to investigate the possibilities of investment in the ornamental fish industry in Hawaii.

Supportive testimony was received from the Department of Land and Natural Resources and numerous citizens. Your Committee recognizes the potential benefits that the State may derive from investment in the ornamental fish industry. Accordingly, your Committee unanimously voted to pass this resolution unamended.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 257 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1376 Ocean Recreation and Marine Resources on H.C.R. No. 271

The purpose of this concurrent resolution is to request the Department of Land and Natural Resources to investigate the possibility of investment in the ornamental fish industry in Hawaii.

Supportive testimony was received from the Department of Land and Natural Resources and numerous citizens. Your Committee recognizes the potential benefits that the State may derive from investment in the ornamental fish industry. Accordingly, your Committee unanimously voted to pass this concurrent resolution unamended.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 271 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1377 Ocean Recreation and Marine Resources on H.R. No. 236

The purpose of this resolution is to request a statewide master plan for marine and coastal protected areas.

Testimony in support of the intent of this resolution was received from the Office of State Planning. The Department of Land and Natural Resources was unable to support the measure due to budget restraints. Both the Office of State Planning and DLNR expressed a desire to work in a collaborative measure within their limited personnel and fiscal resources.

Accordingly, your Committee passed this resolution unamended.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 236 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1378 Ocean Recreation and Marine Resources on H.C.R. No. 244

The purpose of this concurrent resolution is to request a statewide master plan for marine and coastal protected areas.

Testimony in support of the intent of this concurrent resolution was received from the Office of State Planning. The Department of Land and Natural Resources was unable to support the measure due to budget restraints. Both the Office of State Planning and DLNR expressed a desire to work in a collaborative measure within their limited personnel and fiscal resources.

Accordingly, your Committee passed this concurrent resolution unamended.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 244 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1379 Judiciary on H.R. No. 188

The purpose of this resolution is to request the Office of Hawaiian Affairs to develop an alternative correctional system based upon the concept of "Pu'uhonua".

The Judiciary commented on this measure. The Department of Public Safety and the Office of Hawaiian Affairs supported this measure.

Your Committee finds that at present, persons of Hawaiian descent are overrepresented in Hawaii's prison population and that alternative correctional methodologies may be more effective in reaching this segment of the population.

Your Committee has amended this resolution by:

- (1) Indicating that the concept of pu'uhonua is sometimes translated as the "place" of refuge instead of "city" of refuge;
- (2) Specifying that adult offenders are to be separated from juvenile offenders; and
- (3) Including the Native Hawaiian Bar Association as one of the organizations to advise the Office of Hawaiian Affairs and including it as one of the organizations to receive a certified copy of this resolution.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 188, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 188, H.D. 2.

Signed by all members of the Committee except Representatives Tom, Hamakawa, McMurdo, Menor, Saiki and Yoshinaga.

SCRep. 1380 Judiciary on H.C.R. No. 184

The purpose of this concurrent resolution is to request the Office of Hawaiian Affairs to develop an alternative correctional system based upon the concept of "Pu'uhonua".

The Judiciary commented on this measure. The Department of Public Safety and the Office of Hawaiian Affairs supported this measure.

Your Committee finds that at present, persons of Hawaiian descent are overrepresented in Hawaii's prison population and that alternative correctional methodologies may be more effective in reaching this segment of the population.

Your Committee has amended this concurrent resolution by:

- (1) Indicating that the concept of pu'uhonua is sometimes translated as the "place" of refuge instead of "city" of refuge;
- (2) Specifying that adult offenders are to be separated from juvenile offenders; and
- (3) Including the Native Hawaiian Bar Association as one of the organizations to advise the Office of Hawaiian Affairs and including it as one of the organizations to receive a certified copy of this concurrent resolution.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 184, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 184, H.D. 2.

Signed by all members of the Committee except Representatives Tom, Hamakawa, McMurdo, Menor, Saiki and Yoshinaga.

SCRep. 1381 Judiciary on H.R. No. 242

The purpose of this resolution is to request the Judiciary to convene a task force to study the feasibility of amending the Family Courts Law to protect the best interests of Hawaiian families and Native Hawaiian children.

Your Committee recognizes the risks of separating Hawaiian children from their communities and culture through adoption or placement with other non-Hawaiian families. It is your Committee's belief that this measure will serve as a positive means of protecting the best interests of Native Hawaiian families by acknowledging that cultural heritage is an important factor in the placement of Hawaiian children in other homes and families.

Testimony in support of the measure was received from the Native Hawaiian Advisory Council. The Judiciary submitted testimony on the resolution taking no position on the measure but indicating that funds be appropriated for a Native Hawaiian attorney with the requisite cultural competence to staff the task force.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 242 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Tom, Hamakawa, McMurdo, Menor, Saiki and Yoshinaga.

SCRep. 1382 Judiciary on H.C.R. No. 254

The purpose of this concurrent resolution is to request the Judiciary to convene a task force to study the feasibility of amending the Family Courts Law to protect the best interests of Hawaiian families and Native Hawaiian children.

Your Committee recognizes the risks of separating Hawaiian children from their communities and culture through adoption or placement with other non-Hawaiian families. It is your Committee's belief that this measure will serve as a positive means of protecting the best interests of Native Hawaiian families by acknowledging that cultural heritage is an important factor in the placement of Hawaiian children in other homes and families.

Testimony in support of the measure was received from the Native Hawaiian Advisory Council. The Judiciary submitted testimony on the concurrent resolution taking no position on the measure but indicating that funds be appropriated for a Native Hawaiian attorney with the requisite cultural competence to staff the task force.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 254 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Tom, Hamakawa, McMurdo, Menor, Saiki and Yoshinaga.

SCRep. 1383 Judiciary on H.R. No. 254

The purpose of this resolution is to have the Legislature approve the advisory opinions of the Hawaiian Home Lands Trust Individual Claims Review Panel (Panel).

The Judiciary commented on this measure. The Department of Hawaiian Home Lands (DHHL), the Panel, and the Native Hawaiian Legal Corporation testified in support of this measure.

Your Committee finds that current law requires the Panel to submit its advisory opinions to the Legislature for review and further action.

Your Committee has amended this resolution by clarifying that DHHL and the Hawaiian Homes Commission are urged to take immediate corrective action on claims where "the Panel has determined that a breach of trust has occurred."

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

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 254, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 254, H.D. 1.

Signed by all members of the Committee except Representatives Tom, Hamakawa, McMurdo, Menor, Saiki and Yoshinaga.

SCRep. 1384 Judiciary on H.C.R. No. 268

The purpose of this concurrent resolution is to have the Legislature approve the advisory opinions of the Hawaiian Home Lands Trust Individual Claims Review Panel (Panel).

The Judiciary commented on this measure. The Department of Hawaiian Home Lands (DHHL), the Panel, and the Native Hawaiian Legal Corporation testified in support of this measure.

Your Committee finds that current law requires the Panel to submit its advisory opinions to the Legislature for review and further action.

Your Committee has amended this concurrent resolution by clarifying that DHHL and the Hawaiian Homes Commission are urged to take immediate corrective action on claims where "the Panel has determined that a breach of trust has occurred."

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

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 268, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 268, H.D. 1.

Signed by all members of the Committee except Representatives Tom, Hamakawa, McMurdo, Menor, Saiki and Yoshinaga.

SCRep. 1385 Judiciary on H.R. No. 232

The purpose of this resolution is to request the Department of Hawaiian Home Lands (DHHL) to examine the transfer of awarded interests in Hawaiian home lands, including the desirability, benefits, inequities, and drawbacks of allowing transfers under various conditions stated in the measure.

It is your Committee's belief that this resolution will help to address and mitigate concerns relating to inequities in the transfer of Hawaiian home lands, including circumvention in the transfer process to persons not on the waiting list or to persons lower on the waiting list.

The DHHL submitted testimony in support of the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 232 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Tom, Hamakawa, McMurdo, Menor, Saiki and Yoshinaga.

SCRep. 1386 Agriculture on H.R. No. 202

The purpose of this resolution is to request the Office of the Auditor to perform a financial and management audit of the Department of Agriculture (DOA), Animal Industry Division, Animal Quarantine, and related programs.

Your Committee feels that this is a necessary step in addressing the concerns and complaints directed toward the Animal Quarantine Station. It is your Committee's belief that this audit would support efforts to improve the operations and management at the animal facility, as well as provide a baseline assessment of the efforts and actions taken by the DOA to address any concerns and to remedy any problems at the Animal Quarantine Station.

Testimony in support of this measure was received from the Hawaiian Humane Society, the President of the West Hawaii Humane Society, Citizens for Quality Quarantine, the Eye of the Pacific Guide Dogs and Mobility Services Inc., a state representative, and several concerned citizens. The DOA testified in opposition to the measure, indicating that an audit would not uncover any more information than was discovered over the past five years, during which time the Animal Quarantine Station underwent intense scrutiny.

Upon careful consideration, your Committee has amended this resolution by:

- (1) Deleting accusatory language with regard to allegations levelled against the Animal Quarantine Station and offering a more objective rationale for requesting the audit;
- (2) Inverting the words "financial" and "management" in the title of the resolution as follows: "HOUSE RESOLUTION REQUESTING A MANAGEMENT AND FINANCIAL AUDIT OF THE DEPARTMENT OF AGRICULTURE, ANIMAL INDUSTRY DIVISION, ANIMAL QUARANTINE" to emphasize the management aspect of the audit;
- (3) Limiting the deadline for the Office of the Auditor to report to the Legislature no later than twenty days before the convening of the Regular Session of 1996; and
- (4) Making other technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 202, as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.R. No. 202, H.D. 1.

Signed by all members of the Committee except Representative Swain.
(Representative Chang voted no.)

SCRep. 1387 Agriculture on H.C.R. No. 203

The purpose of this resolution is to request the Office of the Auditor to perform a financial and management audit of the Department of Agriculture (DOA), Animal Industry Division, Animal Quarantine, and related programs.

Your Committee feels that this is a necessary step in addressing the concerns and complaints directed toward the Animal Quarantine Station. It is your Committee's belief that this audit would support efforts to improve the operations and management at the animal facility, as well as provide a baseline assessment of the efforts and actions taken by the DOA to address any concerns and to remedy any problems at the Animal Quarantine Station.

Testimony in support of this measure was received from the Hawaiian Humane Society, the President of the West Hawaii Humane Society, Citizens for Quality Quarantine, the Eye of the Pacific Guide Dogs and Mobility Services Inc., a state representative, and several concerned citizens. The DOA testified in opposition to the measure, indicating that an audit would not uncover any more information than was discovered over the past five years, during which time the Animal Quarantine Station underwent intense scrutiny.

Upon careful consideration, your Committee has amended this resolution by:

- (1) Deleting accusatory language with regard to allegations levelled against the Animal Quarantine Station and offering a more objective rationale for requesting the audit;
- (2) Inverting the words "financial" and "management" in the title of the resolution as follows: "HOUSE RESOLUTION REQUESTING A MANAGEMENT AND FINANCIAL AUDIT OF THE DEPARTMENT OF AGRICULTURE, ANIMAL INDUSTRY DIVISION, ANIMAL QUARANTINE" to emphasize the management aspect of the audit;
- (3) Limiting the deadline for the Office of the Auditor to report to the Legislature no later than twenty days before the convening of the Regular Session of 1996; and
- (4) Making other technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 203, as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.C.R. No. 203, H.D. 1.

Signed by all members of the Committee except Representative Swain.
(Representative Chang voted no.)

SCRep. 1388 Agriculture on H.R. No. 174

The purpose of this resolution is to request the Legislative Reference Bureau (LRB) to review literature on rabies and the quarantine laws of countries that are free from rabies.

The Hawaiian Humane Society, Citizens for Quality Quarantine, Veterinary Consultation Services, the West Hawaii Humane Society, and the Representative from the 51st District testified in favor of the resolution. The College of Tropical Agriculture and Human Resources at the University of Hawaii at Manoa supported the intent of the resolution and offered its assistance to LRB. The Board of Agriculture testified that it did not object to any effort to improve the general understanding of the total available literature dealing with the rabies issue.

Several testifiers recommended limiting the LRB review to current literature.

Upon further consideration, your Committee has amended the resolution by:

- (1) Stating that it is necessary to review "literature" rather than "all available literature" on the matter;
- (2) Stating that it is necessary to review literature dealing with quarantine laws of "countries that are similar to Hawaii as an island-nation or island-state, such as New Zealand and Australia" rather than "countries" considered to be rabies free;
- (3) Requesting LRB to review "literature published within the past three years" rather than "all available literature" on the matter;
- (4) Requesting LRB to review literature dealing with quarantine laws of "countries that are similar to Hawaii as an island-nation or island-state, such as New Zealand and Australia" rather than "countries" considered to be rabies free;
- (5) Revising the title of the measure to reflect the above changes; and
- (6) Making technical, nonsubstantive revisions for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 174, as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.R. No. 174, H.D. 1.

Signed by all members of the Committee except Representative Swain.

SCRep. 1389 Agriculture on H.C.R. No. 172

The purpose of this concurrent resolution is to request the Legislative Reference Bureau (LRB) to review literature on rabies and the quarantine laws of countries that are free from rabies.

The Hawaiian Humane Society, Citizens for Quality Quarantine, Veterinary Consultation Services, the West Hawaii Humane Society, and the Representative from the 51st District testified in favor of the concurrent resolution. The College of Tropical Agriculture and Human Resources at the University of Hawaii at Manoa supported the intent of the concurrent resolution and offered its assistance to LRB. The Board of Agriculture testified that it did not object to any effort to improve the general understanding of the total available literature dealing with the rabies issue.

Several testifiers recommended limiting the LRB review to current literature.

Upon further consideration, your Committee has amended the concurrent resolution by:

- (1) Stating that it is necessary to review "literature" rather than "all available literature" on the matter;
- (2) Stating that it is necessary to review literature dealing with quarantine laws of "countries that are similar to Hawaii as an island-nation or island-state, such as New Zealand and Australia" rather than "countries" considered to be rabies free;
- (3) Requesting LRB to review "literature published within the past three years" rather than "all available literature" on the matter;
- (4) Requesting LRB to review literature dealing with quarantine laws of "countries that are similar to Hawaii as an island-nation or island-state, such as New Zealand and Australia" rather than "countries" considered to be rabies free;
- (5) Revising the title of the measure to reflect the above changes; and
- (6) Making technical, nonsubstantive revisions for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 172, as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.C.R. No. 172, H.D. 1.

Signed by all members of the Committee except Representative Swain.

SCRep. 1390 **Ocean Recreation and Marine Resources and Energy and Environmental Protection on H.C.R. No. 227**

The purpose of this concurrent resolution is to request DOH to analyze the impacts caused by agricultural activities in the Kaiaka-Waialua Bay hydrological unit on marine species in the Kaiaka-Waialua Bay.

The Department of Health testified that the scope of a study to analyze the impact of terrigenous sediments and agricultural chemicals would be too costly in the terms of money, time and efforts. Based upon the testimony of the Department of Health, your Committee has amended this concurrent resolution to require a comprehensive review of existing data in place of a comprehensive analysis. The intent of your Committee is for the review to include all relevant data including but not limited to responsibilities of the counties and zoning requirements.

As affirmed by the records of votes of the members of your Committees on Ocean Recreation and Marine Resources and Energy and Environmental Protection that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 227, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 227, H.D. 1.

Signed by all members of the Committees except Representatives Kanohe, Nekoba, Takamine and Yoshinaga.

SCRep. 1391 **Health on H.R. No. 178**

The purpose of this resolution is to mandate the Department of Health to establish a mental health program at the Molokini Unit of Maui Memorial Hospital.

Testimony was received in strong support of this resolution from the Mental Health Association in Hawaii. Your Committee shares their concern about the lack of mental health services on Maui for youth and adults. In November, 1993, a request for proposals was issued by the Department of Health for a contractor to develop the planning and administration of the Molokini Unit. As of this date, a contract has yet to be awarded and work has yet to begin.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 178 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Pepper and Anderson.

SCRep. 1392 **Health on H.C.R. No. 175**

The purpose of this resolution is to mandate the Department of Health to establish a mental health program at the Molokini Unit of Maui Memorial Hospital.

Testimony was received in strong support of this resolution from the Mental Health Association in Hawaii. Your Committee shares their concern about the lack of mental health services on Maui for youth and adults. In November, 1993, a request for proposals was issued by the Department of Health for a contractor to develop the planning and administration of the Molokini Unit. As of this date, a contract has yet to be awarded and work has yet to begin.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 175 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Pepper and Anderson.

SCRep. 1393 **Health on H.R. No. 284**

The purpose of this resolution is to produce a study dealing with tuberculosis screening and examination.

Testimony was received in support of the intent of this resolution from the Department of Health and the Kokua Council for Senior Citizens. Your Committee recognizes that Hawaii has the second highest incidence of tuberculosis in the nation which is more than double the national average. Consequently, a comprehensive study is needed at this time in order that we learn more as to how to deal with this growing problem.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 284 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Pepper and Anderson.

SCRep. 1394 **Health on H.C.R. No. 301**

The purpose of this resolution is to produce a study dealing with tuberculosis screening and examination.

Testimony was received in support of the intent of this resolution from the Department of Health and the Kokua Council for Senior Citizens. Your Committee recognizes that Hawaii has the second highest incidence of tuberculosis in the nation which is more than double the national average. Consequently, a comprehensive study is needed at this time in order that we learn more as to how to deal with this growing problem.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 301 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Pepper and Anderson.

SCRep. 1395 Health and Human Services on H.C.R. No. 327

The purpose of this concurrent resolution is to request the Department of Health and the Developmental Disabilities Council of the Department of Human Services, in consultation with the Oahu Alliance for the Mentally Ill, to plan and convene a conference on life-care planning for persons with disabilities.

While finding merit in life-care planning for persons with developmental disabilities, the State Planning Council on Developmental Disabilities submitted testimony expressing that it would be unable to commit to co-sponsor a conference this fiscal year due to existing obligations for training funds. The Department of Health also noted that it would also be operating under funding constraints. The Department of Human Services expressed a desire to review regulations and statutes from other states to identify legal issues and to determine financial implications to the State prior to a conference.

Your Committees have amended the concurrent resolution by:

- (1) Deleting the conference, and instead requesting the three agencies named in the measure to:
 - (a) Collaborate to gather information;
 - (b) Explore practices that may be appropriate for Hawaii;
 - (c) Inform relevant constituency groups of their findings;
 - (d) Inform the Legislature of their educational activities; and
 - (e) Propose legislation; and
- (2) Revising the title of the measure to reflect the new purpose.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 327, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 327, H.D. 1.

Signed by all members of the Committees except Representatives Arakaki, Hamakawa, Kahikina, Kawakami and Anderson.

SCRep. 1396 Agriculture on H.R. No. 117

The purpose of this resolution is to request the Governor to establish a Statewide Working Group on Sustainable Agriculture to examine a variety of aspects involved in promoting and maintaining sustainable agriculture in Hawaii.

Your Committee finds that with the closing of certain large-scale agricultural productions, there is now both a need and the opportunity to rebuild the agricultural industry. Your Committee further recognizes the need to do this in an environmentally-sound manner to ensure the health and sustainability of diversified agriculture in Hawaii.

Testimony in support of this measure was received from the University of Hawaii at Manoa's College of Tropical Agriculture and Human Resources. Testimony in support of the intent of this measure was received from the Low Input Sustainable Agriculture for Hawaii Project. The Department of Agriculture (DOA) submitted testimony in opposition to this measure.

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

- (1) Instead of establishing a working group to study sustainable agriculture, requesting the DOA to examine the potential of sustainable agriculture in the State, and reflecting this change in the title of the resolution; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 117, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 117, H.D. 1.

Signed by all members of the Committee except Representative Swain.

SCRep. 1397 Agriculture on H.C.R. No. 109

The purpose of this concurrent resolution is to request the Governor to establish a Statewide Working Group on Sustainable Agriculture to examine a variety of aspects involved in promoting and maintaining sustainable agriculture in Hawaii.

Your Committee finds that with the closing of certain large-scale agricultural productions, there is now both a need and the opportunity to rebuild the agricultural industry. Your Committee further recognizes the need to do this in an environmentally-sound manner to ensure the health and sustainability of diversified agriculture in Hawaii.

Testimony in support of this measure was received from the University of Hawaii at Manoa's College of Tropical Agriculture and Human Resources. Testimony in support of the intent of this measure was received from the Low Input Sustainable Agriculture for Hawaii Project. The Department of Agriculture (DOA) submitted testimony in opposition to this measure.

Upon further consideration, your Committee has amended this concurrent resolution by:

- (1) Instead of establishing a working group to study sustainable agriculture, requesting the DOA to examine the potential of sustainable agriculture in the State, and reflecting this change in the title of this concurrent resolution; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 109, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 109, H.D. 1.

Signed by all members of the Committee except Representative Swain.

SCRep. 1398 Agriculture on H.R. No. 195

The purpose of this resolution is primarily to request the United States Department of Agriculture to:

- (1) Reopen the comment period regarding the importation of honeybees and honeybee semen from New Zealand; and
- (2) Exclude Hawaii from any legislation regarding exceptions to the Honeybee Act of 1922.

This resolution also indicates the Legislature's support for the original intent of the Honeybee Act of 1922.

Your Committee believes this to be an issue of great concern to the apiculture industry in Hawaii. Your Committee notes the concerns of the State's apiculture industry to ensure that honeybee diseases are prevented from contaminating Hawaii's bee industry. In this regard, your Committee recognizes that sensitivity and precaution toward protecting Hawaii's fragile environment needs to be maintained.

The Department of Agriculture submitted testimony in support of this measure, with certain reservations. A private citizen also testified in support of this measure.

Your Committee has amended this resolution by:

- (1) Clarifying that the date for the proposal to amend the honeybee regulations printed in the Federal Register was February 1, 1995; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 195, as amended herein, and recommends that it be referred to the Committee on Intergovernmental Relations and International Affairs, in the form attached hereto as H.R. No. 195, H.D. 1.

Signed by all members of the Committee except Representative Swain.

SCRep. 1399 Agriculture on H.C.R. No. 153

The purpose of this concurrent resolution, as received by your Committee, is primarily to request the U.S. Department of Agriculture to:

- (1) Reopen the comment period regarding the importation of honeybees and honeybee semen from New Zealand; and
- (2) Exclude Hawaii from any legislation regarding exceptions to the Honeybee Act of 1922.

This concurrent resolution also indicates the Legislature's support for the original intent of the Honeybee Act of 1922.

The Department of Agriculture submitted testimony in support of this measure, with the recommendation to broaden the scope of the concurrent resolution by not limiting the measure to just honeybees. A private citizen also testified in support of this measure.

Your Committee has amended this concurrent resolution by deleting the substance and inserting the language that encompasses the impact of federal legislation on Hawaii's environment from a broader perspective.

As amended, the purpose of this concurrent resolution is to urge the U.S. Department of Agriculture to consider the effect of and exclude the State of Hawaii from federal legislation that would have a detrimental impact on Hawaii's environment.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 153, as amended herein, and recommends that it be referred to the Committee on Intergovernmental Relations and International Affairs, in the form attached hereto as H.C.R. No. 153, H.D. 1.

Signed by all members of the Committee except Representative Swain.

SCRep. 1400 Agriculture on H.R. No. 206

The purpose of this resolution is to request the Agribusiness Development Corporation (ADC) to develop a pilot project for agricultural and economic development pursuits on vacant sugar lands.

Your Committee considers this resolution to be another positive step toward diversifying Hawaii's economy and creating new job opportunities from the newly vacant sugar lands. This resolution is intended to bring proven technology to fruition while continuing to look for new opportunities in diversified agriculture.

The Department of Agriculture submitted testimony in support of this resolution. The ADC and an interested citizen submitted comments on this measure.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 206 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Swain.

SCRep. 1401 Agriculture on H.C.R. No. 210

The purpose of this concurrent resolution is to request the Agribusiness Development Corporation (ADC) to develop a pilot project for agricultural and economic development pursuits on vacant sugar lands.

Your Committee considers this concurrent resolution to be another positive step toward diversifying Hawaii's economy and creating new job opportunities from the newly vacant sugar lands. This concurrent resolution is intended to bring proven technology to fruition while continuing to look for new opportunities in diversified agriculture.

The Department of Agriculture submitted testimony in support of this concurrent resolution. The ADC and an interested citizen submitted comments on this measure.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 210 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Swain.

SCRep. 1402 Hawaiian Affairs and Housing on H.R. No. 221

The purpose of this resolution is to request the Hawaii Housing Authority to develop a plan and a timetable for the phase out of the Weinberg Haleiwa homeless village.

Testimony from the Hawaii Housing Authority (HHA) clarified that the HHA will be phasing out the Weinberg village at the end of its lease in 1997. The HHA will request funding for the relocation or demolition of the shelters which are currently located at the Haleiwa Weinberg village.

Your Committee wanted to clarify that the former employees of the Waialua Sugar Company will not be displacing the homeless from the village nor living in the homes currently located at the site. The homeless population and homes will be relocated to allow use of the existing infrastructure for new homes which could be built to house the former employees of Waialua Sugar Company.

Upon careful consideration, your Committee has amended the bill by:

- (1) Referencing that the State also should consider the future use of the current infrastructure during lease renegotiation;
- (2) Clarifying that new and permanent housing would be provided to the former employees of Waialua Sugar Company on the site of the Weinberg village; and
- (3) Requiring that certified copies of the resolution to the Waialua Community Association, Haleiwa Main Street, and the North Shore Neighborhood Board #27.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 221, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 221, H.D. 1.