

SCRep. 1407 Agriculture and Economic Development and Business Concerns on H.R. No. 145

The purpose of this resolution is to request a study on the feasibility of establishing a public market in Honolulu.

Supporting testimony was received from the Department of Agriculture, the Department of Business, Economic Development, and Tourism, the Hawaii Community Development Authority, the Hawaii Farm Bureau, the Board of Directors of the Agribusiness Development Corporation, the Hawaii Association of Nurserymen, and an individual.

Your Committees recognize the economic potential of public markets to promote the State's unique and quality agricultural and aquacultural products. Furthermore, the development of a public market in each county would help generate new job and business opportunities, while being a boon to our agricultural and aquacultural industries.

Upon careful consideration, your Committees have amended this resolution by:

- (1) Requesting a study on the feasibility of establishing a public market in each county, rather than just in Honolulu;
- (2) Amending the title of the resolution to read: "REQUESTING A STUDY ON THE FEASIBILITY OF ESTABLISHING PUBLIC MARKETS IN EACH COUNTY";
- (3) Including the counties as participants in the study;
- (4) Requesting that the study include the potential of including both agricultural and aquacultural products in the development of public markets in the State; and
- (5) Requesting that copies of this measure be sent to the mayors and county council chairs of each county.

As affirmed by the records of votes of the members of your Committees on Agriculture and Economic Development and Business Concerns that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 145, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 145, HD 1.

Signed by all members of the Committees except Representatives Cachola, White and McDermott.

SCRep. 1408 Ocean Recreation and Marine Resources on H.C.R. No. 222

The purpose of this concurrent resolution is to request the Governor to convene public meetings with the Marine and Coastal Zone Management Advisory Group and other affected agencies to develop recommendations to enhance the Coastal Zone Management program's ability to implement its policies, plans and objectives.

Testimony in support of the measure was received from the Department of Business, Economic Development and Tourism; Hawaii's Thousand Friends and several concerned individuals.

Your Committee finds that efforts to maximize the effectiveness of the Coastal Zone Management program should be identified, evaluated and coordinated through the Marine and Coastal Zone Management Advisory Group.

Therefore, your Committee has amended this measure by identifying the Marine and Coastal Zone Management Advisory Group as responsible for convening public meetings on this topic and reporting its findings to the Legislature.

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. 222, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 222, HD 1.

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

SCRep. 1409 Ocean Recreation and Marine Resources on H.R. No. 152

The purpose of this resolution is to request the Governor to convene public meetings with the Marine and Coastal Zone Management Advisory Group and other affected agencies to develop recommendations to enhance the Coastal Zone Management program's ability to implement its policies, plans and objectives.

Testimony in support of the measure was received from the Department of Business, Economic Development and Tourism; Hawaii's Thousand Friends and several concerned individuals.

Your Committee finds that efforts to maximize the effectiveness of the Coastal Zone Management program should be identified, evaluated and coordinated through the Marine and Coastal Zone Management Advisory Group.

Therefore, your Committee has amended this measure by identifying the Marine and Coastal Zone Management Advisory Group as responsible for convening public meetings on this topic and reporting its findings to the Legislature.

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. 152, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 152, HD 1.

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

SCRep. 1410 Ocean Recreation and Marine Resources on H.C.R. No. 287

The purpose of this concurrent resolution is to request the Department of Land and Natural Resources (DLNR) to develop a pilot program to gather meaningful data on the number and species of aquarium fishes caught and exported from the State.

Your Committee finds that it is important to obtain accurate and timely information on the number and species of finfish and invertebrates being exported for aquarium purposes. Your Committee also recognizes that without additional statutory authority, inspections of packing facilities is limited only to enforcement action based on probable cause. For this reason, a cooperative program is necessary to allow for more expanded monitoring and for a sharing of costs.

Testimony was received from DLNR supporting the intent of the measure, however they were unable to support the measure due to the lack of existing legal authority to mandate inspections and insufficient personnel to carry out the inspections. Comments regarding this measure were also received from the Hawaii Tropical Fish Association and the University of Hawaii, Sea Grant College Program.

Testimony in strong support of this concurrent resolution was received from numerous individuals and organizations.

Your Committee amended the measure by including invertebrates with the fish to be monitored in the project.

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. 287, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 287, HD 1.

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

SCRep. 1411 Ocean Recreation and Marine Resources on H.R. No. 204

The purpose of this resolution is to request the Department of Land and Natural Resources (DLNR) to develop a pilot program to gather meaningful data on the number and species of aquarium fishes caught and exported from the State.

Your Committee finds that it is important to obtain accurate and timely information on the number and species of finfish and invertebrates being exported for aquarium purposes. Your Committee also recognizes that without additional statutory authority, inspections of packing facilities is limited only to enforcement action based on probable cause. For this reason, a cooperative program is necessary to allow for more expanded monitoring and for a sharing of costs.

Testimony was received from DLNR supporting the intent of the measure, however they were unable to support the measure due to the lack of existing legal authority to mandate inspections and insufficient personnel to carry out the inspections. Comments regarding this measure were also received from the Hawaii Tropical Fish Association and the University of Hawaii, Sea Grant College Program.

Testimony in strong support of this resolution was received from numerous individuals and organizations.

Your Committee amended the measure by including invertebrates with the fish to be monitored in the project.

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. 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, HD 1.

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

SCRep. 1412 Ocean Recreation and Marine Resources on H.C.R. No. 240

The purpose of this concurrent resolution is to request the Hawaii Coastal Zone Management (CZM) program to submit an annual report to the Legislature.

Testimony in support of the measure was received from the Department of Business, Economic Development & Tourism; Hawaii's Thousand Friends and Plan to Protect Kona.

Your Committee finds that an annual report from the CZM program would be very beneficial for the legislature as a means of increasing its awareness of the CZM program and contributing to meaningful debate on ways to improve the effectiveness of the CZM program.

Your Committee made technical and nonsubstantive amendments to the measure.

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. 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, HD 1.

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

SCRep. 1413 Ocean Recreation and Marine Resources on H.R. No. 171

The purpose of this resolution is to request the Hawaii Coastal Zone Management (CZM) program to submit an annual report to the Legislature.

Testimony in support of the measure was received from the Department of Business, Economic Development & Tourism; Hawaii's Thousand Friends and Plan to Protect Kona.

Your Committee finds that an annual report from the CZM program would be very beneficial for the legislature as a means of increasing its awareness of the CZM program and contributing to meaningful debate on ways to improve the effectiveness of the CZM program.

Your Committee made technical and nonsubstantive amendments to the measure.

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. 171, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 171, HD 1.

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

SCRep. 1414 Ocean Recreation and Marine Resources on H.C.R. No. 91

The purpose of this concurrent resolution is to urge the Governor to support the continued implementation of the Hawaii Ocean Resources Management Plan and the finalization and implementation of the Hawaiian Islands Humpback Whale National Marine Sanctuary as proposed in the Sanctuary's Draft EIS/MP.

Testimony in support of the concurrent resolution was received from the Department of Business, Economic Development and Tourism; Sierra Club, Hawaii Chapter; Hawaiian Islands Humpback Whale National Marine Sanctuary; and several private individuals. The Department of Land and Natural Resources submitted comments regarding this measure.

People Opposed to the Whale Sanctuary (POWS), MCBOAT, Paradise Cruise, Ltd. and numerous individuals testified in opposition to this concurrent resolution.

Your Committee finds that the Hawaii Ocean Resources Management Plan (the Plan) provides the state with the strategy for improving the integration of ocean resources management to achieve sustainability in the use of these resources. Your Committee also finds that there is significant disagreement about the benefits of the Hawaiian Islands Humpback Whale National Marine Sanctuary (the Sanctuary).

Thus, your Committee amended this measure as follows:

- 1) Deleting the parts of the measure describing the background and benefits of the Sanctuary;
- 2) Adding language about the background and benefits of the Plan;
- 3) Emphasizing that the establishment of any marine protected areas must be done within the policy framework of the Plan; and
- 4) Stating that one possible marine protected area that may provide assistance to the State in implementing the Plan is the Hawaiian Islands Humpback Whale National Marine Sanctuary as long as the State does not abrogate its primacy in ocean management.

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. 91, as amended herein, and recommends that it be referred to the Committee on Judiciary, in the form attached hereto as H.C.R. No. 91, HD 1.

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

SCRep. 1415 Ocean Recreation and Marine Resources on H.C.R. No. 221

The purpose of this concurrent resolution is to request the Department of Land and Natural Resources (DLNR) to adopt rules to distinguish subsistence fishing from recreational and commercial fishing.

Testimony in support of the concurrent resolution was received from DLNR stating that within available manpower and budgetary levels, they will attempt to accomplish the purpose of the measure. Two concerned individuals submitted comments concerning the concurrent resolution.

Your Committee recognizes that subsistence fishing should not be defined on the basis of membership in an ethnic group or place of residence. Your Committee also notes that this issue is complex and therefore should be handled in a very systematic and deliberative manner.

Therefore, your Committee amended this measure as follows:

- 1) Adding a clause stating that the definition of subsistence fishing should not discriminate on ethnic grounds or place of residence;
- 2) That DLNR should develop alternative definitions of "subsistence fishing";
- 3) DLNR should identify and evaluate the options of managing subsistence fishing separately from recreational or commercial fishing; and

- 4) DLNR will report its findings to the Legislature.

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. 221, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 221, HD 1.

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

SCRep. 1416 Ocean Recreation and Marine Resources on H.R. No. 151

The purpose of this resolution is to request the Department of Land and Natural Resources (DLNR) to adopt rules to distinguish subsistence fishing from recreational and commercial fishing.

Testimony in support of the resolution was received from DLNR stating that within available manpower and budgetary levels, they will attempt to accomplish the purpose of the measure. Two concerned individuals submitted comments concerning the resolution.

Your Committee recognizes that subsistence fishing should not be defined on the basis of membership in an ethnic group or place of residence. Your Committee also notes that this issue is complex and therefore should be handled in a very systematic and deliberative manner.

Therefore, your Committee amended this measure as follows:

- 1) Adding a clause stating that the definition of subsistence fishing should not discriminate on ethnic grounds or place of residence;
- 2) That DLNR should develop alternative definitions of "subsistence fishing";
- 3) DLNR should identify and evaluate the options of managing subsistence fishing separately from recreational or commercial fishing; and
- 4) DLNR will report its findings to the Legislature.

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 Finance.

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

SCRep. 1417 Ocean Recreation and Marine Resources on H.C.R. No. 220

The purpose of this concurrent resolution requests the establishment of a task force on ocean mariculture and ocean leasing.

Your Committee finds that ocean mariculture has great potential for economic development in Hawaii. In addition, large scale production of tuna and mahi mahi would increase our supply of fish to the local and export market without an increase in fishing pressure on the wild stocks of these fish. Your Committee also notes that shellfish could be successfully cultivated in embayments for commercial production. All of these opportunities hinge upon successfully addressing policy and legal issues relating to ocean leasing.

Testimony in support of this concurrent resolution was received from Department of Business, Economic Development, and Tourism; the University of Hawaii, Sea Grant College Program; and Hawaii Aquaculture Association. The Department of Land and Natural Resources also testified in support of this measure and noted it was important to have a member of the public, possibly the fishing community, on the task force.

Based on this, your Committee amended the measure by adding a representative of the marine fishing community as a member of the task force.

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. 220, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 220, HD 1.

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

SCRep. 1418 Human Services and Housing on H.C.R. No. 146

The purpose of this concurrent resolution is to request the Governor to convene a task force to promote strong families, the nucleus of our society, through positive fathering.

Written and oral testimony received from the Office of the Governor, the Department of Education, and a concerned citizen, revealed mostly favorable views for the intent of this measure. The Governor's Office, however, indicated that its current staffing level would not allow for, what it claimed, would be a staff-intensive endeavor. The Department of Education, on the other hand, indicated that if such a task force were convened, it would work together with business, government, and community sectors to promote the family and the importance of fatherhood.

Your Committee recognizes that there is a crucial need in Hawaii, and the rest of the nation for that matter, for such efforts and, after careful consideration of this concurrent resolution and the testimony submitted thereon, your Committee passes this measure unamended.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 146 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Whalen.

SCRep. 1419 Human Services and Housing on H.R. No. 92

The purpose of this resolution is to request the Governor to convene a task force to promote strong families, the nucleus of our society, through positive fathering.

Written and oral testimony received from the Office of the Governor, the Department of Education, and a concerned citizen, revealed mostly favorable views for the intent of this measure. The Governor's Office, however, indicated that its current staffing level would not allow for, what it claimed, would be a staff-intensive endeavor. The Department of Education, on the other hand, indicated that if such a task force were convened, it would work together with business, government, and community sectors to promote the family and the importance of fatherhood.

Your Committee recognizes that there is a crucial need in Hawaii, and the rest of the nation for that matter, for such efforts and, after careful consideration of this resolution and the testimony submitted thereon, your Committee passes this measure unamended.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 92 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Whalen.

SCRep. 1420 Health on H.C.R. No. 68

The purpose of this concurrent resolution is to offer alternative solutions to the substance abuse problem faced by our State by requesting the Legislative Reference Bureau (LRB) to research the fundamental elements of the harm reduction approach to substance abuse policy.

The Harm Reduction Hawaii Project, the Citizens Advocating Responsible Education, and five concerned individuals submitted testimony in support of this measure. Your Committee received opposing testimony from the Police Department of the City and County of Honolulu and the Department of the Attorney General.

Your Committee finds that many people working in the field believe that current approaches to our substance abuse problem, based on a law enforcement model, are not working adequately. They believe that the issues of drug addiction and the spread of diseases like HIV and hepatitis are public health problems and are more effectively addressed by public health interventions than by the criminal justice ones.

Your Committee believes that the study proposed in this concurrent resolution will help this body and the community better understand harm reduction and some of the alternatives that need to be considered and tried. Hopefully, some valuable new information, perspectives, and possibilities will be gained that will enable your Committee to propose and enact better drug policies in the years to come.

Your Committee has amended this measure by:

- (1) Deleting all reference to the Hawaii Drug Policy Options Group and replacing it with its new name, the Drug Policy Forum of Hawaii;
- (2) Requesting the LRB to research the costs on drug-related arrests including:
 - (A) The amount of funds being spent by law enforcement that emphasizes interdiction, eradication, and incarceration; and
 - (B) Costs incurred throughout each step of the process (from arrest to treatment);
 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 Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 68, as amended herein, and recommends that it be referred to the Committee on Judiciary in the form attached hereto as H.C.R. No. 68, HD 1.

Signed by all members of the Committee except Representatives Saiki, Stegmaier and Pendleton.
(Representative Whalen voted no.)

SCRep. 1421 Health on H.C.R. No. 279

The purpose of this concurrent resolution is to strengthen the ability of members of the community to respond to life threatening situations in Kauai by requesting the Department of Education (DOE) to establish a pilot Cardiopulmonary Resuscitation (CPR) Training Program as part of the 10th grade health curriculum on Kauai.

The Kauai District of the DOE, the American Heart Association, the Hawaii Fire Chiefs Association, the Hawaii Medical Service Association, and the Hawaii Nurses' Association submitted testimony in support of this measure. The DOE concurred with the intent of this measure as long as it does not take away from the basic required health education program and other required programs.

Your Committee finds that there is a direct correlation between the prompt initiation of CPR and survival rates for victims of cardiopulmonary arrest. For CPR to be effective, it should be instituted within two minutes of the arrest.

Early bystander CPR is a critical link in the "chain of survival". Your Committee further finds that the city of Seattle, which has nearly one half of its population trained in CPR, has a survival rate for victims of cardiac arrest more than double that of Hawaii. Many of Seattle's citizens were trained in CPR through the school system.

This measure will ensure that our high school graduates have the life skills necessary to be responsible adults and to save lives. In addition, CPR training presents an opportunity to teach students about the risk factors associated with heart disease.

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. 279 and recommends that it be referred to the Committee on Education.

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

SCRep. 1422 Health on H.R. No. 200

The purpose of this resolution is to strengthen the ability of members of the community to respond to life threatening situations in Kauai by requesting the Department of Education (DOE) to establish a pilot Cardiopulmonary Resuscitation (CPR) Training Program as part of the 10th grade health curriculum on Kauai.

The Kauai District of the DOE, the American Heart Association, the Hawaii Fire Chiefs Association, the Hawaii Medical Service Association, and the Hawaii Nurses' Association submitted testimony in support of this measure. The DOE concurred with the intent of this measure as long as it does not take away from the basic required health education program and other required programs.

Your Committee finds that there is a direct correlation between the prompt initiation of CPR and survival rates for victims of cardiopulmonary arrest. For CPR to be effective, it should be instituted within two minutes of the arrest.

Early bystander CPR is a critical link in the "chain of survival". Your Committee further finds that the city of Seattle, which has nearly one half of its population trained in CPR, has a survival rate for victims of cardiac arrest more than double that of Hawaii. Many of Seattle's citizens were trained in CPR through the school system.

This measure will ensure that our high school graduates have the life skills necessary to be responsible adults and to save lives. In addition, CPR training presents an opportunity to teach students about the risk factors associated with heart disease.

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. 200 and recommends that it be referred to the Committee on Education.

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

SCRep. 1423 Public Safety and Military Affairs on H.C.R. No. 223

The purpose of this concurrent resolution is to support the efforts of the Hawaii Congressional Delegation to homeport the Japanese Midget Submarine (Ha-19) at Pearl Harbor.

Testimony in support of the concurrent resolution was submitted by Ms. Aldona Sendzikas, Curator, Bowfin Museum, and Mr. Clifton H. Takamura, acting as a private citizen and not on behalf of the Sons and Daughters of the MISVA or any other Veterans associations.

Your Committee finds that the Nimitz Museum of Fredericksburg, Texas has refused to return the Japanese Midget Submarine (Ha-19) to the National Park Service since 1995, when the temporary loan agreement between the Nimitz Museum and the National Park Service expired. Your Committee also finds that homeporting the Japanese Midget Submarine (Ha-19) at Pearl Harbor, in combination with the Arizona Memorial, would be an ideal representation of American history, as well as generating millions of dollars in revenue from the hundreds of thousands of visitors who will visit the site annually. Furthermore, your Committee finds that there is overwhelming public support from the State of Hawaii for the return of the Japanese Midget Submarine (Ha-19) to Hawaii.

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 concurs with the intent and purpose of H.C.R. No. 223 and recommends its adoption.

Signed by all members of the Committee except Representative Tom.

SCRep. 1424 Public Safety and Military Affairs on H.R. No. 153

The purpose of this resolution is to support the efforts of the Hawaii Congressional Delegation to homeport the Japanese Midget Submarine (Ha-19) at Pearl Harbor.

Testimony in support of the resolution was submitted by Ms. Aldona Sendzikas, Curator, Bowfin Museum, and Mr. Clifton H. Takamura, acting as a private citizen and not on behalf of the Sons and Daughters of the Misva or any other Veterans associations.

Your Committee finds that the Nimitz Museum of Fredericksburg, Texas has refused to return the Japanese Midget Submarine (Ha-19) to the National Park Service since 1995, when the temporary loan agreement between the Nimitz Museum and the National Park Service expired. Your Committee also finds that homeporting the Japanese Midget Submarine (Ha-19) at Pearl Harbor, in combination with the Arizona Memorial, would be an ideal representation of American history, as well as generating millions of dollars in revenue from the hundreds of thousands of visitors who will visit the site annually. Furthermore, your Committee finds that there is overwhelming public support from the State of Hawaii for the return of the Japanese Midget Submarine (Ha-19) to Hawaii.

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 concurs with the intent and purpose of H.R. No. 153 and recommends its adoption.

Signed by all members of the Committee except Representative Tom.

SCRep. 1425 Public Safety and Military Affairs on H.C.R. No. 128

The purpose of this concurrent resolution is to request the United States Department of Defense to evaluate its current military presence in Okinawa and to return land and facilities to the prefectural government.

Testimony in support of this concurrent resolution was submitted by the U.S.-Japan Committee for Racial Justice and Mr. Clifton H. Takamura, acting as a private citizen and not on behalf of the Sons and Daughters of the MISVA or any other Veterans associations.

Your Committee finds that the issue of United States military bases in Okinawa has become contentious in recent times. With the population density of Okinawa increasing to 2,900 persons per square mile, nearly twice that of Oahu, and that seventy-five per cent of all military facilities on Japanese territory and sixty-five per cent of United States troops in Japan are located on Okinawa, the Okinawan people have been physically and psychologically affected by the military exercises, accidents, and crimes committed by military personnel. As a result, the Okinawan people have asserted their opposition to current U.S. and Japanese military policies through the referendum conducted by the Okinawan Prefecture government on September 8, 1996.

Your Committee also finds that many people in Hawaii, especially in the Okinawan community, are sympathetic to the demands of the Okinawan people. Since Hawaii has a special relationship with Okinawa as sister-states, with similar histories and economies, the people of Hawaii seek to promote better relations and understanding between the United States and Okinawa.

Accordingly, your Committee has amended this concurrent resolution by:

- (1) Changing the title to state that both the President of the United States and the U.S. Department of Defense are requested to continue efforts to evaluate the current U.S. military presence in Okinawa and to return land and facilities to the prefectural government;
- (2) Changing the "BE IT RESOLVED" clause to state that the President of the United States and the Department of Defense are requested to adhere to, and accelerate whenever possible, the scheduled relocation, adjustment, and realignment of the current presence of U.S. military forces in Okinawa as recommended in the Final Report of the Special Action Committee on Okinawa, with the intent to return land and facilities not needed for direct military purposes;
- (3) Changing the first "BE IT FURTHER RESOLVED" clause to state that both the President of the United States and the Department of Defense are requested to consider the inequity and injustice of locating a disproportionate share of military facilities in Okinawa, and to reassess periodically, with consideration given to Okinawan internal affairs and the international situation, the possibility of relocating facilities to other areas in Japan and Asia; and
- (4) Changing the second "BE IT FURTHER RESOLVED" clause to state that the United States Congress is requested to conduct hearings to assess the U.S. military presence in Asia and Japan, and consider the downsizing of United States military forces to comply with current security needs.

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 concurs with the intent and purpose of H.C.R. No. 128, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 128, HD 1.

Signed by all members of the Committee except Representative Tom.

SCRep. 1426 Tourism on H.C.R. No. 101

The purpose of this resolution is to request the major television networks to include weather maps and forecasts for Hawaii when broadcasting nationwide programs that include national weather reports.

Your Committee received testimony in support of this resolution from the Department of Business, Economic Development, and Tourism.

Your Committee finds that, although Hawaii is the fiftieth state admitted to the Union, and is a major travel destination for a tremendous number of people from the United States mainland, many major news and feature shows broadcast nationwide neglect Hawaii in their weather forecasts and travelers' advisories. The inclusion of Hawaii in the weather forecasts of nationally broadcast programs will help to provide useful information to our actual and potential visitors.

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. 101 and recommends its adoption.

Signed by all members of the Committee except Representatives Jones, White and Aiona.

SCRep. 1427 Tourism on H.R. No. 58

The purpose of this resolution is to request the major television networks to include weather maps and forecasts for Hawaii when broadcasting nationwide programs that include national weather reports.

Your Committee received testimony in support of this resolution from the Department of Business, Economic Development, and Tourism.

Your Committee finds that, although Hawaii is the fiftieth state admitted to the Union, and is a major travel destination for a tremendous number of people from the United States mainland, many major news and feature shows broadcast nationwide neglect Hawaii in their weather forecasts and travelers' advisories. The inclusion of Hawaii in the weather forecasts of nationally broadcast programs will help to provide useful information to our actual and potential visitors.

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. 58, and recommends its adoption.

Signed by all members of the Committee except Representatives Jones, White and Aiona.

SCRep. 1428 Labor and Public Employment on S.B. No. 1242

The purpose of this bill is to:

- (1) Provide a definition of the term "labor organization" for purposes of chapter 386, Hawaii Revised Statutes; and
- (2) Authorize an employer to determine workers' compensation benefits through collective bargaining with a labor organization rather than with an appropriate bargaining unit.

More specifically, this bill would require the Department of Labor and Industrial Relations to determine whether a labor organization complies with standards set forth in section 158(a)(1) and (2) of Title 29, United States Code, and section 377-6(1) and (2), Hawaii Revised Statutes (HRS), before allowing the labor organization to collectively bargain for workers' compensation benefits under section 386-3.5, HRS.

Your Committee received testimony in support of this measure from the Hawaii Construction Industry Association and the Hawaii Operating Engineers Industry Stabilization Fund. The Department of Labor and Industrial Relations indicated that it does not oppose this bill provided funding for additional staff is appropriated.

Your Committee believes that this measure would help to protect the integrity of the collective bargaining process by preventing companies from setting up company unions to negotiate employee benefits.

Upon due consideration, your Committee has amended this bill by deleting the provision that would disqualify a labor organization from collective bargaining for workers' compensation benefits under section 386-3.5, HRS, for specified violations of state or federal law.

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. 1242, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1242, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hiraki and Takumi.

SCRep. 1429 Consumer Protection and Commerce on S.B. No. 140

The purpose of the bill is to make clarifying amendments to the Limited Liability Partnership Act regarding the type of claims against which insurance or security must be maintained and the limit on the maximum amount of insurance or security required to be maintained.

Testimony in support of the bill was received from the Department of Commerce and Consumer Affairs, Business Registration Division, the Hawaii Society of Certified Public Accountants, the Accountants Coalition Hawaii Committee, and Ernst and Young, LLP.

Currently, the law requires that every limited liability partnership and foreign limited liability partnership maintain up to a maximum of \$5,000,000, net of outstanding claims, in liability insurance or security to secure claims arising out of acts, errors, or omissions of the partnership.

This bill amends the law to provide that the maximum limit of insurance or security required is \$5,000,000, without regard to any outstanding claims. Additionally, the type of claims covered are those based upon the negligent or wrongful acts or omissions of the partnership. Your Committee finds that without these amendments, limited liability partnerships may have difficulty complying with the law.

Your Committee recognizes the importance of this bill to the business community and recommends its expedited passage.

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. 140, SD 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 Tom and Yoshinaga.

SCRep. 1430 Economic Development and Business Concerns on H.C.R. No. 71

The purpose of this concurrent resolution is to request the Department of Taxation (DOTAX) to study ways of providing tax incentives to businesses for supporting the employment of Hawaii workers.

In addition, this measure also encourages all companies doing business in the State to keep employee positions in the State and to hire Hawaii residents to the greatest extent possible.

Testimony in support of this measure was submitted by the Democratic Party of Hawaii. Comments were submitted by DBEDT. DOTAX submitted testimony in opposition to this 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. 71 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 1431 Economic Development and Business Concerns on H.C.R. No. 208

The purpose of this concurrent resolution is to support Ke Ala Hoku to improve the quality of life in the State, by:

- (1) Requesting the Legislature to adopt the benchmarking process of Ke Ala Hoku;
- (2) Urging sectors of the State to recognize the value of Ke Ala Hoku and the benchmarking process, and to integrate the work and priorities of Ke Ala Hoku in their initiatives; and
- (3) Requesting the Ke Ala Hoku Statewide Steering Committee to submit a status report to the Legislature on the benchmarked indicators and the actions taken in response to this measure.

The Executive Director of Hawaii Community Services Council, the President of Aloha United Way, and two individuals submitted testimony in support of this 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. 208 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representative Cachola.

SCRep. 1432 Economic Development and Business Concerns on H.R. No. 144

The purpose of this resolution is to support Ke Ala Hoku to improve the quality of life in the State, by:

- (1) Requesting the Legislature to adopt the benchmarking process of Ke Ala Hoku;
- (2) Urging sectors of the State to recognize the value of Ke Ala Hoku and the benchmarking process, and to integrate the work and priorities of Ke Ala Hoku in their initiatives; and
- (3) Requesting the Ke Ala Hoku Statewide Steering Committee to submit a status report to the Legislature on the benchmarked indicators and the actions taken in response to this measure.

The Executive Director of Hawaii Community Services Council, the President of Aloha United Way, and two individuals submitted testimony in support of this 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. 144 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representative Cachola.

SCRep. 1433 Economic Development and Business Concerns on H.C.R. No. 256

The purpose of this concurrent resolution, as received by your Committee, is to request the Department of Business, Economic Development, and Tourism (DBEDT) to study the economic feasibility of authorizing one shipboard casino vessel in the port of Hilo, to operate only slot machines and other gaming devices that do not require the interaction or services of a casino dealer or worker.

Testimony in support of this concurrent resolution was submitted by the Hawaii Carpenters Union, the Pacific Area Consultants Corporation, and an interested individual. Comments were submitted by DBEDT. The Department of the Attorney General submitted testimony in opposition to this measure.

Your Committee recognizes that gaming is a viable means to stimulate the depressed economy of the Big Island. However, your Committee also recognizes that while a comprehensive study has been completed on shipboard casino gambling and pari-mutuel horse racing, a study on the feasibility of slot machines may be best handled by the private sector.

Upon careful consideration, your Committee has amended this concurrent resolution by deleting the contents and inserting new material, the purpose of which is to request DBEDT to:

- (1) Study the economic and social impact of pari-mutuel horse racing, shipboard casinos, and hotel/casino gambling in Hilo; and
- (2) Follow up on the study requested by Senate Concurrent Resolution No. 282, HD 2 (1996), which requested DBEDT to conduct a study on the economic impacts of shipboard casinos and pari-mutuel horse racing in 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 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, HD 1.

Signed by all members of the Committee except Representative Cachola.

SCRep. 1434 Economic Development and Business Concerns on H.R. No. 183

The purpose of this resolution, as received by your Committee, is to request the Department of Business, Economic Development, and Tourism (DBEDT) to study the economic feasibility of authorizing one shipboard casino vessel in the port of Hilo, to operate only slot machines and other gaming devices that do not require the interaction or services of a casino dealer or worker.

Testimony in support of this resolution was submitted by the Hawaii Carpenters Union, the Pacific Area Consultants Corporation, and an interested individual. Comments were submitted by DBEDT. The Department of the Attorney General submitted testimony in opposition to this measure.

Your Committee recognizes that gaming is a viable means to stimulate the depressed economy of the Big Island. However, your Committee also recognizes that while a comprehensive study has been completed on shipboard casino gambling and pari-mutuel horse racing, a study on the feasibility of slot machines may be best handled by the private sector.

Upon careful consideration, your Committee has amended this resolution by deleting the contents and inserting new material, the purpose of which is to request DBEDT to:

- (1) Study the economic and social impact of pari-mutuel horse racing, shipboard casinos, and hotel/casino gambling in Hilo; and
- (2) Follow up on the study requested by Senate Concurrent Resolution No. 282, HD 2 (1996), which requested DBEDT to conduct a study on the economic impacts of shipboard casinos and pari-mutuel horse racing in 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 concurs with the intent and purpose of H.R. No. 183, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 183, HD 1.

Signed by all members of the Committee except Representative Cachola.

SCRep. 1435 Economic Development and Business Concerns and Tourism on H.C.R. No. 264

The purpose of this concurrent resolution, as received by your Committees, is to request the Department of Business, Economic Development, and Tourism (DBEDT), the East-West Center, the University of Hawaii (UH), and business/private sectors to work toward hosting an Asia-Pacific Economic Cooperation conference in Hawaii in the near future.

Testimony in support of this concurrent resolution was submitted by DBEDT and the East-West Center. UH submitted testimony commenting on this concurrent resolution.

Your Committees recognize that hosting an Asia-Pacific conference in Hawaii will be an effective means of promoting Hawaii and will reinforce Hawaii's stature as the economic gateway between the United States and the Asia-Pacific region.

Your Committees also recognize that the economic agenda developed by the Pacific Congress on Marine Science and Technology over the past several years has become a primary action plan for economic cooperation among the nations of the Asia-Pacific region.

Upon careful consideration, your Committees have amended this concurrent resolution by deleting the title and substance and inserting new material, the purpose of which is to request DBEDT, the East-West Center, UH, and business/private sectors to work toward hosting a Pacific Conference on Marine Science and Technology in Hawaii in the year 2000.

As affirmed by the records of votes of the members of your Committees on Economic Development and Business Concerns and Tourism that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 264, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 264, HD 1.

Signed by all members of the Committees except Representatives Ito, Morita and Takai.

SCRep. 1436 Economic Development and Business Concerns and Tourism on H.R. No. 189

The purpose of this resolution, as received by your Committees, is to request the Department of Business, Economic Development, and Tourism (DBEDT), the East-West Center, the University of Hawaii (UH), and business/private sectors to work toward hosting an Asia-Pacific Economic Cooperation conference in Hawaii in the near future.

Testimony in support of this resolution was submitted by DBEDT and the East-West Center. UH submitted testimony commenting on this resolution.

Your Committees recognize that hosting an Asia-Pacific conference in Hawaii will be an effective means of promoting Hawaii and will reinforce Hawaii's stature as the economic gateway between the United States and the Asia-Pacific region.

Your Committees also recognize that the economic agenda developed by the Pacific Congress on Marine Science and Technology over the past several years has become a primary action plan for economic cooperation among the nations of the Asia-Pacific region.

Upon careful consideration, your Committees have amended this resolution by deleting the title and substance and inserting new material, the purpose of which is to request DBEDT, the East-West Center, UH, and business/private sectors to work toward hosting a Pacific Conference on Marine Science and Technology in Hawaii in the year 2000.

As affirmed by the records of votes of the members of your Committees on Economic Development and Business Concerns and Tourism that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 189, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 189, HD 1.

Signed by all members of the Committees except Representatives Ito, Morita and Takai.

SCRep. 1437 Education on H.C.R. No. 187

The purpose of this concurrent resolution is to request the Department of Education to establish six Junior Reserve Officer Training Corps (JROTC) positions.

Your Committee finds that the popularity of JROTC programs has been increasing among students, and that insufficient funds have been appropriated for JROTC instructors, such that forty-eight instructors in the Department of Education are needed but only forty-two positions are authorized, leaving six shortfall positions.

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. 187 and recommends that it be referred to the Committee on Public Safety and Military Affairs.

Signed by all members of the Committee except Representatives Morihara, Takai, Halford, McDermott and Moses.

SCRep. 1438 Education on H.R. No. 122

The purpose of this resolution is to request the Department of Education to establish six Junior Reserve Officer Training Corps (JROTC) positions.

Your Committee finds that the popularity of JROTC programs has been increasing among students, and that insufficient funds have been appropriated for JROTC instructors, such that forty-eight instructors in the Department of Education are needed but only forty-two positions are authorized, leaving six shortfall positions.

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. 122 and recommends that it be referred to the Committee on Public Safety and Military Affairs.

Signed by all members of the Committee except Representatives Morihara, Takai, Halford, McDermott and Moses.

SCRep. 1439 Education on H.C.R. No. 111

The purpose of this concurrent resolution is to request the Department of Education to consider providing in-service training opportunities for school-level certificated personnel over the summer vacation.

Your Committee received testimony in favor of this measure from the Department of Education.

Your Committee agrees with the intent of this concurrent resolution that school-level certificated personnel provide services that enable instruction to take place in the classroom, and that removal of these personnel from the classroom may disrupt the learning process and smooth operation of Hawaii's schools. Your Committee finds, however, that opportunities for in-service training should take place over both summer vacations and during intersessions.

Your Committee has therefore amended this concurrent resolution by:

- (1) Amending the title to read: "House Concurrent Resolution Requesting the Department of Education to consider Providing In-Service Training Opportunities for School-Level Certificated Personnel"; and
- (2) Amending the first clause by specifying that the Department is requested to provide compensation to school-level certificated personnel for in-service training over the summer vacation and during intersessions.

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. 111, 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. 111, HD 1.

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

SCRep. 1440 Education on H.R. No. 66

The purpose of this resolution is to request the Department of Education to consider providing in-service training opportunities for school-level certificated personnel over the summer vacation.

Your Committee received testimony in favor of this measure from the Department of Education.

Your Committee agrees with the intent of this resolution that school-level certificated personnel provide services that enable instruction to take place in the classroom, and that removal of these personnel from the classroom may disrupt the learning process and smooth operation of Hawaii's schools. Your Committee finds, however, that opportunities for in-service training should take place over both summer vacations and during intersessions.

Your Committee has therefore amended this resolution by:

- (1) Amending the title to read: "House Resolution Requesting the Department of Education to Consider Providing In-Service Training Opportunities for School-Level Certificated Personnel"; and
- (2) Amending the first clause by specifying that the Department is requested to provide compensation to school-level certificated personnel for in-service training over the summer vacation and during intersessions.

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. 66, 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. 66, HD 1.

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

SCRep. 1441 Education on H.C.R. No. 181

The purpose of this concurrent resolution is to request that the Department of Education implement the recommendations of the Kauai School Bus Safety Task Force statewide.

The Hawaii State PTSA and a private individual submitted testimony in support of this concurrent resolution. The Superintendent of Education submitted comments on this measure.

Your Committee finds that there is a need for traffic, pedestrian, and school bus safety information to be provided to students, parents, school bus operators, and motorists in school areas statewide.

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 H.C.R. No. 181, and recommends that it be referred to the Committee on Transportation.

Signed by all members of the Committee except Representatives Takamine, Tarnas and Yonamine.

SCRep. 1442 Labor and Public Employment on H.C.R. No. 160

The purpose of this concurrent resolution is to request the Hawaii State Commission on the Status of Women to:

- (1) Collect data concerning sexual harassment in state agencies;
- (2) Propose an educational and training program for state agency directors and management personnel; and
- (3) Suggest short- and long-term measures and evaluation criteria.

In addition, this measure requests the Hawai'i Civil Rights Commission to:

- (1) Detail its activities and costs related to sexual harassment complaints concerning state agencies; and
- (2) Identify any additional resources necessary to address the enforcement of sexual harassment policies and procedures in state agencies.

The Hawaii State Commission on the Status of Women, the Sex Abuse Treatment Center, and a concerned individual testified in support of this measure. The Hawai'i Civil Rights Commission supported the intent of this measure. The Department of Human Resources Development stated that it currently provides sexual harassment training and would provide additional training, if necessary.

Your Committee recognizes the important need to address sexual harassment concerns in the workplace and to develop appropriate prevention policies for state agencies through a concerted effort.

Your Committee has amended this measure by:

- (1) Requesting the Department of Human Resources Development to work with the Hawaii State Commission on the Status of Women and the Hawai'i Civil Rights Commission to accomplish the requests contained in this measure;
- (2) Requiring the Hawai'i Civil Rights Commission and the Department of Human Resources Development to submit a preliminary report to the Legislature no later than December 1, 1997, and a final report to the Legislature no later than June 30, 1998;
- (3) Providing that a certified copy of this measure be transmitted to the Director of Human Resources Development; and
- (4) Making technical, nonsubstantive amendments for purposes of 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. 160, as amended herein, and recommends that it be referred to the Committee on Judiciary, in the form attached hereto as H.C.R. No. 160, HD 1.

Signed by all members of the Committee except Representative Takumi.

SCRep. 1443 Labor and Public Employment on H.R. No. 101

The purpose of this resolution is to request the Hawaii State Commission on the Status of Women to:

- (1) Collect data concerning sexual harassment in state agencies;
- (2) Propose an educational and training program for state agency directors and management personnel; and
- (3) Suggest short- and long-term measures and evaluation criteria.

In addition, this measure requests the Hawai'i Civil Rights Commission to:

- (1) Detail its activities and costs related to sexual harassment complaints concerning state agencies; and
- (2) Identify any additional resources necessary to address the enforcement of sexual harassment policies and procedures in state agencies.

The Hawaii State Commission on the Status of Women, the Sex Abuse Treatment Center, and a concerned individual testified in support of this measure. The Hawai'i Civil Rights Commission supported the intent of this measure. The Department of Human Resources Development stated that it currently provides sexual harassment training and would provide additional training, if necessary.

Your Committee recognizes the important need to address sexual harassment concerns in the workplace and to develop appropriate prevention policies for state agencies through a concerted effort.

Your Committee has amended this measure by:

- (1) Requesting the Department of Human Resources Development to work with the Hawaii State Commission on the Status of Women and the Hawai'i Civil Rights Commission to accomplish the requests contained in this measure;

- (2) Requiring the Hawai'i Civil Rights Commission and the Department of Human Resources Development to submit a preliminary report to the Legislature no later than December 1, 1997, and a final report to the Legislature no later than June 30, 1998;
- (3) Providing that a certified copy of this measure be transmitted to the Director of Human Resources Development; and
- (4) Making technical, nonsubstantive amendments for purposes of 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. 101, as amended herein, and recommends that it be referred to the Committee on Judiciary, in the form attached hereto as H.R. No. 101, HD 1.

Signed by all members of the Committee except Representative Takumi.

SCRep. 1444 Labor and Public Employment on H.C.R. No. 168

The purpose of this concurrent resolution is to request the Employees' Retirement System (ERS) to study the costs and benefits of including Conservation and Resources Enforcement Officers in Class A of the ERS.

The Department of Land and Natural Resources and an individual testified in support of this measure. The Hawaii Government Employees Association supported the intent and purpose of this measure. The ERS submitted testimony indicating that it has no objections to the intent and purpose of this measure.

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

- (1) Changing the title to: "REQUESTING A STUDY OF THE QUESTION OF ADDING CONSERVATION AND RESOURCES ENFORCEMENT OFFICERS TO CLASS A OF THE EMPLOYEES' RETIREMENT SYSTEM";
- (2) Requesting the ERS to determine the costs of including Conservation and Resources Enforcement Officers in Class A of the ERS, as proposed in H.B. No. 1545, Regular Session of 1997;
- (3) Requesting the Legislative Reference Bureau to submit a report identifying related policy issues for consideration by the Legislature, prior to the Regular Session of 1998;
- (4) Providing that a certified copy of this measure be transmitted to the Acting Director of the Legislative Reference Bureau;
- (5) Making other corresponding, conforming changes to reflect the intent and purpose of this measure; and
- (6) Making technical, nonsubstantive amendments for purposes of 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. 168, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 168, HD 1.

Signed by all members of the Committee except Representatives Hiraki and Moses.

SCRep. 1445 Labor and Public Employment on H.R. No. 108

The purpose of this resolution is to request the Employees' Retirement System (ERS) to study the costs and benefits of including Conservation and Resources Enforcement Officers in Class A of the ERS.

The Department of Land and Natural Resources and an individual testified in support of this measure. The Hawaii Government Employees Association supported the intent and purpose of this measure. The ERS submitted testimony indicating that it has no objections to the intent and purpose of this measure.

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

- (1) Changing the title to: "REQUESTING A STUDY OF THE QUESTION OF ADDING CONSERVATION AND RESOURCES ENFORCEMENT OFFICERS TO CLASS A OF THE EMPLOYEES' RETIREMENT SYSTEM";
- (2) Requesting the ERS to determine the costs of including Conservation and Resources Enforcement Officers in Class A of the ERS, as proposed in H.B. No. 1545, Regular Session of 1997;
- (3) Requesting the Legislative Reference Bureau to submit a report identifying related policy issues for consideration by the Legislature, prior to the Regular Session of 1998;
- (4) Providing that a certified copy of this measure be transmitted to the Acting Director of the Legislative Reference Bureau;
- (5) Making other corresponding, conforming changes to reflect the intent and purpose of this measure; and
- (6) Making technical, nonsubstantive amendments for purposes of 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. 108, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 108, HD 1.

Signed by all members of the Committee except Representatives Hiraki and Moses.

SCRep. 1446 Labor and Public Employment on H.C.R. No. 211

The purpose of this concurrent resolution is to request the Governor to convene a task force to conduct a comprehensive review of the scope, implementation, efficiency, and effectiveness of chapter 89, Hawaii Revised Statutes (HRS), and to seek consensus on necessary or appropriate changes.

The Department of Human Resources Development supported the intent of this measure. The Office of Collective Bargaining recommended that along with chapter 89, all related statutes under Title 7, HRS, be included in this study. The Hawaii Government Employees Association expressed its concerns relating to assumptions made in this measure and the composition of the task force. The University of Hawaii offered suggestions regarding the make-up of the task force. The United Public Workers and the Hawaii State Teachers Association testified in opposition to this measure.

Your Committee recognizes the need for a comprehensive review of chapter 89 and its related statutes under Title 7 to address the many emerging concerns in the areas of civil service and public employment law. Your Committee also recognizes the need to address concerns regarding equal representation on the task force to ensure a balanced approach to this measure.

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

- (1) Broadening its scope to include a review of Title 7 and making corresponding, conforming changes;
- (2) Changing the composition of the task force to ensure equal representation of public employers and public employees, as well as other persons necessary or advisable to ensure a broad, comprehensive, and balanced consideration of Title 7;
- (3) Requesting that an interim and final status report be submitted to the Legislature;
- (4) Deleting the Presidents of the Hawaii State Bar Association and the University of Hawaii from receiving certified copies of this measure; 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 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 Finance, in the form attached hereto as H.C.R. No. 211, HD 1.

Signed by all members of the Committee except Representatives Hiraki, Takumi, Marumoto and Moses.

SCRep. 1447 Labor and Public Employment on H.R. No. 146

The purpose of this resolution is to request the Governor to convene a task force to conduct a comprehensive review of the scope, implementation, efficiency, and effectiveness of chapter 89, Hawaii Revised Statutes (HRS), and to seek consensus on necessary or appropriate changes.

The Department of Human Resources Development supported the intent of this measure. The Office of Collective Bargaining recommended that along with chapter 89, all related statutes under Title 7, HRS, be included in this study. The Hawaii Government Employees Association expressed its concerns relating to assumptions made in this measure and the composition of the task force. The University of Hawaii offered suggestions regarding the make-up of the task force. The United Public Workers and the Hawaii State Teachers Association testified in opposition to this measure.

Your Committee recognizes the need for a comprehensive review of chapter 89 and its related statutes under Title 7 to address the many emerging concerns in the areas of civil service and public employment law. Your Committee also recognizes the need to address concerns regarding equal representation on the task force to ensure a balanced approach to this measure.

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

- (1) Broadening its scope to include a review of Title 7 and making corresponding, conforming changes;
- (2) Changing the composition of the task force to ensure equal representation of public employers and public employees, as well as other persons necessary or advisable to ensure a broad, comprehensive, and balanced consideration of Title 7;
- (3) Requesting that an interim and final status report be submitted to the Legislature;
- (4) Deleting the Presidents of the Hawaii State Bar Association and the University of Hawaii from receiving certified copies of this measure; 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 Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 146, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 146, HD 1.

Signed by all members of the Committee except Representatives Hiraki, Takumi, Marumoto and Moses.

SCRep. 1448 Labor and Public Employment on H.C.R. No. 226

The purpose of this concurrent resolution is to assist in efforts to reform state government by requesting the Governor to:

- (1) Continue the comprehensive restructuring of state government;
- (2) Consider accelerating the reorganization of state government by developing and using a comprehensive strategy in the reorganization review of the executive branch of state government;
- (3) Complete the analysis and design of restructuring the administrative and business services of the executive branch;
- (4) Begin analysis of restructuring the environmental services and the children and family services; and
- (5) Submit an interim and a final report on the progress and recommendations of the actions taken.

Your Committee received testimony in support of this measure from the Office of the Governor.

Your Committee recognizes that fiscal constraints and other challenges require that state government undergo constant review to ensure more efficient and cost-effective use of public resources and services. In addition, the ongoing demands and needs of the community necessitates that state agencies also be evaluated on a continued basis so that government can maximize use of its resources. This measure would facilitate efforts to improve state government.

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. 226 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takumi.

SCRep. 1449 Labor and Public Employment on H.R. No. 134

The purpose of this resolution is to assist in efforts to reform state government by requesting the Governor to:

- (1) Continue the comprehensive restructuring of state government;
- (2) Consider accelerating the reorganization of state government by developing and using a comprehensive strategy in the reorganization review of the executive branch of state government;
- (3) Complete the analysis and design of restructuring the administrative and business services of the executive branch;
- (4) Begin analysis of restructuring the environmental services and the children and family services; and
- (5) Submit an interim and a final report on the progress and recommendations of the actions taken.

Your Committee received testimony in support of this measure from the Office of the Governor.

Your Committee recognizes that fiscal constraints and other challenges require that state government undergo constant review to ensure more efficient and cost-effective use of public resources and services. In addition, the ongoing demands and needs of the community necessitates that state agencies also be evaluated on a continued basis so that government can maximize use of its resources. This measure would facilitate efforts to improve state government.

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. 134 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takumi.

SCRep. 1450 Higher Education on H.C.R. No. 9

The purpose of this concurrent resolution is to request the University of Hawaii to review, reassess, and strengthen its vocational and technical training programs in the community college system.

The University of Hawaii (University) testified that it would be willing to conduct the review requested by the measure and to submit the requested report. According to the University, the community colleges have undertaken a rigorous review and prioritization effort to examine the performance of each program every year. This process has led to the termination of programs; the redesign, reorganization, and strengthening of programs; and the establishment of new programs to meet evolving community workforce education and training needs.

Your Committee endorses the continual efforts of the University to review its vocational and technical training programs.

Based on the testimony presented, your Committee has amended the measure by deleting its substance and inserting the following:

- (1) A WHEREAS clause asserting that the community college system of the University of Hawaii has relevant vocational and technical training programs;
- (2) A WHEREAS clause describing the broad scope of the community college system;
- (3) A WHEREAS clause asserting that the community college system utilizes customized and unique programs of study;
- (4) A WHEREAS clause asserting that the community college system reviews and prioritizes its programs annually;
- (5) A BE IT RESOLVED clause requesting the University of Hawaii to provide a report on the vocational and technical programs of the community colleges;
- (6) A BE IT FURTHER RESOLVED clause specifying certain issues to be included in the report;
- (7) A BE IT FURTHER RESOLVED clause requesting the President of the University of Hawaii to submit the report to the Legislature;
- (8) A BE IT FURTHER RESOLVED clause transmitting copies of the concurrent resolution to relevant individuals; and
- (9) Revising the title to: "REQUESTING THE UNIVERSITY OF HAWAII TO REVIEW, REASSESS, AND STRENGTHEN THE VOCATIONAL AND TECHNICAL TRAINING PROGRAMS OF THE COMMUNITY COLLEGE SYSTEM".

As affirmed by the record of votes of the members of your Committee on Higher Education 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 Finance, in the form attached hereto as H.C.R. No. 9, HD 1.

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

SCRep. 1451 Higher Education on H.R. No. 6

The purpose of this resolution is to request the University of Hawaii to review, reassess, and strengthen its vocational and technical training programs in the community college system.

The University of Hawaii (University) testified that it would be willing to conduct the review requested by the measure and to submit the requested report. According to the University, the community colleges have undertaken a rigorous review and prioritization effort to examine the performance of each program every year. This process has led to the termination of programs; the redesign, reorganization, and strengthening of programs; and the establishment of new programs to meet evolving community workforce education and training needs.

Your Committee endorses the continual efforts of the University to review its vocational and technical training programs.

Based on the testimony presented, your Committee has amended the measure by deleting its substance and inserting the following:

- (1) A WHEREAS clause asserting that the community college system of the University of Hawaii has relevant vocational and technical training programs;
- (2) A WHEREAS clause describing the broad scope of the community college system;
- (3) A WHEREAS clause asserting that the community college system utilizes customized and unique programs of study;
- (4) A WHEREAS clause asserting that the community college system reviews and prioritizes its programs annually;
- (5) A BE IT RESOLVED clause requesting the University of Hawaii to provide a report on the vocational and technical programs of the community colleges;
- (6) A BE IT FURTHER RESOLVED clause specifying certain issues to be included in the report;
- (7) A BE IT FURTHER RESOLVED clause requesting the President of the University of Hawaii to submit the report to the Legislature;
- (8) A BE IT FURTHER RESOLVED clause transmitting copies of the resolution to relevant individuals; and
- (9) Revising the title to: "REQUESTING THE UNIVERSITY OF HAWAII TO REVIEW, REASSESS, AND STRENGTHEN THE VOCATIONAL AND TECHNICAL TRAINING PROGRAMS OF THE COMMUNITY COLLEGE SYSTEM".

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

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

SCRep. 1452 Higher Education on H.C.R. No. 227

The purpose of this concurrent resolution is to request the University of Hawaii to enter into a turn-key agreement for the design and construction of a new facility for the Maui Community College-Molokai Educational Center in Kaunakakai, Molokai.

The University of Hawaii, the Mayor of Maui, a Maui County Council member, Maui Community College-Molokai, Molokai Occupational Center, and a number of private individuals testified in support of this concurrent resolution, many of whom cited the poor conditions that exist at the current education center site.

Your Committee finds that the Maui Community College-Molokai Education Center offers a limited selection of credit and noncredit courses in a building that is ill-designed, termite-ridden, and too small to accommodate the higher education needs of Molokai.

Your Committee further finds that the University of Hawaii is in agreement with Molokai Ranch about this project, and there is no dispute on the location of the new site.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 227 and recommends that it be referred to the Committee on Finance.

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

SCRep. 1453 Higher Education on H.R. No. 155

The purpose of this resolution is to request the University of Hawaii to enter into a turn-key agreement for the design and construction of a new facility for the Maui Community College-Molokai Educational Center in Kaunakakai, Molokai.

The University of Hawaii, the Mayor of Maui, a Maui County Council member, Maui Community College-Molokai, Molokai Occupational Center, and a number of private individuals testified in support of this resolution, many of whom cited the poor conditions that exist at the current education center site.

Your Committee finds that the Maui Community College-Molokai Education Center offers a limited selection of credit and noncredit courses in a building that is ill-designed, termite-ridden, and too small to accommodate the higher education needs of Molokai.

Your Committee further finds that the University of Hawaii is in agreement with Molokai Ranch about this project, and there is no dispute on the location of the new site.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 155 and recommends that it be referred to the Committee on Finance.

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

SCRep. 1454 Tourism and Economic Development and Business Concerns on H.C.R. No. 78

The purpose of this resolution is to request the Department of Business, Economic Development, and Tourism, in consultation with other appropriate visitor industry and scientific research agencies and organizations, to develop and implement a techno-tourism policy aimed at making Hawaii the Asia-Pacific region's preeminent center for international science and technology conferences.

Your Committees received testimony in support of this resolution from the Department of Business, Economic Development, and Tourism, Convention Center Authority, University of Hawaii, High Technology Development Corporation and Democratic Party of Hawaii.

Your Committees find that the Department of Business, Economic Development, and Tourism has already begun work on the objectives of the resolution. Hawaii already serves as the location for such events as the annual workshop for the Japan-U.S. Science, Technology and Space Applications Program (JUSTSAP), Conference on Global Change sponsored by the National Science Foundation, and the annual conference of the Pacific Telecommunications Council.

Hawaii should continue to expand its efforts to utilize its advantages of a geographical location between the United States mainland and Asia, and expertise in renewable and sustainable energy, ocean resource development, telecommunications, environmental protection, engineering, architectural consulting and resort planning, areas in great demand in the Asia-Pacific region, to build its presence as a location for technological conferences.

Establishment of a techno-tourism policy, and the compilation of an inventory of the science and technology organizations and conferences would enable better planning and help expand Hawaii's role in the growing field of science and technology.

Your Committees revised this resolution by:

1. Requesting the Department of Business, Economic Development, and Tourism to compile an inventory of science and technology organizations, in addition to conferences;
2. Providing for transmittal of certified copies only to the Director of Business, Economic Development and Tourism, the President of the University of Hawaii, and the Executive Director of the High Technology Development Corporation; and
3. Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the records of votes of the members of your Committees on Tourism and Economic Development and Business Concerns that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 78, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 78, HD 1.

Signed by all members of the Committees.

SCRep. 1455 Judiciary on H.C.R. No. 65

The purpose of this concurrent resolution is to request a study of public financing of state elections.

The Campaign Spending Commission, Common Cause Hawaii, the League of Women Voters of Hawaii, the Hawaii Green Party, and members of the public testified in support of the measure.

Your Committee has amended this concurrent resolution by making technical, nonsubstantive amendments for the purpose of 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. 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, HD 1.

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

SCRep. 1456 Labor and Public Employment on H.C.R. No. 103

The purpose of this concurrent resolution is to request an audit of the Employees' Retirement System (ERS) to determine if there are any overtime abuses in state government.

The ERS testified that it has no objection to the intent and purpose of this measure.

Your Committee recognizes that overtime abuse may provide for unintended increases in retirement benefits and believes that any overtime abuses within state government must be identified.

Your Committee has amended this measure by:

- (1) Changing the title to: "REQUESTING AN AUDIT OF THE EXECUTIVE DEPARTMENTS TO DETERMINE IF THERE ARE OVERTIME ABUSES";
- (2) Clarifying that the Office of the Auditor is requested to conduct an audit of the executive departments to determine if there are any overtime abuses within state government; 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 Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 103, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 103, HD 1.

Signed by all members of the Committee except Representative Takumi.

SCRep. 1457 Labor and Public Employment on H.R. No. 135

The purpose of this resolution is to request an audit of the Employees' Retirement System (ERS) to determine if there are any overtime abuses in state government.

The ERS testified that it has no objection to the intent and purpose of this measure.

Your Committee recognizes that overtime abuse may provide for unintended increases in retirement benefits and believes that any overtime abuses within state government must be identified.

Your Committee has amended this measure by:

- (1) Changing the title to: "REQUESTING AN AUDIT OF THE EXECUTIVE DEPARTMENTS TO DETERMINE IF THERE ARE OVERTIME ABUSES";

- (2) Clarifying that the Office of the Auditor is requested to conduct an audit of the executive departments to determine if there are any overtime abuses within state government; 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 Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 135, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 135, HD 1.

Signed by all members of the Committee except Representative Takumi.

SCRep. 1458 Labor and Public Employment on H.C.R. No. 105

The purpose of this concurrent resolution is to request the Auditor to conduct an audit of the Employment and Training Fund (ETF).

The Hawaii Business League submitted testimony in support of this measure. The Department of Labor and Industrial Relations submitted testimony stating that an additional audit is not necessary or prudent at this time.

Your Committee notes that current ETF levels exceed \$8,000,000. In addition, H.B. No. 1706, HD 2, SD 1, Regular Session of 1997, proposes to place a two-year moratorium on employer assessments to the ETF and require the Department of Labor and Industrial Relations to report to the Legislature on the advisability of continuing the moratorium and justification for its conclusion.

Upon careful consideration, your Committee has amended this concurrent resolution by:

- (1) Requesting the Department of Labor and Industrial Relations to:
 - (A) Report on the actions taken to improve access to the ETF; and
 - (B) Encourage community-based economic development and workforce development with ETF funds;
- (2) Changing the title to "REQUESTING THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS TO REPORT ON PROGRESS IN UTILIZING THE EMPLOYMENT TRAINING FUND"; 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 Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 105, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 105, HD 1.

Signed by all members of the Committee except Representatives Hiraki, Takumi, Marumoto and Moses.

SCRep. 1459 Labor and Public Employment on H.R. No. 60

The purpose of this resolution is to request the Auditor to conduct an audit of the Employment and Training Fund (ETF).

The Hawaii Business League submitted testimony in support of this measure. The Department of Labor and Industrial Relations submitted testimony stating that an additional audit is not necessary or prudent at this time.

Your Committee notes that current ETF levels exceed \$8,000,000. In addition, H.B. No. 1706, HD 2, SD 1, Regular Session of 1997, proposes to place a two-year moratorium on employer assessments to the ETF and require the Department of Labor and Industrial Relations to report to the Legislature on the advisability of continuing the moratorium and justification for its conclusion.

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

- (1) Requesting the Department of Labor and Industrial Relations to:
 - (A) Report on the actions taken to improve access to the ETF; and
 - (B) Encourage community-based economic development and workforce development with ETF funds;
- (2) Changing the title to "REQUESTING THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS TO REPORT ON PROGRESS IN UTILIZING THE EMPLOYMENT TRAINING FUND"; 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 Labor and Public Employment 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 Finance, in the form attached hereto as H.R. No. 60, HD 1.

Signed by all members of the Committee except Representatives Hiraki, Takumi, Marumoto and Moses.

SCRep. 1460 Health on H.C.R. No. 203

The purpose of this concurrent resolution is to improve the dental health of Hawaii's citizens by requesting the Department of Health (DOH) to conduct a feasibility study to determine the cost and other economic and technical considerations to fluoridate Hawaii's water supply.

The Hawaii Medical Services Association and the Hawaii Nurses' Association submitted testimony in support of this measure. The DOH and the Board of Water Supply submitted testimony in support of the intent of this measure.

For many years now, Hawaii has been documented to have among the highest rates of tooth decay found in any region of the United States. Children in Hawaii suffer from tooth decay at a rate as much as three times the national average.

Your Committee finds that dental disease is potentially one of the most preventable of all childhood diseases. Community water fluoridation has proven to be a safe and highly cost-effective means of reducing tooth decay, by as much as 65 percent community-wide.

By preventing tooth decay, community water fluoridation significantly reduces discomfort associated with both oral infections and their treatment, as well as reducing the costs associated with the treatment of teeth damaged by tooth decay, including the public expenses associated with public assistance programs and other publicly-funded dental treatment programs.

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. 203 and recommends that it be referred to the Committee on Finance.

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

SCRep. 1461 Health on H.R. No. 139

The purpose of this resolution is to improve the dental health of Hawaii's citizens by requesting the Department of Health (DOH) to conduct a feasibility study to determine the cost and other economic and technical considerations to fluoridate Hawaii's water supply.

The Hawaii Medical Services Association and the Hawaii Nurses' Association submitted testimony in support of this measure. The DOH and the Board of Water Supply submitted testimony in support of the intent of this measure.

For many years now, Hawaii has been documented to have among the highest rates of tooth decay found in any region of the United States. Children in Hawaii suffer from tooth decay at a rate as much as three times the national average.

Your Committee finds that dental disease is potentially one of the most preventable of all childhood diseases. Community water fluoridation has proven to be a safe and highly cost-effective means of reducing tooth decay, by as much as 65 percent community-wide.

By preventing tooth decay, community water fluoridation significantly reduces discomfort associated with both oral infections and their treatment, as well as reducing the costs associated with the treatment of teeth damaged by tooth decay, including the public expenses associated with public assistance programs and other publicly-funded dental treatment programs.

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. 139 and recommends that it be referred to the Committee on Finance.

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

SCRep. 1462 Health and Human Services and Housing on H.C.R. No. 145

The purpose of this concurrent resolution is to improve the Hawaii QUEST Program by requesting the Auditor to study the Hawaii Health QUEST Program and to make recommendations to immediately reduce the program's increasing costs or to stabilize them, or both, without an increase in funding.

The Pharmaceutical Research and Manufacturers of America submitted testimony in support of this measure. While in general support, the Department of Human Services (DHS) and the State Planning Council on Development Disabilities recommended amendments.

Your Committees are concerned that the problems identified in the Auditor's report on QUEST I (December 1996, Report No. 96-19) have not been solved and yet a new phase is being implemented that will include individuals who often have complex care needs and who are vulnerable to the complexities of the system.

With this in mind, your Committees have amended this measure by:

- (1) Requesting the Auditor to address the question of whether DHS has taken adequate steps to prepare for the inclusion of the QUEST II population and if DHS will be able to do so effectively; 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 Health and Human Services and Housing that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 145 as amended

herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 145, HD 1.

Signed by all members of the Committees except Representatives Saiki, Stegmaier and Pendleton.

SCRep. 1463 Health and Human Services and Housing on H.R. No. 91

The purpose of this resolution is to improve the Hawaii QUEST Program by requesting the Auditor to study the Hawaii Health QUEST Program and to make recommendations to immediately reduce the program's increasing costs or to stabilize them, or both, without an increase in funding.

The Pharmaceutical Research and Manufacturers of America submitted testimony in support of this measure. While in general support, the Department of Human Services (DHS) and the State Planning Council on Development Disabilities recommended amendments.

Your Committees are concerned that the problems identified in the Auditor's report on QUEST I (December 1996, Report No. 96-19) have not been solved and yet a new phase is being implemented that will include individuals who often have complex care needs and who are vulnerable to the complexities of the system.

With this in mind, your Committees have amended this measure by:

- (1) Requesting the Auditor to address the question of whether DHS has taken adequate steps to prepare for the inclusion of the QUEST II population and if DHS will be able to do so effectively; 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 Health and Human Services and Housing that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 91 as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 91, HD 1.

Signed by all members of the Committees except Representatives Saiki, Stegmaier and Pendleton.

SCRep. 1464 Health on H.C.R. No. 62

The purpose of this concurrent resolution is to urge the federal government to permit and facilitate research on the efficacy of the medical uses of cannabis.

Testimony in support of this measure was submitted by four individuals. The Department of the Attorney General submitted testimony in opposition to this measure. Comments were submitted by the Department of Public Safety.

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. 62 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Arakaki, Saiki, Stegmaier and Pendleton.
(Representative Whalen voted no.)

SCRep. 1465 Health on H.C.R. No. 178

The purpose of this concurrent resolution is to urge the Department of Health (DOH) to continue the promotion of nutrition education for the native Hawaiian population.

The DOH submitted testimony indicating its support for continued funding of its Nutrition Branch, which has demonstrated success in providing professional nutrition services to the native Hawaiian community.

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 and recommends that it be referred to the Committee on Finance.

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

SCRep. 1466 Higher Education on H.C.R. No. 3

The purpose of this concurrent resolution is to request the Director of Business, Economic Development, and Tourism (DBEDT) to conduct a study of activities related to economic development at the University of Hawaii.

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

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

- (1) Citing additional figures describing the magnitude of extramural funding;
- (2) Clarifying that the University of Hawaii is to collaborate with the DBEDT to conduct a study on the impact the University of Hawaii has on the economic development of the State of Hawaii;

- (3) Changing the title to read "REQUESTING THE DIRECTOR OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM AND THE PRESIDENT OF THE UNIVERSITY OF HAWAII TO CONDUCT A STUDY OF THE IMPACT OF THE UNIVERSITY OF HAWAII ON THE ECONOMIC DEVELOPMENT OF THE STATE OF HAWAII"; and
- (4) 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 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 Committee on Finance, in the form attached hereto as H.C.R. No. 3, HD 1.

Signed by all members of the Committee except Representatives Morita, Santiago, Yonamine and McDermott.

SCRep. 1467 Human Services and Housing and Health on H.C.R. No. 95

The purpose of this concurrent resolution is to urge the Governor to conduct a careful study and assess the impact of all new federal legislation for its possible adverse consequences to immigrants in Hawaii with a view toward protecting their current levels of receipt of health and human services and to assure that they can continue as productive members of the community.

Testimony concerning this measure, both written and oral, was received from the Office of the Governor, the Department of Human Services (DHS), and a concerned private citizen. The Governor's Office welcomed the opportunity to work with DHS toward meeting the goals of this proposed legislation and DHS, itself being concerned about the federal cuts, was in full support of this measure.

Your Committees, recognizing the need for increased and complete information on how the new federal legislation will affect Hawaii's immigrant population, agree with the intent and purpose of this measure and pass it with several amendments.

Therefore, after careful consideration, your Committees amend this measure by including the Department of Human Services, the Department of Labor and Industrial Relations, and the Department of Health, in the agencies to have direct involvement in this study.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Health that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 95, as amended herein, and recommend that it and be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 95, HD 1.

Signed by all members of the Committees except Representative Whalen.

SCRep. 1468 Health on H.C.R. No. 125

The purpose of this concurrent resolution is to provide mental health services for children and adolescents in the Kalihi-Palama area by requesting the Department of Health (DOH) to retain the Kalihi-Palama Family Guidance Center (Center).

The Native Nation of Ku Hooneenu Pono and four concerned individuals submitted testimony in support of this measure. The Department of Health submitted comments.

Your Committee finds that due to cultural factors and pressing concerns such as food and shelter, parents of the Kalihi-Palama area tend not to seek nor refer themselves or their children for mental health services. Referrals for the children come almost exclusively from teachers.

Your Committee further finds that there is a grave concern among residents of the area and among staff and users of the Center that the DOH's plan to make the Center a satellite of the Diamond Head Family Guidance Center for administrative purposes will be disadvantageous for the community.

After careful consideration, your Committee has amended this measure by:

- (1) Broadening the title of this concurrent resolution to read: "REQUESTING THE DEPARTMENT OF HEALTH TO ESTABLISH AND MAINTAIN CHILD AND ADOLESCENT MENTAL HEALTH SERVICES THAT ARE ACCESSIBLE, COMMUNITY-BASED, AND SENSITIVE TO THE NEEDS AND SOCIO-ECONOMIC PROFILE OF HAWAII'S COMMUNITIES";
- (2) Expanding the WHEREAS clauses to more accurately reflect the current situation faced by the Center due to the Felix-Cayetano Consent Decree;
- (3) Requesting the DOH to establish and maintain child and adolescent mental health services that are accessible, community-based, and sensitive to the needs and socio-economic profile of Hawaii's communities by:
 - (A) Retaining staff and services at the Center;
 - (B) Filling the branch chief position; and
 - (C) Filling all positions on the organization chart; 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 Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 125, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 125, HD 1.

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

SCRep. 1469 Health on H.R. No. 79

The purpose of this resolution is to provide mental health services for children and adolescents in the Kalihi-Palama area by requesting the Department of Health (DOH) to retain the Kalihi-Palama Family Guidance Center (Center).

The Native Nation of Ku Hooneenuu Pono and four concerned individuals submitted testimony in support of this measure. The Department of Health submitted comments.

Your Committee finds that due to cultural factors and pressing concerns such as food and shelter, parents of the Kalihi-Palama area tend not to seek nor refer themselves or their children for mental health services. Referrals for the children come almost exclusively from teachers.

Your Committee further finds that there is a grave concern among residents of the area and among staff and users of the Center that the DOH's plan to make the Center a satellite of the Diamond Head Family Guidance Center for administrative purposes will be disadvantageous for the community.

After careful consideration, your Committee has amended this measure by:

- (1) Broadening the title of this resolution to read: "REQUESTING THE DEPARTMENT OF HEALTH TO ESTABLISH AND MAINTAIN CHILD AND ADOLESCENT MENTAL HEALTH SERVICES THAT ARE ACCESSIBLE, COMMUNITY-BASED, AND SENSITIVE TO THE NEEDS AND SOCIO-ECONOMIC PROFILE OF HAWAII'S COMMUNITIES";
- (2) Expanding the WHEREAS clauses to more accurately reflect the current situation faced by the Center due to the Felix-Cayetano Consent Decree;
- (3) Requesting the DOH to establish and maintain child and adolescent mental health services that are accessible, community-based, and sensitive to the needs and socio-economic profile of Hawaii's communities by:
 - (A) Retaining staff and services at the Center;
 - (B) Filling the branch chief position; and
 - (C) Filling all positions on the organization chart; 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 Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 79, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 79, HD 1.

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

SCRep. 1470 Energy and Environmental Protection on H.C.R. No. 234

The purpose of this concurrent resolution is to strengthen the Net Energy Metering Law (Act 205, Session Laws of Hawaii 1996) by establishing a blue ribbon committee to evaluate its effectiveness with respect to the original intent of encouraging private investment in small-scale renewable energy technologies.

The Department of Business, Economic Development, and Tourism and the Hawaii Renewable Energy Alliance testified in support of this measure. Hawaiian Electric Company (HECO) and its subsidiary companies, Hawaii Electric Light Company (HELCO) and Maui Electric Company (MECO) offered comments.

Your Committee has amended this measure by:

- (1) Inserting a third state energy goal identified in the Hawaii State Planning Act;
- (2) Inserting a WHEREAS clause stating that by using the differentiated meter, the utility pays the customer-generator at a rate higher than the avoided cost of the energy, resulting in a subsidy of the customer-generator by other utility customers;
- (3) Inserting a WHEREAS clause stating that HECO, HELCO, and MECO strongly support renewable energy development and have been involved in significant research and development efforts; and
- (4) Making technical, nonsubstantive amendments to correct drafting errors.

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 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 Consumer Protection and Commerce, in the form attached hereto as H.C.R. No. 234, HD 1.

Signed by all members of the Committee except Representative Kanoho.

SCRep. 1471 Energy and Environmental Protection on H.R. No. 167

The purpose of this resolution is to strengthen the Net Energy Metering Law (Act 205, Session Laws of Hawaii 1996) by establishing a blue ribbon committee to evaluate its effectiveness with respect to the original intent of encouraging private investment in small-scale renewable energy technologies.

The Department of Business, Economic Development, and Tourism and the Hawaii Renewable Energy Alliance testified in support of this measure. Hawaiian Electric Company (HECO) and its subsidiary companies, Hawaii Electric Light Company (HELCO) and Maui Electric Company (MECO) offered comments.

Your Committee has amended this measure by:

- (1) Inserting a third state energy goal identified in the Hawaii State Planning Act;
- (2) Inserting a WHEREAS clause stating that by using the differentiated meter, the utility pays the customer-generator at a rate higher than the avoided cost of the energy, resulting in a subsidy of the customer-generator by other utility customers;
- (3) Inserting a WHEREAS clause stating that HECO, HELCO, and MECO strongly support renewable energy development and have been involved in significant research and development efforts; and
- (4) Making technical, nonsubstantive amendments to correct drafting errors.

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 concurs with the intent and purpose of H.R. No. 167, 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. 167, HD 1.

Signed by all members of the Committee except Representative Kanoho.

SCRep. 1472 Energy and Environmental Protection on H.C.R. No. 233

The purpose of this concurrent resolution is to request the University of Hawaii to develop a comprehensive plan to establish Hawaii as a Pacific center-of-excellence in environmental and natural resource science, management, and policy.

The Secretariat for Conservation Biology and the University of Hawaii submitted testimony in support of this measure.

Your Committee finds that Hawaii's special natural resources offer researchers the unique opportunity to not only test classical theories of ecology and evolution but also to formulate new ideas in these fields. Cutting edge research at the University of Hawaii in the ecology and evolutionary biology of Hawaii's native biota, in turn, provide a solid foundation upon which more effective management programs for protecting Hawaii's natural resources can be developed.

Your Committee notes that the Secretariat for Conservation Biology is an innovative partnership, guided and funded by nine organizations involved in natural resource management, conservation biology research, and educational programs in Hawaii.

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

- (1) Providing that the University of Hawaii, through the Secretariat for Conservation Biology, develop a comprehensive plan;
- (2) Changing the title to read "REQUESTING THE UNIVERSITY OF HAWAII, THROUGH THE SECRETARIAT FOR CONSERVATION BIOLOGY, TO DEVELOP A COMPREHENSIVE PLAN TO ESTABLISH HAWAII AS A PACIFIC CENTER-OF-EXCELLENCE IN ENVIRONMENTAL AND NATURAL RESOURCE SCIENCE, MANAGEMENT, AND POLICY"; 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 Energy and Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 233, as amended herein, and recommends that it be referred to the Committee on Higher Education, in the form attached hereto as H.C.R. No. 233, HD 1.

Signed by all members of the Committee except Representatives Garcia and Kanoho.

SCRep. 1473 Energy and Environmental Protection on H.R. No. 164

The purpose of this resolution is to request the University of Hawaii to develop a comprehensive plan to establish Hawaii as a Pacific center-of-excellence in environmental and natural resource science, management, and policy.

The Secretariat for Conservation Biology and the University of Hawaii submitted testimony in support of this measure.

Your Committee finds that Hawaii's special natural resources offer researchers the unique opportunity to not only test classical theories of ecology and evolution but also to formulate new ideas in these fields. Cutting edge research at the University of Hawaii in the ecology and evolutionary biology of Hawaii's native biota, in turn, provide a solid foundation upon which more effective management programs for protecting Hawaii's natural resources can be developed.

Your Committee notes that the Secretariat for Conservation Biology is an innovative partnership, guided and funded by nine organizations involved in natural resource management, conservation biology research, and educational programs in Hawaii.

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

- (1) Providing that the University of Hawaii, through the Secretariat for Conservation Biology, develop a comprehensive plan;
- (2) Changing the title to read "REQUESTING THE UNIVERSITY OF HAWAII, THROUGH THE SECRETARIAT FOR CONSERVATION BIOLOGY, TO DEVELOP A COMPREHENSIVE PLAN TO ESTABLISH HAWAII AS A PACIFIC CENTER-OF-EXCELLENCE IN ENVIRONMENTAL AND NATURAL RESOURCE SCIENCE, MANAGEMENT, AND POLICY"; 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 Energy and Environmental Protection 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 Higher Education, in the form attached hereto as H.R. No. 164, HD 1.

Signed by all members of the Committee except Representatives Garcia and Kanoho.

SCRep. 1474 Higher Education on H.C.R. No. 267

The purpose of this concurrent resolution is to request the University of Hawaii to report on plans to relocate any parts of the Institute for Astronomy to the Big Island.

The University of Hawaii testified in support of this measure, noting that plans are in progress for an Institute for Astronomy Mauna Kea headquarters facility in the Hilo University Park. In addition, a request was made to master plan Haleakala.

Astronomy has been identified as one of the strengths of the University of Hawaii. Your Committee recognizes the substantial advances that the Institute for Astronomy has made in the last two decades. Since astronomy is so important to Hawaii, the Legislature should be kept informed about the plans and activities of the Institute for Astronomy.

Your Committee has amended this measure by adding a request that the Institute for Astronomy update its master plans for Mauna Kea and Haleakala.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 267, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 267, HD 1.

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

SCRep. 1475 Judiciary on H.C.R. No. 50

The purpose of this concurrent resolution is to establish a Task Force to evaluate and assess the Court Annexed Arbitration Program (CAAP).

The Hawaii Insurers Council supported the measure. The Judiciary commented on the concurrent resolution.

Your Committee finds that CAAP was designed to provide a procedure for the prompt and equitable resolution of civil tort actions through nonbinding arbitration. However, your Committee further finds that there is a great disparity between CAAP awards and court judgments. Testimony received by your Committee indicates that CAAP awards far exceed the jury verdicts rendered when a particular case is appealed. Oftentimes the CAAP award is more than double the jury verdict and, in many cases, although a large award is rendered in arbitration, upon appeal, the jury awards no recovery to the plaintiff, presumably finding no liability on the part of the defendant. These statistics are alarming in that they demonstrate that CAAP arbitrations are not true alternatives to litigation.

Currently, use of the CAAP is mandatory and sanctions are imposed upon the party who appeals the arbitration award if that party does not improve upon the arbitration award by thirty percent. Your Committee is gravely concerned that CAAP arbitrations do not provide the parties to a dispute with their constitutionally guaranteed right to fair, impartial and equitable resolution of their grievances.

Your Committee believes that an assessment of the program is needed to determine the cause of the disparity between arbitration awards and court judgments and to ensure that CAAP is performing the functions for which it was originally designed.

Your Committee has amended this concurrent resolution by:

- (1) Requesting that the Task Force review all other relevant issues pertaining to the CAAP;
- (2) Increasing the membership of the Task Force from six to nine members;
- (3) Altering the membership of the Task Force by allowing three members to be chosen from the Hawaii Insurers Council;
- (4) Requesting that the Chief Justice select all members from lists provided by the respective authorities;
- (5) Requesting the Hawaii Insurers Council to provide staffing and meeting facilities for the Task Force; and
- (6) Making technical, nonsubstantive amendments for purposes of clarity and consistency.

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 its adoption in the form attached hereto as H.C.R. No. 50, HD 1.

Signed by all members of the Committee except Representatives Tom, Cachola, Herkes, Hiraki and Menor.
(Representative Thielen voted no.)

SCRep. 1476 Judiciary on H.C.R. No. 231

The purpose of this concurrent resolution is to urge the President of the United States to nominate and the United States Senate to confirm at least one qualified resident from the State of Hawaii to serve as an active judge on the United States Court of Appeals for the Ninth Circuit.

The Judiciary and the Hawaii Bar Association testified in support of the 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.C.R. No. 231 and recommends its adoption.

Signed by all members of the Committee except Representatives Hiraki, Menor, Yoshinaga and Pendleton.

SCRep. 1477 Judiciary on H.R. No. 161

The purpose of this resolution is to urge the President of the United States to nominate and the United States Senate to confirm at least one qualified resident from the State of Hawaii to serve as an active judge on the United States Court of Appeals for the Ninth Circuit.

The Judiciary and the Hawaii Bar Association testified in support of the 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. 161 and recommends its adoption.

Signed by all members of the Committee except Representatives Hiraki, Menor, Yoshinaga and Pendleton.

SCRep. 1478 Health on H.C.R. No. 205

The purpose of this concurrent resolution is to request the Office of Hawaiian Affairs to urge all native Hawaiians to routinely participate in cancer screening and testing programs that their physicians, health plans, community organizations, or other entities may recommend.

The Office of Hawaiian Affairs submitted testimony in support of the intent of this measure.

Your Committee believes that life-threatening diseases and serious illness can often be controlled if diagnosed and treated in its early stages. Your Committee supports efforts to assist beneficiaries in improving their overall health and well-being.

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. 205 and recommends its adoption.

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

SCRep. 1479 Health on H.R. No. 141

The purpose of this resolution is to request the Office of Hawaiian Affairs to urge all native Hawaiians to routinely participate in cancer screening and testing programs that their physicians, health plans, community organizations, or other entities may recommend.

The Office of Hawaiian Affairs submitted testimony in support of the intent of this measure.

Your Committee believes that life-threatening diseases and serious illness can often be controlled if diagnosed and treated in its early stages. Your Committee supports efforts to assist beneficiaries in improving their overall health and well-being.

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. 141 and recommends its adoption.

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

SCRep. 1480 Judiciary on S.B. No. 653

The purpose of this bill is to allow health care facilities to consider criminal convictions in determining whether employees or prospective employees are suited to working in close proximity to patients.

Your Committee received testimony from the Hawaii Nurses' Association, the Healthcare Association of Hawaii, the Hawaii Long Term Care Association, and the Hawaii Civil Rights Commission in support of the measure. The Office of the Public Defender also offered comments.

Due to an oversight, certain amendments suggested by the Hawaii Nurses' Association and the Healthcare Association of Hawaii were not inserted when the bill was initially heard by the your Committees on Health and Human Services and Housing.

These amendments are supported by the parties who testified in support of the measure and your Committee has amended the bill to incorporate the suggested language.

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. 653, SD 2, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 653, SD 2, HD 2.

Signed by all members of the Committee except Representatives Hiraki, Menor, Yoshinaga and Pendleton.

SCRep. 1481 Judiciary on S.B. No. 293

The purpose of this bill, as received by your Committee, is to clarify in section 709-906(4), Hawaii Revised Statutes (HRS), that the order of no contact issued by police officers in domestic abuse cases includes:

- (1) No further contact at the premises, at the family or household member's place of employment, or at any other place; and
- (2) Any telephone calls, facsimile or electronic mail transmissions, or any form of electronic communication to the family or the household member.

Testimony on this bill was received from the Office of the Mayor, City and County of Honolulu, the Prosecuting Attorney, City and County of Honolulu, the Honolulu Police Department, the Child and Family Service, and the Public Defender.

Your Committee finds that the provisions of section 709-906(4)(b), HRS, currently authorize the police to issue a "cooling off" order to the perpetrators of domestic violence. The order requires that the offender leave the residence for 24 hours and mandates arrest, where the person refuses to comply with the order or returns prior to the expiration of the "cooling off" period.

Your Committee also finds that this unique provision has been part of Hawaii law in various forms since 1973 and has had a significant impact in denying domestic violence perpetrators access to their victims. Its success, however, has been limited in part by the fact that the protection extends only to the premises and not to the victims themselves or to other locations that might be important to the victim, such as their place of employment.

Your Committee believes that extending the temporary protective legal shield to victims, regardless of their location, either in person or by telephone, will remedy the problem.

Upon further consideration, your Committee has amended this bill by substituting it with the provisions of H.B. No. 2128, HD 1, which:

- (1) Prohibits contact regardless of location, rather than prohibiting contact at specific locations; and
- (2) Prohibits the perpetrator from "initiating" contact so that a violation of this subsection is avoided in the event that a victim has reason to contact the perpetrator.

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. 293, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 293, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hiraki, Menor, Yoshinaga and Pendleton.

SCRep. 1482 Judiciary on S.B. No. 1766

The purpose of this bill is to provide immunity from liability for private owners, the State, and the counties when rerouting vehicular and pedestrian traffic onto private property because of traffic obstructions in emergencies and traffic accidents.

The Chair of the Public Safety & Services Committee, County of Kauai submitted testimony in support of this measure.

Your Committee believes that this bill will assist in facilitating both vehicular and pedestrian traffic in critical emergency situations, and thereby expedite emergency help and services to those persons in need of help.

Your Committee has amended this bill by substituting its provisions with the provisions of H.B. No. 1473, HD 1.

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. 1766, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1766, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hiraki, Menor, Yoshinaga and Pendleton.

SCRep. 1483 Judiciary on S.B. No. 1069

The purpose of this bill, as received by your Committee on Judiciary, is to amend chapter 12, Hawaii Revised Statutes, to clarify nomination paper requirements and signatory eligibility requirements.

Your Committee heard testimony supporting this bill from the Office of Elections.

Your Committee finds that the procedures and contents of candidate nomination papers need clarification to avoid misinterpretation and to ensure the fair and efficient processing of these documents.

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

- (1) Adding language to section 12-3(a)(3), Hawaii Revised Statutes, to ensure that a candidate is a resident of the district throughout the period in which the candidate is running for office;
- (2) Incorporating language suggested by the Office of Elections to ensure the efficient processing of candidate nomination papers and add clarity to the provisions; and
- (3) Making technical, nonsubstantive changes to correct drafting errors and for purposes of clarity and style.

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. 1069, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1069, SD 1, HD 1, and be placed on the calendar for Third Reading.

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

SCRep. 1484 Transportation on S.B. No. 1578

The purpose of this bill is to amend section 103D-407(b), Hawaii Revised Statutes, by:

- (1) Deleting the one-fourth inch sieve requirement; and
- (2) Allowing the Department of Transportation (DOT) to determine the specifications for the size of crushed glass to be used in State and county highway and roadway construction projects.

Testimony in favor of this measure was heard from the DOT, the Department of Health, and the Department of Public Works and Waste Management.

Your Committee finds that the existing statutory specification for the size of crushed glass aggregate was intended to be an interim solution until the DOT was able to develop performance based specifications. As a result, the size requirement was set conservatively.

Your Committee also finds that contractors are having a difficult time meeting the requirement of having the crushed glass aggregate pass one hundred percent through a one-fourth inch sieve. Your Committee agrees with eliminating the one-fourth inch sieve requirement, as the quality and strength of the base course and subbase should not be affected by increasing the maximum size of crushed glass.

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. 1578, HD 1, and recommends that it pass Third Reading.

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

SCRep. 1485 Judiciary on H.C.R. No. 183

The purpose of this concurrent resolution is to request the Department of Hawaiian Home Lands (DHHL) to establish a committee for the purpose of studying and making recommendations on the matter of successorship.

The Office of Hawaiian Affairs submitted testimony in support of this measure. Your Committee received comments from DHHL.

Your Committee finds that the issue of quantum qualifications for native Hawaiian beneficiaries of the Hawaiian Home Lands Trust has always been problematic and a source of divisiveness among the Hawaiian people. As native Hawaiians continue to marry interracially, it will become more troublesome, particularly for those who are successors to Hawaiian Home Lands.

Your Committee has amended this measure by:

- (1) Providing that this concurrent resolution be presented at the first meeting of the Hawaiian Homes Commission upon adoption of this measure; 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 Judiciary 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 Finance, in the form attached hereto as H.C.R. No. 183, HD 1.

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

SCRep. 1486 Judiciary on H.C.R. No. 143

The purpose of this concurrent resolution is to ensure fairness and equity in the election of Office of Hawaiian Affairs (OHA) trustees by requesting the Legislative Reference Bureau to examine alternatives to the current method of electing trustees of OHA.

Your Committee received comments from OHA on this measure.

Your Committee finds that the manner of electing OHA trustees is fifteen years old, an effective method for that time period. As time has evolved, the needs of the voters have changed, making it all the more pressing to re-assess the election methodology for OHA trustees.

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. 143, HD 1, and recommends that it be referred to the Committee on Legislative Management.

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

SCRep. 1487 Judiciary on H.R. No. 89

The purpose of this resolution is to ensure fairness and equity in the election of Office of Hawaiian Affairs (OHA) trustees by requesting the Legislative Reference Bureau to examine alternatives to the current method of electing trustees of OHA.

Your Committee received comments from OHA on this measure.

Your Committee finds that the manner of electing OHA trustees is fifteen years old, an effective method for that time period. As time has evolved, the needs of the voters have changed, making it all the more pressing to re-assess the election methodology for OHA trustees.

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. 89, HD 1, and recommends that it be referred to the Committee on Legislative Management.

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

SCRep. 1488 Judiciary on H.C.R. No. 276

The purpose of this concurrent resolution is to request the Office of Planning of the Department of Business, Economic Development, and Tourism to facilitate discussions and seek consensus among all interested parties with respect to the issues arising out of, and related collectively to, Public Access Shoreline Hawaii, et al. v. Hawaii County Planning Commission, 903 P.2d 1246 (1995) (PASH).

The Office of Planning of the Department of Business, Economic Development, and Tourism testified in support of this measure. An individual supported the intent of this measure. The Office of Hawaiian Affairs opposed this measure.

Your Committee notes that the Supreme Court of Hawaii in PASH stated that "the State retains the ability to reconcile competing interests under article XII, section 7 [of the Hawaii Constitution]." This measure would allow competing interests to be identified and addressed so that appropriate legislative action may be taken during the Regular Session of 1998.

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. 276, HD 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Herkes and Menor.
(Representatives Pendleton and Thielen voted no.)

SCRep. 1489 Judiciary on H.R. No. 197

The purpose of this resolution is to request the Office of Planning of the Department of Business, Economic Development, and Tourism to facilitate discussions and seek consensus among all interested parties with respect to the issues arising out of, and related collectively to, Public Access Shoreline Hawaii, et al. v. Hawaii County Planning Commission, 903 P.2d 1246 (1995) (PASH).

The Office of Planning of the Department of Business, Economic Development, and Tourism testified in support of this measure. An individual supported the intent of this measure. The Office of Hawaiian Affairs opposed this measure.

Your Committee notes that the Supreme Court of Hawaii in PASH stated that "the State retains the ability to reconcile competing interests under article XII, section 7 [of the Hawaii Constitution]." This measure would allow competing interests to be identified and addressed so that appropriate legislative action may be taken during the Regular Session of 1998.

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. 197, HD 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Herkes and Menor.
(Representatives Pendleton and Thielen voted no.)

SCRep. 1490 Judiciary on H.C.R. No. 24

The purpose of this concurrent resolution is to request the United States Congress to propose an amendment to the United States Constitution on the subject of judicial taxation.

Your Committee notes that several states have petitioned the United States Congress to propose an amendment to the United States Constitution seeking to prevent federal courts from levying or increasing taxes without representation of the people and against the people's wishes. Your Committee wishes to support these states' efforts and to join in their movement.

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. 24 and recommends that it be referred to the Committee on Finance.

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

SCRep. 1491 Judiciary on H.R. No. 24

The purpose of this resolution is to request the United States Congress to propose an amendment to the United States Constitution on the subject of judicial taxation.

Your Committee notes that several states have petitioned the United States Congress to propose an amendment to the United States Constitution seeking to prevent federal courts from levying or increasing taxes without representation of the people and against the people's wishes. Your Committee wishes to support these states' efforts and to join in their movement.

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. 24 and recommends that it be referred to the Committee on Finance.

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

SCRep. 1492 Judiciary on H.C.R. No. 235

The purpose of this concurrent resolution is to request the Department of Public Safety (DPS) to issue badges and identification cards to those who have completed a training program on service of process with the Sheriff's Office.

Tongg & Tongg, Attorneys at Law, and two concerned individuals submitted testimony in support of this measure. Your Committee received opposing testimony from DPS. Watanabe, Ing, & Kawashima, Attorneys at Law, submitted comments.

Your Committee finds that unless proper identification is issued to process servers forthwith, the public may refuse the acceptance of such documents on the grounds that proper identification was not produced.

Your Committee is also sensitive to certain forms of identification, mainly badges, that has always been a symbol of law enforcement authority. Your Committee does not want to mislead the public into believing that a process server has the same authority as a sheriff or police officer.

With this in mind, your Committee has amended this measure by:

- (1) Replacing badges with other forms of identification as official documents for process servers to display;
- (2) Changing the title of this concurrent resolution to read: "REQUESTING THE DEPARTMENT OF PUBLIC SAFETY TO ISSUE IDENTIFICATION CARDS AND/OR OTHER FORMS OF IDENTIFICATION TO THOSE WHO HAVE COMPLETED A TRAINING PROGRAM ON SERVICE OF PROCESS WITH THE SHERIFF'S OFFICE";
- (3) Specifying that official forms of identification will be issued to those who have received present, instead of past, training in serving legal documents; 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 Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 235, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 235, HD 1.

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

SCRep. 1493 Judiciary on H.R. No. 165

The purpose of this resolution is to request the Department of Public Safety (DPS) to issue badges and identification cards to those who have completed a training program on service of process with the Sheriff's Office.

Tongg & Tongg, Attorneys at Law, and two concerned individuals submitted testimony in support of this measure. Your Committee received opposing testimony from DPS. Watanabe, Ing, & Kawashima, Attorneys at Law, submitted comments.

Your Committee finds that unless proper identification is issued to process servers forthwith, the public may refuse the acceptance of such documents on the grounds that proper identification was not produced.

Your Committee is also sensitive to certain forms of identification, mainly badges, that has always been a symbol of law enforcement authority. Your Committee does not want to mislead the public into believing that a process server has the same authority as a sheriff or police officer.

With this in mind, your Committee has amended this measure by:

- (1) Replacing badges with other forms of identification as official documents for process servers to display;
- (2) Changing the title of this resolution to read: "REQUESTING THE DEPARTMENT OF PUBLIC SAFETY TO ISSUE IDENTIFICATION CARDS AND/OR OTHER FORMS OF IDENTIFICATION TO THOSE WHO HAVE COMPLETED A TRAINING PROGRAM ON SERVICE OF PROCESS WITH THE SHERIFF'S OFFICE";
- (3) Specifying that official forms of identification will be issued to those who have received present, instead of past, training in serving legal documents; 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 Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 165, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 165, HD 1.

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

SCRep. 1494 Judiciary on H.R. No. 120

The purpose of this resolution is to request the Department of Hawaiian Home Lands (DHHL) to establish a committee for the purpose of studying and making recommendations on the matter of successorship.

The Office of Hawaiian Affairs submitted testimony in support of this measure. Your Committee received comments from DHHL.

Your Committee finds that the issue of quantum qualifications for native Hawaiian beneficiaries of the Hawaiian Home Lands Trust has always been problematic and a source of divisiveness among the Hawaiian people. As native Hawaiians continue to marry interracially, it will become more troublesome, particularly for those who are successors to Hawaiian Home Lands.

Your Committee has amended this measure by:

- (1) Providing that this resolution be presented at the first meeting of the Hawaiian Homes Commission upon adoption of this measure; 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 Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 120, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 120, HD 1.

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

SCRep. 1495 Water and Land Use on H.C.R. No. 147

The purpose of this concurrent resolution is to request the Department of Land and Natural Resources (DLNR) and the Department of Parks and Recreation of the City and County of Honolulu to expedite the conveyance of Kalihi Valley Park from the City and County of Honolulu (City and County) to the State.

Testimony in support of this measure was submitted by the Kalihi Valley Neighborhood Board No. 16, the Kalihi-Uka Booster Club, and a resident of Kalihi. DLNR submitted comments on this measure.

Your Committee finds that Act 312, Session Laws of Hawaii 1991, provided for the conditional transfer of Kalihi Valley Park from the City and County to the State on January 1, 1992. However, your Committee finds that the City and County and the State have yet to finalize conveyance documents to complete the transfer.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 147 and recommends that it be referred to the Committee on Finance.

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

SCRep. 1496 Water and Land Use on H.R. No. 93

The purpose of this resolution is to request the Department of Land and Natural Resources (DLNR) and the Department of Parks and Recreation of the City and County of Honolulu to expedite the conveyance of Kalihi Valley Park from the City and County of Honolulu (City and County) to the State.

Testimony in support of this measure was submitted by the Kalihi Valley Neighborhood Board No. 16, the Kalihi-Uka Booster Club, and a resident of Kalihi. DLNR submitted comments on this measure.

Your Committee finds that Act 312, Session Laws of Hawaii 1991, provided for the conditional transfer of Kalihi Valley Park from the City and County to the State on January 1, 1992. However, your Committee finds that the City and County and the State have yet to finalize conveyance documents to complete the transfer.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 93 and recommends that it be referred to the Committee on Finance.

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

SCRep. 1497 Water and Land Use on H.C.R. No. 215

The purpose of this concurrent resolution is to establish a Joint Legislative Committee on Land Use Planning to:

- (1) Review the existing state land use planning system;
- (2) Study alternatives to the existing system; and
- (3) Make recommendations for legislation or other steps to improve the land use system.

Testimony in support of this concurrent resolution was received from the Planning Department, County of Hawaii, the American Institute of Architects/Hawaii State Council, the American Planning Association, Hawaii Chapter, the Consulting Engineers Council of Hawaii, the Land Use Research Foundation of Hawaii, and two planning consultants.

Testimony in support of the intent of the concurrent resolution was received from the Office of Planning, Department of Business, Economic Development and Tourism (Office of Planning), which testified that a separate study is not necessary at this time since it is working toward submitting a proposal to the 1998 Legislature. The Land Use Commission had no objections to the concurrent resolution but testified that it may be unnecessary as the Office of Planning is considering a comprehensive approach to amending chapter 205, Hawaii Revised Statutes.

Your Committee finds that Hawaii's land use planning system, although innovative in 1961, is outmoded today. Rather than approach changes to this complex system in a piecemeal fashion, your Committee believes that a comprehensive approach to reviewing the land use planning process is necessary for any significant improvements to occur.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 215 and recommends that it be referred to the Committee on Legislative Management.

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

SCRep. 1498 Water and Land Use on H.C.R. No. 129

The purpose of this concurrent resolution is to urge the Hawaii congressional delegation and the United States Congress to support the federal historic homeownership tax credit.

Testimony in support of this concurrent resolution was received from the Historic Hawai'i Foundation, the Community Associations Institute, Hawaii Chapter, and Preservation Action. No testimony in opposition to this concurrent resolution was received.

Your Committee believes that the historic homeownership tax credit will provide incentives to homeowners who rehabilitate their owner-occupied homes.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 129 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Goodenow, Kanoho and Yoshinaga.

SCRep. 1499 Water and Land Use on H.R. No. 7

The purpose of this resolution is to urge the Hawaii congressional delegation and the United States Congress to support the federal historic homeownership tax credit.

Testimony in support of this resolution was received from the Historic Hawai'i Foundation and the Community Associations Institute, Hawaii Chapter. No testimony in opposition to this resolution was received.

Your Committee believes that the historic homeownership tax credit will provide incentives to homeowners who rehabilitate their owner-occupied homes.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 7 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Goodenow, Kanoho and Yoshinaga.

SCRep. 1500 Water and Land Use on H.C.R. No. 259

The purpose of this concurrent resolution is to request the Department of Land and Natural Resources to work with hunting organizations throughout the State, as well as other users of forest lands, to discuss the feasibility of establishing a Hunting Area Reserves Commission.

The Sierra Club Legal Defense Fund submitted testimony in support of this measure. The Board of Land and Natural Resources submitted comments on this measure.

Your Committee believes that a Hunting Area Reserves Commission could identify suitable areas for game management and hunting, while protecting threatened and endangered species and their habitat.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 259 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kanoho and Yoshinaga.
(Representative Thielen voted no.)

SCRep. 1501 Water and Land Use on H.R. No. 186

The purpose of this resolution is to request the Department of Land and Natural Resources to work with hunting organizations throughout the State, as well as other users of forest lands, to discuss the feasibility of establishing a Hunting Area Reserves Commission.

The Sierra Club Legal Defense Fund submitted testimony in support of this measure. The Board of Land and Natural Resources submitted comments on this measure.

Your Committee believes that a Hunting Area Reserves Commission could identify suitable areas for game management and hunting, while protecting threatened and endangered species and their habitat.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 186 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kanoho and Yoshinaga.
(Representative Thielen voted no.)

SCRep. 1502 Water and Land Use on H.C.R. No. 288

The purpose of this concurrent resolution is to request the Department of Land and Natural Resources (DLNR) to designate the former Waimea Civic Center as a historic site and provide for longer term lease agreements so that current tenants and the community can plan, raise funds, renovate, and develop the site as an important cultural asset for the community.

The Waimea Senior Citizens, Waimea Arts Council, and three individuals submitted testimony in support of this measure. DLNR supported the intent of this measure.

Your Committee recognizes the significance of the former Waimea Civic Center to the history and heritage of Waimea town, the North Kohala area, and the entire State, and supports efforts to preserve and protect the area as a historic site. However, your Committee also recognizes that there are concerns that need to be addressed and resolved in order for this measure to be successfully implemented.

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

- (1) Changing the title to: "REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES TO ASSESS THE FEASIBILITY OF DESIGNATING THE FORMER WAIMEA CIVIC CENTER AND ITS GROUNDS AS A HISTORIC SITE AND PROVIDING TENANTS WITH LONGER TERM LEASES";
- (2) Requesting DLNR to assess the feasibility of designating the former Waimea Civic Center as a historic site and providing tenants with longer term lease agreements;
- (3) Requesting DLNR to submit a report of its findings and recommendations to the Legislature prior to the convening of the Regular Session of 1998; 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 Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 288, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 288, HD 1.

Signed by all members of the Committee except Representatives Goodenow, Kanoho and Yoshinaga.

SCRep. 1503 Water and Land Use on H.R. No. 205

The purpose of this resolution is to request the Department of Land and Natural Resources (DLNR) to designate the former Waimea Civic Center as a historic site and provide for longer term lease agreements so that current tenants and the community can plan, raise funds, renovate, and develop the site as an important cultural asset for the community.

The Waimea Senior Citizens, Waimea Arts Council, and three individuals submitted testimony in support of this measure. DLNR supported the intent of this measure.

Your Committee recognizes the significance of the former Waimea Civic Center to the history and heritage of Waimea town, the North Kohala area, and the entire State, and supports efforts to preserve and protect the area as a historic site. However, your Committee also recognizes that there are concerns that need to be addressed and resolved in order for this measure to be successfully implemented.

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

- (1) Changing the title to: "REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES TO ASSESS THE FEASIBILITY OF DESIGNATING THE FORMER WAIMEA CIVIC CENTER AND ITS GROUNDS AS A HISTORIC SITE AND PROVIDING TENANTS WITH LONGER TERM LEASES";
- (2) Requesting DLNR to assess the feasibility of designating the former Waimea Civic Center as a historic site and providing tenants with longer term lease agreements;
- (3) Requesting DLNR to submit a report of its findings and recommendations to the Legislature prior to the convening of the Regular Session of 1998; 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 Water and Land Use 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 Finance, in the form attached hereto as H.R. No. 205, HD 1.

Signed by all members of the Committee except Representatives Goodenow, Kanoho and Yoshinaga.

SCRep. 1504 Tourism on H.C.R. No. 70

The purpose of this resolution is to request the Department of Business, Economic Development, and Tourism to develop a comprehensive, long-term strategic plan for the state's travel and tourism industry.

Your Committee received testimony as follows:

1. Hawaii Visitors and Convention Bureau, Hawaiian AirLines, in support; and
2. Department of Business, Economic Development, and Tourism, and Democratic Party of Hawaii in comment.

Your Committee finds that the visitor industry has undergone many changes since the last update of the strategic tourism plan in 1994. The tourism decline proved more enduring than the state had originally thought. In addition,

greater international competition, a shift from mass tourism to market segmentation, reliance on new technology, restructuring of airlines and other factors have also emerged in the past few years.

Your Committee revised this resolution by:

1. Identifying the issue areas of the study: growth, physical development; environmental resources and cultural heritage; community, visitor and industry relations; employment and career development; marketing; financing; roles and responsibilities of the government and private sector, and any other issue areas identified later; 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. 70, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 70, HD 1.

Signed by all members of the Committee.

SCRep. 1505 Consumer Protection and Commerce on H.C.R. No. 49

The purpose of this concurrent resolution is to request the Auditor to perform a sunrise review of the regulation of occupational therapy practitioners.

Specifically, this concurrent resolution requests the Auditor to study, assess, and report on the following:

- (1) The probable effects of regulating the practice of both occupational therapists and occupational therapy assistants in Hawaii;
- (2) Whether doing so would be consistent with the policies set forth in section 26H-2, Hawaii Revised Statutes; and
- (3) The preferred form through which such regulation should be provided, if appropriate.

Supportive testimony was submitted by the Commission on Persons with Disabilities, the Director of the Rehabilitation Services Department at Kapiolani Medical Center for Women & Children, the Director of Rehabilitation Services at Straub Clinic and Hospital, the American Association of Retired Persons, the Occupational Therapy Association of Hawaii, the Hawaii Pharmaceutical Association, and numerous individuals.

Your Committee finds that occupational therapy is a highly specialized practice in habilitation and rehabilitation which contributes toward optimal functional outcomes of individuals from birth to the elderly who are mentally or physically disabled or who are at risk for disabilities. Your Committee believes that the complexity of occupational therapy practice and the acute condition of many patients being treated requires a method by which to monitor a practitioner's interventions.

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. 49 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Cachola, Garcia, Herkes, Saiki and Tom.

SCRep. 1506 Consumer Protection and Commerce on H.C.R. No. 19

The purpose of this concurrent resolution is to request the Auditor to study the social and financial impacts of requiring all health insurers to provide coverage for post-mastectomy breast reconstructive surgery for all stages of reconstruction, as well as symmetry operations on the noncancerous breast, not as an option, for the subscriber or any dependent of the subscriber who is covered by the policy.

The Hawaii State Commission on the Status of Women and the Women's Coalition submitted testimony in support of this measure. The Hawaii Medical Service Association submitted testimony in support of the mandatory study of the social and financial impact of proposed new covered benefits and offered amendments for consideration.

Your Committee finds that fear of the disfiguring nature of a mastectomy may inhibit people from pursuing this alternative. Provisions of covered reconstructive surgery would encourage more individuals who need it to undergo a mastectomy. Your Committee believes that high patient morale improves the efficacy of treatment, thereby reducing long-term health care costs, as well as improving the quality of life.

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

- (1) Clarifying that insurance companies do provide coverage for the reconstructive surgery of the diseased breast area and may cover the initial reconstructive surgery of the nondiseased breast if medically necessary; however, insurance companies may not provide coverage to subsequent reconstructive surgery of the nondiseased breast owing to the open-ended nature of these surgeries which can lead to high costs;
- (2) Requesting the Auditor to include in the study:
 - (A) Estimates of the numbers of persons in Hawaii who have undergone mastectomies each year for the past ten years; and of those persons, the estimated number of persons who have sought reconstructive surgery for the nondiseased breast;

- (B) Estimates of the number of multiple surgical procedures performed on those who have sought reconstructive surgery and the time period over which these multiple surgeries were sought;
 - (C) Actual costs of the initial and each subsequent surgery;
 - (D) Side effects and risks associated with each level of surgery; and
 - (E) Estimates of the cost-effectiveness and efficacy at each level of intervention; 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 Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 19, 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. 19, HD 1.

Signed by all members of the Committee except Representatives Cachola, Tom, Yoshinaga and Whalen.

SCRep. 1507 Consumer Protection and Commerce on H.C.R. No. 165

The purpose of this concurrent resolution is to request the Auditor to:

- (1) Analyze the probable effects of the proposed regulatory measure of H.B. No. 566 to require licensure or certification of all real estate appraisers and conformance with the Uniform Standards of Professional Appraisals Practice (USPAP) in all appraisals;
- (2) Assess whether the proposed regulatory measure is consistent with the policies set forth in section 26H-2, Hawaii Revised Statutes (HRS);
- (3) Assess alternative forms of regulation; and
- (4) Include a study of the impact of this measure on all appraisers, financial institutions, the real estate market, and consumers.

Supportive testimony was received from the Department of Commerce and Consumer Affairs and the HALE Coalition. The Hawaii Chapter of the Appraisal Institute submitted comments on this measure. The Small Landowners Association, the Small Landowners of Oahu, and Kamehameha Schools Bishop Estate submitted testimony in opposition of this measure.

Your Committee finds that since the sunrise analysis performed in 1988 by the Auditor, licensure of real estate appraisers for most federally-related transactions has been mandated by Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA). Therefore, it may be necessary for the Auditor to determine whether all appraisers should be licensed or certified and required to perform all appraisals in accordance with USPAP. Your Committee believes that the impact of mandatory licensure or certification, and mandatory compliance with USPAP in all appraisals should be studied before expanding the scope of chapter 466K, HRS.

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. 165 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Cachola, Tom, Yoshinaga and Whalen.

SCRep. 1508 Consumer Protection and Commerce on H.C.R. No. 18

The purpose of this concurrent resolution is to seek parity and nondiscrimination in health care for mental illness and substance abuse by requesting the Auditor to assess the social and financial effects of making insurance coverage for mental illness and substance abuse equivalent to the coverage for physical illness.

Testifying in support of this measure were the Commission on Persons with Disabilities, the Hawaii Government Employees Association, the Hawaii Medical Association, the Mental Health Community Coalition, the Hawaii Psychiatric Medical Association, the Hawaii Medical Service Association, the Equal Insurance Coalition, the National Association of Social Workers, the Hawaii Psychological Association, and three concerned individuals.

Biomedical and behavioral research conducted by the National Institute of Mental Health indicates that increasing numbers of mental disorders have a biological or genetic origin. Nevertheless, your Committee finds that a stigma remains against persons with mental illness. Differences in insurance coverage is an example of this problem. When left untreated or under-treated, mental illness results in enormous cost to society, including employee absenteeism and reduced productivity.

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. 18, HD 1, and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Cachola, Tom, Yoshinaga and Whalen.

SCRep. 1509 Consumer Protection and Commerce on H.C.R. No. 247

The purpose of this concurrent resolution is to request the Auditor to determine whether appraisals in both federally- and nonfederally-related transactions should be performed in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP).

Testimony in support of this measure was submitted by the HALE Coalition and several interested individuals. The Department of Commerce and Consumer Affairs submitted testimony indicating that it has no objections to this measure. Comments were submitted by the Appraisal Institute. The Kamehameha Schools Bishop Estate, the Small Landowners Association, and the Small Landowners of Oahu submitted testimony in opposition to this measure.

Your Committee finds that Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 does not require appraisals to be performed in accordance with the USPAP for nonfederally-related real estate transactions, yet Title XI intends that states supervise the activities of persons who are certified or licensed to perform real estate appraisals involving real estate related financial transactions, and not just federally-related transactions.

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. 247 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Cachola, Tom, Yoshinaga and Whalen.

SCRep. 1510 Education on H.C.R. No. 93

The purpose of this concurrent resolution is to encourage each school community to develop its own approach to a values and ethics program.

Your Committee received testimony in support of this measure from the Chairperson of the Board of Education, and testimony opposed to the measure from one concerned individual.

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

- (1) Amending the title to read: "REQUESTING THE ESTABLISHMENT OF A VALUES AND ETHICS PROGRAM AS DETERMINED BY EACH SCHOOL COMMUNITY";
- (2) Changing the directive to the Board of Education from "establishing a program to define and implement a values and ethics program" to "allowing each school community to develop its own approach to a values and ethics program"; 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 Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 93, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 93, HD 1.

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

SCRep. 1511 Education on H.C.R. No. 110

The purpose of this concurrent resolution is to request the Board of Education to seek assistance from the county water supply agencies and utility companies in soliciting donations for support of public libraries.

Your Committee received testimony in favor of this concurrent resolution from the State Librarian.

Your Committee finds that when utility companies and water supply agencies send their utility bills to customers, including a solicitation for donations to support the public libraries might generate additional funds to help keep our libraries open and put new books on the shelves. As an example of the power of partnering to solicit donations, the Hawaii State Public Library System received over \$58,000 to purchase books during the recent shower head project. In this project, Hawaiian Electric Company initiated a campaign to promote water and energy saving by using the public libraries as a distribution point for these shower heads and a \$1 donation per shower head was collected at that time.

Other partnerships which have proven beneficial to the State Public Library System are the cooperative arrangements with Pizza Hut and McDonald's. Your Committee finds that encouraging this kind of partnership can help make up a bit of the budgetary shortfall that has plagued the library system, and that in the wake of the State's present fiscal condition, all efforts must be made to develop creative alternatives to engender public support for needed programs.

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. 110 and recommends that it be referred to the Committee on Consumer Protection and Commerce.

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

SCRep. 1512 Education on H.C.R. No. 32

The purpose of this concurrent resolution, as received by your Committee, is to request that the Department of Education (DOE) consult with the Department of Health (DOH) to:

- (1) Determine whether cardiopulmonary resuscitation (CPR) and first aid training should be a graduation requirement for all public and private high schools; and
- (2) Develop a CPR and first aid training program for all high school students through health education classes.

Testimony in support of this concurrent resolution was received from the DOE, the City and County of Honolulu Fire Department, the Hawaii Fire Chiefs Association, the Hawaii Medical Services Association, and the American Heart Association. No testimony in opposition to this concurrent resolution was received.

Your Committee finds that CPR is one of the necessary procedures in treating sudden cardiac arrest. Your Committee believes that the intent of this concurrent resolution is to strengthen the community's ability to respond to life threatening situations.

Upon further consideration, your Committee has amended this concurrent resolution by:

- (1) Providing that the DOE offer CPR and first aid training in other applicable subject areas, in addition to the health curriculum;
- (2) Specifying that the Board of Education, rather than the DOE, consult with DOH to determine whether CPR and first aid training should be a graduation requirement for all public high schools and for the Hawaii Association of Independent Schools to consider the same for private high schools; and
- (3) Making a technical, nonsubstantive amendment for purposes of clarity and style.

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 H.C.R. No. 32, HD 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. 32, HD 2.

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

SCRep. 1513 Education on H.R. No. 31

The purpose of this resolution, as received by your Committee, is to request that the Department of Education (DOE) consult with the Department of Health (DOH) to:

- (1) Determine whether cardiopulmonary resuscitation (CPR) and first aid training should be a graduation requirement for all public and private high schools; and
- (2) Develop a CPR and first aid training program for all high school students through health education classes.

Testimony in support of this resolution was received from the DOE, the City and County of Honolulu Fire Department, the Hawaii Fire Chiefs Association, the Hawaii Medical Services Association, and the American Heart Association. No testimony in opposition to this resolution was received.

Your Committee finds that CPR is one of the necessary procedures in treating sudden cardiac arrest. Your Committee believes that the intent of this resolution is to strengthen the community's ability to respond to life threatening situations.

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

- (1) Providing that the DOE offer CPR training and first aid in other applicable subject areas, in addition to the health curriculum;
- (2) Specifying that the Board of Education, rather than the DOE, consult with the DOH to determine whether CPR and first aid training should be a graduation requirement for all public high schools and for the Hawaii Association of Independent Schools to consider the same for private high schools; and
- (3) Making a technical, nonsubstantive amendment for purposes of clarity and style.

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 H.R. No. 31, HD 1, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 31, HD 2.

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

SCRep. 1514 Human Services and Housing on H.C.R. No. 206

The purpose of this concurrent resolution is to request that the Housing Finance and Development Corporation review issues and identify options to enable the residents of the Waimanalo Homes Project to remain living there.

Seven residents of Waimanalo Homes supported the resolution. The Housing Finance Development Corporation supported the intent of the resolution. The Hawaii Housing Authority supported the concept of self-sufficiency and homeownership, but did not support the measure.

Your Committee agrees with the intent of this measure. However, it also finds that this resolution presents two significant competing policy issues: the State's interests in (1) maintaining an inventory of affordable public housing units, and (2) enabling public housing residents to become private homeowners.

Waimanalo Homes was created over 30 years ago when the U.S. Department of Housing and Urban Development ("HUD") transferred title to the site to the Hawaii Housing Authority ("HHA"). Waimanalo Homes is currently comprised of 50 single-family dwellings located at Humuniki Street in Waimanalo. The site exists on ceded lands. Not all of the families residing at Waimanalo Homes are of Hawaiian ancestry.

According to the residents, this issue arose when HHA announced its intention to renovate the homes, thus requiring the temporary displacement of the residents. The renovation will largely be financed by the federal government, which has already committed \$8,000,000. These funds, however, will lapse in early May, 1997.

According to the residents, HUD and HHA had agreed to sell the property to them in the 1960's. In support of their contention, the residents produced copies of two newspaper articles reporting legislative inquiry into the matter. The articles, however, were inconclusive as to the existence of any such promise.

Your Committee finds that even if the State of Hawaii were willing to sell or lease the site to the residents, several issues must first be resolved. First, the site consists of ceded lands, which are implicated in ongoing litigation between the Office of Hawaiian Affairs ("OHA") and the State. Second, HHA is bound by HUD regulations which apparently require approval prior to the alienation of the site. Third, if the State relinquishes the site, HUD will not replace it because federal law no longer requires a mandatory one-for-one replacement of public housing units. Finally, the parties to this issue must act expediently to preclude the lapsing of approximately \$8 million in federal funds which were allocated for the renovation of Waimanalo Homes.

Upon due consideration, your Committee has amended this resolution to basically request that all indispensable parties complete some necessary research that will facilitate any future negotiations. Specifically, your Committee has amended this resolution by:

- (1) Replacing the title with the following language: **REQUESTING THE WAIMANALO HOUSING RESIDENTS ASSOCIATION, HAWAII HOUSING AUTHORITY, HOUSING FINANCE AND DEVELOPMENT CORPORATION, OFFICE OF HAWAIIAN AFFAIRS, AND THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT TO RESEARCH ISSUES AND IDENTIFY OPTIONS TO ENABLE THE RESIDENTS OF THE WAIMANALO HOMES PROJECT TO REMAIN LIVING THERE;**
- (2) Deleting provisions from line 13, page 1, through the end of the resolution;
- (3) Inserting language requesting the indispensable parties to research issues related to promises previously made to the residents, the ceded lands issue, mandatory conversion, federal preemption, self-help options, financing, insurance, and liability;
- (4) Inserting language requesting that the parties complete their research prior to May 1, 1997, in order to avoid the lapsing of approximately \$8 million in federal funds designated for the renovation of Waimanalo Homes;
- (5) Inserting language requesting that the Hawaii Housing Authority assist in the compilation of research completed by the parties, and that it submit such findings to the Legislature on or before May 1, 1997;
- (6) Inserting language requesting that the residents avail themselves of administrative remedies concerning their objection to the renovation of Waimanalo homes; and
- (7) Making technical, non-substantive amendments for the purposes of style and clarity.
- (8) In addition, your Committee wishes to emphasize that the purpose of this measure is merely to facilitate communication between interested parties. It should not be construed as legislative intent in favor of the alienation of Waimanalo Homes.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing 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, HD 1.

Signed by all members of the Committee except Representatives Kahikina and Whalen.

SCRep. 1515 Human Services and Housing on H.R. No. 142

The purpose of this resolution is to request that the Housing Finance and Development Corporation review issues and identify options to enable the residents of the Waimanalo Homes Project to remain living there.

Seven residents of Waimanalo Homes supported the resolution. The Housing Finance Development Corporation supported the intent of the resolution. The Hawaii Housing Authority supported the concept of self-sufficiency and homeownership, but did not support the measure.

Your Committee agrees with the intent of this measure. However, it also finds that this resolution presents two significant competing policy issues: the State's interests in (1) maintaining an inventory of affordable public housing units, and (2) enabling public housing residents to become private homeowners.

Waimanalo Homes was created over 30 years ago when the U.S. Department of Housing and Urban Development ("HUD") transferred title to the site to the Hawaii Housing Authority ("HHA"). Waimanalo Homes is currently comprised of 50 single-family dwellings located at Humuniki Street in Waimanalo. The site exists on ceded lands. Not all of the families residing at Waimanalo Homes are of Hawaiian ancestry.

According to the residents, this issue arose when HHA announced its intention to renovate the homes, thus requiring the temporary displacement of the residents. The renovation will largely be financed by the federal government, which has already committed \$8,000,000. These funds, however, will lapse in early May, 1997.

According to the residents, HUD and HHA had agreed to sell the property to them in the 1960's. In support of their contention, the residents produced copies of two newspaper articles reporting legislative inquiry into the matter. The articles, however, were inconclusive as to the existence of any such promise.

Your Committee finds that even if the State of Hawaii were willing to sell or lease the site to the residents, several issues must first be resolved. First, the site consists of ceded lands, which are implicated in ongoing litigation between the Office of Hawaiian Affairs ("OHA") and the State. Second, HHA is bound by HUD regulations which apparently require approval prior to the alienation of the site. Third, if the State relinquishes the site, HUD will not replace it because federal law no longer requires a mandatory one-for-one replacement of public housing units. Finally, the parties to this issue must act expediently to preclude the lapsing of approximately \$8 million in federal funds which were allocated for the renovation of Waimanalo Homes.

Upon due consideration, your Committee has amended this resolution to basically request that all indispensable parties complete some necessary research that will facilitate any future negotiations. Specifically, your Committee has amended this resolution by:

- (1) Replacing the title with the following language: REQUESTING THE WAIMANALO HOUSING RESIDENTS ASSOCIATION, HAWAII HOUSING AUTHORITY, HOUSING FINANCE AND DEVELOPMENT CORPORATION, OFFICE OF HAWAIIAN AFFAIRS, AND THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT TO RESEARCH ISSUES AND IDENTIFY OPTIONS TO ENABLE THE RESIDENTS OF THE WAIMANALO HOMES PROJECT TO REMAIN LIVING THERE;
- (2) Deleting provisions from line 13, page 1, through the end of the resolution;
- (3) Inserting language requesting the indispensable parties to research issues related to promises previously made to the residents, the ceded lands issue, mandatory conversion, federal preemption, self-help options, financing, insurance, and liability;
- (4) Inserting language requesting that the parties complete their research prior to May 1, 1997, in order to avoid the lapsing of approximately \$8 million in federal funds designated for the renovation of Waimanalo Homes;
- (5) Inserting language requesting that the Hawaii Housing Authority assist in the compilation of research completed by the parties, and that it submit such findings to the Legislature on or before May 1, 1997;
- (6) Inserting language requesting that the residents avail themselves of administrative remedies concerning their objection to the renovation of Waimanalo homes; and
- (7) Making technical, non-substantive amendments for the purposes of style and clarity.
- (8) In addition, your Committee wishes to emphasize that the purpose of this measure is merely to facilitate communication between interested parties. It should not be construed as legislative intent in favor of the alienation of Waimanalo Homes.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 142, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 142, HD 1.

Signed by all members of the Committee except Representatives Kahikina and Whalen.

SCRep. 1516 Education on H.C.R. No. 151

The purpose of this concurrent resolution is to:

- (1) Urge the Department of Education to regularly repair and maintain school computers; and
- (2) Report all findings to the Legislature no later than twenty days prior to the convening of the Regular Session of 1998.

Your Committee received testimony in support of this measure from the Department of Education.

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. 151 and recommends that it be referred to the Committee on Finance.

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

SCRep. 1517 Education on H.R. No. 97

The purpose of this resolution is to:

- (1) Urge the Department of Education to regularly repair and maintain school computers; and
- (2) Report all findings to the Legislature no later than twenty days prior to the convening of the Regular Session of 1998.

Your Committee received testimony in support of this measure from the Department of Education.

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. 97 and recommends that it be referred to the Committee on Finance.

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

SCRep. 1518 Ocean Recreation and Marine Resources on H.C.R. No. 253

The purpose of this concurrent resolution is to have:

- 1) The Legislature recognize Hawaii's ocean resources as unique and of major important to both residents and visitors; and
- 2) The Legislature acknowledge the importance of Hawaii's surrounding ocean to the state's economy; and
- 3) The State of Hawaii further ocean resource management and support Hawaii's ocean industries, including the ocean recreation, maritime and fishing industries.

Testimony in support of the measure was received from the Department of Land and Natural Resources; The Department of Business, Economic Development and Tourism; the University of Hawaii; MCBOAT and Boats/Hawaii, Inc.

Your Committee finds that it is essential to raise the level of awareness among government leaders about the economic importance of ocean resources and ocean industries. Support for these industries is needed and should reflect the true value of the contribution these industries make to our state economy.

Your Committee amended the measure by:

- 1) Expanding the list of ocean industries to include ocean research and development, seafood marketing and aquaculture; and
- 2) Note that the combined value of these six ocean industries in 1998 is over \$3 billion.

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. 253, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 253, HD 1.

Signed by all members of the Committee except Representatives Morihara and Meyer.

SCRep. 1519 Ocean Recreation and Marine Resources on H.R. No. 180

The purpose of this resolution is to have:

- 1) The Legislature recognize Hawaii's ocean resources as unique and of major important to both residents and visitors; and
- 2) The Legislature acknowledge the importance of Hawaii's surrounding ocean to the state's economy; and
- 3) The State of Hawaii further ocean resource management and support Hawaii's ocean industries, including the ocean recreation, maritime and fishing industries.

Testimony in support of the measure was received from the Department of Land and Natural Resources; The Department of Business, Economic Development and Tourism; the University of Hawaii; MCBOAT and Boats/Hawaii, Inc.

Your Committee finds that it is essential to raise the level of awareness among government leaders about the economic importance of ocean resources and ocean industries. Support for these industries is needed and should reflect the true value of the contribution these industries make to our state economy.

Your Committee amended the measure by:

- 1) Expanding the list of ocean industries to include ocean research and development, seafood marketing and aquaculture; and
- 2) Note that the combined value of these six ocean industries in 1998 is over \$3 billion.

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. 180, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 180, HD 1.

Signed by all members of the Committee except Representatives Morihara and Meyer.

SCRep. 1520 Ocean Recreation and Marine Resources on H.C.R. No. 186

The purpose of this concurrent resolution is to request the Department of Land and Natural Resources (DLNR) to establish a community-based, cooperative effort to restore and maintain one or more of the remaining fishponds in Pearl Harbor.

The DLNR and the Office of Hawaiian Affairs submitted testimony in support of this measure.

Your Committee recognizes that Hawaiian fishponds are culturally significant and offer a unique opportunity for community involvement in pond restoration and revitalization.

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. 186, HD 1 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Morihara and Meyer.

SCRep. 1521 Ocean Recreation and Marine Resources on H.R. No. 121

The purpose of this resolution is to request the Department of Land and Natural Resources (DLNR) to establish a community-based, cooperative effort to restore and maintain one or more of the remaining fishponds in Pearl Harbor.

The DLNR and the Office of Hawaiian Affairs submitted testimony in support of this measure.

Your Committee recognizes that Hawaiian fishponds are culturally significant and offer a unique opportunity for community involvement in pond restoration and revitalization.

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. 121, HD 1 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Morihara and Meyer.

SCRep. 1522 Education on H.C.R. No. 251

The purpose of this concurrent resolution is to request the Department of Education to establish joint partnerships with private Hawaiian canoeing associations to organize interscholastic Hawaiian canoeing teams in the public secondary schools in Hawaii.

The Office of Hawaiian Affairs submitted testimony in support of the measure. The Department of Education supported the formation of canoeing teams, while voicing concerns about the measure.

Your Committee has consistently supported measures that advance the Hawaiian culture since it is the host culture of these islands. As such, all residents, both Hawaiian and nonHawaiian alike, should learn to appreciate its many facets. This kind of appreciation can be developed most effectively at an early age.

The measure has been amended by:

- (1) Requesting the Department of Education to establish a pilot project rather than a program to organize Hawaiian canoeing teams;
- (2) Requesting the Superintendent of Education to submit a progress report to the Legislature;
- (3) Revising the title to reflect amendments to the body; 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 Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 251, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 251, HD 1.

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

SCRep. 1523 Education on H.R. No. 178

The purpose of this resolution is to request the Department of Education to establish joint partnerships with private Hawaiian canoeing associations to organize interscholastic Hawaiian canoeing teams in the public secondary schools in Hawaii.

The Office of Hawaiian Affairs submitted testimony in support of the measure. The Department of Education supported the formation of canoeing teams, while voicing concerns about the measure.

Your Committee has consistently supported measures that advance the Hawaiian culture since it is the host culture of these islands. As such, all residents, both Hawaiian and nonHawaiian alike, should learn to appreciate its many facets. This kind of appreciation can be developed most effectively at an early age.

The measure has been amended by:

- (1) Requesting the Department of Education to establish a pilot project rather than a program to organize Hawaiian canoeing teams;
- (2) Requesting the Superintendent of Education to submit a progress report to the Legislature;
- (3) Revising the title to reflect amendments to the body; 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 Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 178, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 178, HD 1.

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

SCRep. 1524 Education on H.C.R. No. 124

The purpose of this concurrent resolution is to request the Board of Education and Department of Education to shift some foreign language resources from the high school to the elementary school level.

Testimony in support of this resolution was received from the Department of Education.

Your Committee finds that studies have shown that language acquisition is more easily done by elementary school children than by high school children, as brain development pertaining to language is more readily obtainable in the young. By high school, most of the natural ability to learn a foreign language has disappeared. Language studies started in earlier years, however, can be honed and further developed in the high school years, if a foundation is laid in grade school.

Your Committee further finds that the Department of Education has established world languages programs in eighty-four elementary schools in the State, and is in favor of providing foreign language instruction as a part of the regular school day for elementary students.

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. 124 and recommends that it be referred to the Committee on Finance.

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

SCRep. 1525 Education on H.R. No. 78

The purpose of this resolution is to request the Board of Education and Department of Education to shift some foreign language resources from the high school to the elementary school level.

Testimony in support of this resolution was received from the Department of Education.

Your Committee finds that studies have shown that language acquisition is more easily done by elementary school children than by high school children, as brain development pertaining to language is more readily obtainable in the young. By high school, most of the natural ability to learn a foreign language has disappeared. Language studies started in earlier years, however, can be honed and further developed in the high school years, if a foundation is laid in grade school.

Your Committee further finds that the Department of Education has established world languages programs in eighty-four elementary schools in the State, and is in favor of providing foreign language instruction as a part of the regular school day for elementary students.

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. 78 and recommends that it be referred to the Committee on Finance.

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

SCRep. 1526 Education on H.C.R. No. 38

The purpose of this concurrent resolution is to facilitate the construction of communications wiring and conduit systems in public schools by:

- (1) Requesting the Department of Budget and Finance (B&F), the Department of Accounting and General Services (DAGS), and the Department of Education (DOE) to eliminate the restrictive clauses in general obligation bond covenants that preclude the use of bond proceeds for this purpose; and
- (2) Requesting the Board of Education (BOE) to modify DOE's capital improvement program priority matrix (matrix) to include the installation of communication wiring and conduit systems in public school construction projects.

DOE submitted testimony concurring with the intent of the concurrent resolution. However, DOE recommended amending the measure since there are no restrictive clauses in the general obligation bond covenants that preclude the use of bond proceeds for the installation of telecommunications wiring and conduit systems.

Your Committee fully supports the creation of an adequate telecommunications infrastructure in the public schools. Recent developments, such as the rapid expansion of the Internet, indicate that telecommunications technology will have a momentous impact on the field of education. But without an adequate telecommunications infrastructure, Hawaii public schools will be precluded from taking advantage of these opportunities and will not be able to provide the full range of educational experiences that children will need to live and work successfully in the twenty-first century.

The concurrent resolution has been amended by:

- (1) Amending various WHEREAS clauses to specify that B&F policies, rather than general obligation bond covenants, are responsible for prohibiting capital improvement project funds to be used for telecommunications wiring and conduits;
- (2) Adding a WHEREAS clause asserting that wiring and conduit systems are not incorporated in DOE's matrix, and that there is little coordination among the matrix, the long-range technology plan, and expected funding levels;
- (3) Changing the BE IT RESOLVED clause to request B&F to change its policies to allow wiring and conduit systems to be funded by capital improvement project funds;
- (4) Changing a BE IT FURTHER RESOLVED clause to request DOE to coordinate the matrix, the long-range plan to integrate technology into the public school system, and expected funding levels;
- (5) Adding a BE IT FURTHER RESOLVED clause requesting the Director of Finance and the Superintendent of Education to submit progress reports to the Legislature;
- (6) Amending the title to request B&F and DOE to take actions to facilitate the construction of communications wiring and conduit systems; and
- (7) Making technical, nonsubstantive revisions for purposes of style and clarity.

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. 38, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 38, HD 1.

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

SCRep. 1527 Education on H.R. No. 37

The purpose of this resolution is to facilitate the construction of communications wiring and conduit systems in public schools by:

- (1) Requesting the Department of Budget and Finance (B&F), the Department of Accounting and General Services (DAGS), and the Department of Education (DOE) to eliminate the restrictive clauses in general obligation bond covenants that preclude the use of bond proceeds for this purpose; and
- (2) Requesting the Board of Education (BOE) to modify DOE's capital improvement program priority matrix (matrix) to include the installation of communication wiring and conduit systems in public school construction projects.

DOE submitted testimony concurring with the intent of the resolution. However, DOE recommended amending the measure since there are no restrictive clauses in the general obligation bond covenants that preclude the use of bond proceeds for the installation of telecommunications wiring and conduit systems.

Your Committee fully supports the creation of an adequate telecommunications infrastructure in the public schools. Recent developments, such as the rapid expansion of the Internet, indicate that telecommunications technology will have a momentous impact on the field of education. But without an adequate telecommunications infrastructure, Hawaii public schools will be precluded from taking advantage of these opportunities and will not be able to provide the full range of educational experiences that children will need to live and work successfully in the twenty-first century.

The resolution has been amended by:

- (1) Amending various WHEREAS clauses to specify that B&F policies, rather than general obligation bond covenants, are responsible for prohibiting capital improvement project funds to be used for telecommunications wiring and conduits;
- (2) Adding a WHEREAS clause asserting that wiring and conduit systems are not incorporated in DOE's matrix, and that there is little coordination among the matrix, the long-range technology plan, and expected funding levels;
- (3) Changing the BE IT RESOLVED clause to request B&F to change its policies to allow wiring and conduit systems to be funded by capital improvement project funds;
- (4) Changing a BE IT FURTHER RESOLVED clause to request DOE to coordinate the matrix, the long-range plan to integrate technology into the public school system, and expected funding levels;
- (5) Adding a BE IT FURTHER RESOLVED clause requesting the Director of Finance and the Superintendent of Education to submit progress reports to the Legislature;
- (6) Amending the title to request B&F and DOE to take actions to facilitate the construction of communications wiring and conduit systems; and
- (7) Making technical, nonsubstantive revisions for purposes of style and clarity.

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. 37, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 37, HD 1.

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

SCRep. 1528 Education on H.C.R. No. 241

The purpose of this concurrent resolution is to request that the Budget and Finance Director consult with the Superintendent of Education to consider funding for athletic coaches' salaries, equipment and supplies, and transportation for athletic teams as standard workload increase when designing and budgeting new schools.

Testimony in support of this concurrent resolution was received from the Department of Education. Testimony in opposition to this concurrent resolution was received from the Department of Budget and Finance.

Your Committee finds that as the number of high schools has grown, the size of the athletic budget has remained the same, resulting in a reduced budget for each high school. Your Committee further finds that this budget limitation has made it difficult for schools to expand their athletic programs to include sports such as junior varsity soccer and varsity and junior varsity water polo for boys and girls.

Your Committee believes that the intent of this joint resolution is to provide resources to athletic programs at new high schools without depleting resources from existing high schools.

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. 241 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Morihara, Takai, Halford, McDermott and Moses.

SCRep. 1529 Education on H.R. No. 172

The purpose of this resolution is to request that the Budget and Finance Director consult with the Superintendent of Education to consider funding for athletic coaches' salaries, equipment and supplies, and transportation for athletic teams as standard workload increase when designing and budgeting new schools.

Testimony in support of this resolution was received from the Department of Education. Testimony in opposition to this resolution was received from the Department of Budget and Finance.

Your Committee finds that as the number of high schools has grown, the size of the athletic budget has remained the same, resulting in a reduced budget for each high school. Your Committee further finds that this budget limitation has made it difficult for schools to expand their athletic programs to include sports such as junior varsity soccer and varsity and junior varsity water polo for boys and girls.

Your Committee believes that the intent of this resolution is to provide resources to athletic programs at new high schools without depleting resources from existing high schools.

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. 172 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Morihara, Takai, Halford, McDermott and Moses.

SCRep. 1530 Education on H.C.R. No. 149

The purpose of this concurrent resolution is to request the Department of Education to develop and implement a monitoring system to ensure that the administration of Chapter 19, Hawaii Administrative Rules, is consistent among all public schools.

The Hawaii State Teachers Association submitted testimony in support of the concurrent resolution. The Department of Education submitted comments on it.

Your Committee has made a technical, nonsubstantive amendment to the measure for purposes of style and clarity.

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. 149, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 149, HD 1.

Signed by all members of the Committee except Representatives Morihara, Takai, Halford, McDermott and Moses.

SCRep. 1531 Education on H.R. No. 95

The purpose of this resolution is to request the Department of Education to develop and implement a monitoring system to ensure that the administration of Chapter 19, Hawaii Administrative Rules, is consistent among all public schools.

The Hawaii State Teachers Association submitted testimony in support of the resolution. The Department of Education submitted comments on it.

Your Committee has made a technical, nonsubstantive amendment to the measure for purposes of style and clarity.

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. 95, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 95, HD 1.

Signed by all members of the Committee except Representatives Morihara, Takai, Halford, McDermott and Moses.

SCRep. 1532 Education on H.C.R. No. 175

The purpose of this concurrent resolution is to request the Department of Budget and Finance to explore options to acquire computer equipment for Hawaii's public schools.

Your Committee agrees that computers are an invaluable learning tool for Hawaii's students, and that providing hands-on training in school will better prepare students to survive and excel in tomorrow's high technology workplaces. A study of the various options available, including alternative funding mechanisms, to acquire computer equipment for public schools will allow the Legislature to be better informed for decision making on these issues.

Upon further consideration, your Committee finds that both the Department of Education and the State Procurement Office should be included in the study proposed by this concurrent resolution. The Department of Education should take the lead role in this study, since educational institutions are often given discounts by computer companies. The State Procurement Office should be included since that office is involved in purchasing computer equipment and supplies. Finally, the Department of Budget and Finance should be included since the study is requested to review the use of bonds for the purchase of computer equipment. Your Committee has accordingly amended this concurrent resolution by adding appropriate references to the Department of Education and the State Procurement Office.

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. 175, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 175, HD 1.

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

SCRep. 1533 Education on H.R. No. 115

The purpose of this resolution is to request the Department of Budget and Finance to explore options to acquire computer equipment for Hawaii's public schools.

Your Committee agrees that computers are an invaluable learning tool for Hawaii's students, and that providing hands-on training in school will better prepare students to survive and excel in tomorrow's high technology workplaces. A study of the various options available, including alternative funding mechanisms, to acquire computer equipment for public schools will allow the Legislature to be better informed for decision making on these issues.

Upon further consideration, your Committee finds that both the Department of Education and the State Procurement Office should be included in the study proposed by this resolution. The Department of Education should take the lead role in this study, since educational institutions are often given discounts by computer companies. The State Procurement Office should be included since that office is involved in purchasing computer equipment and supplies. Finally, the Department of Budget and Finance should be included since the study is requested to review the use of bonds for the purchase of computer equipment. Your Committee has accordingly amended this resolution by adding appropriate references to the Department of Education and the State Procurement Office.

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. 115, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 115, HD 1.

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

SCRep. 1534 Water and Land Use on H.C.R. No. 257

The purpose of this concurrent resolution is to determine how the timber industry and the Hilo-Hamakua community can work together to help determine the future of that community.

This measure requests the Department of Land and Natural Resources (DLNR) to work with governmental agencies and community organizations to examine:

- (1) The overall plans for developing the commercial forest industry in the Hilo-Hamakua region;
- (2) The economic impacts that this industry is expected to have on the community; and
- (3) The opportunities available to the community to have input on the development of this industry.

The DLNR, Hamakua Timber, the Rural South Hilo Community Association, the Hawaii Green Party, and a concerned individual testified in support of this measure. The Department of Agriculture also supported this measure with some reservations. The Friends of Hamakua and a concerned individual suggested amendments. A concerned individual testified in opposition of this measure. The Hawaii-Laiekwai Association, Inc., Paauiolo Under Siege, and seven individuals offered comments.

Some of the testifiers were concerned that the establishment of an eucalyptus tree farm might eventually lead to the construction of a pulp mill on the Big Island. Mike Buck, administrator of DLNR's Forestry and Wildlife Division, expressed strong opposition to any pulp mill on the Big Island and didn't think that the magnitude of the proposed tree farm warranted the placement of a mill. Your Committee is also not aware of any on-going discussions with the affected parties involving the establishment of any pulp mills. Any such proposal is clearly not acceptable to your Committee.

Your Committee has amended this measure by:

- (1) Requesting DLNR to take steps to secure a neutral facilitator to guide the discussions of the group;
- (2) Clarifying that the group is free to participate in any existing regulatory or decisionmaking process as determined by its members;
- (3) Pointing out that further dialogue and the building of consensus are vital to the group, because they are a means to:
 - (a) Create a proactive approach to develop a responsible commercial forest industry that is sensitive to community concerns; and
 - (b) Avoid future situations that can have damaging and long lasting effects on the community and its environment;
- (4) Changing the title to read: REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES TO WORK WITH OTHER AGENCIES AND BIG ISLAND COMMUNITY ORGANIZATIONS TO DETERMINE HOW THE COMMERCIAL FOREST INDUSTRY AND THE HILO-HAMAKUA COMMUNITY CAN WORK TOGETHER TO HELP DETERMINE FUTURE OPTIONS FOR THE COMMUNITY;
- (5) Adding the Kamehameha Schools Bishop Estate, the New Oji Paper Co. Ltd., and a representative from the Friends of Hamakua to the group; and
- (6) Making technical, nonsubstantive amendments for purposes of style and clarity.

Finally, your Committee believes that if the members of the group can pull together to address a common agenda, it can have meaningful input and influence on future decisions affecting the development of a commercial forest industry on the Big Island. Accordingly, it is incumbent on the industry to work closely with the community on an on-going basis to address its concerns.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 257, HD 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. 257, HD 2.

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

SCRep. 1535 Water and Land Use on H.R. No. 184

The purpose of this resolution is to determine how the timber industry and the Hilo-Hamakua community can work together to help determine the future of that community.

This measure requests the Department of Land and Natural Resources (DLNR) to work with governmental agencies and community organizations to examine:

- (1) The overall plans for developing the commercial forest industry in the Hilo-Hamakua region;
- (2) The economic impacts that this industry is expected to have on the community; and
- (3) The opportunities available to the community to have input on the development of this industry.

The DLNR, Hamakua Timber, the Rural South Hilo Community Association, the Hawaii Green Party, and a concerned individual testified in support of this measure. The Department of Agriculture also supported this measure with some reservations. The Friends of Hamakua and a concerned individual suggested amendments. A concerned individual testified in opposition of this measure. The Hawaii-Laiekwai Association, Inc., Paauilo Under Siege, and seven individuals offered comments.

Some of the testifiers were concerned that the establishment of an eucalyptus tree farm might eventually lead to the construction of a pulp mill on the Big Island. Mike Buck, administrator of DLNR's Forestry and Wildlife Division, expressed strong opposition to any pulp mill on the Big Island and didn't think that the magnitude of the proposed tree farm warranted the placement of a mill. Your Committee is also not aware of any on-going discussions with the affected parties involving the establishment of any pulp mills. Any such proposal is clearly not acceptable to your Committee.

Your Committee has amended this measure by:

- (1) Requesting DLNR to take steps to secure a neutral facilitator to guide the discussions of the group;
- (2) Clarifying that the group is free to participate in any existing regulatory or decisionmaking process as determined by its members;
- (3) Pointing out that further dialogue and the building of consensus are vital to the group, because they are a means to:
 - (a) Create a proactive approach to develop a responsible commercial forest industry that is sensitive to community concerns; and
 - (b) Avoid future situations that can have damaging and long lasting effects on the community and its environment;
- (4) Changing the title to read: **REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES TO WORK WITH OTHER AGENCIES AND BIG ISLAND COMMUNITY ORGANIZATIONS TO DETERMINE HOW THE COMMERCIAL FOREST INDUSTRY AND THE HILO-HAMAKUA COMMUNITY CAN WORK TOGETHER TO HELP DETERMINE FUTURE OPTIONS FOR THE COMMUNITY;**
- (5) Adding the Kamehameha Schools Bishop Estate, the New Oji Paper Co. Ltd., and a representative from the Friends of Hamakua to the group; and
- (6) Making technical, nonsubstantive amendments for purposes of style and clarity.

Finally, your Committee believes that if the members of the group can pull together to address a common agenda, it can have meaningful input and influence on future decisions affecting the development of a commercial forest industry on the Big Island. Accordingly, it is incumbent on the industry to work closely with the community on an on-going basis to address its concerns.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 184, HD 1, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 184, HD 2.

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

SCRep. 1536 Ocean Recreation and Marine Resources on H.C.R. No. 277

The purpose of this concurrent resolution is to request the Department of Land and Natural Resources for the purposes of assigning boat slips at the Ala Wai Boat Harbor and other small boat harbors, to recognize joint tenancy as co-ownership and the rights derived from one to be applied to the other, as if the joint tenets were a single person.

Testimony in support of the measure was received from members of the Ala Wai Marina Committee and several other private boat owners.

The Department of Land and Natural Resources submitted testimony in opposition to this concurrent resolution.

Your Committee finds that transfer of use permits for a boat slip from one family member to another through joint tenancy is fair, recognizing that care must be taken to prevent abuse of this transferability when it comes to corporations. Your Committee recognizes that any change in this policy should require public hearings. Your Committee also finds that this issue goes beyond one individual case and may be a more widespread problem.

We have amended the measure by deleting most of the contents and including language describing the issue and directing the Department of Land and Natural Resources to initiate the rule making process to include joint tenancy as an acceptable qualification for transfer of a use permit for a slip in a small boat harbor.

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. 277, as amended herein, and recommends that it be referred to the Committee on Judiciary, in the form attached hereto as H.C.R. No. 277, HD 1.

Signed by all members of the Committee except Representatives Morihara and Meyer.

SCRep. 1537 Ocean Recreation and Marine Resources on H.R. No. 198

The purpose of this resolution is to request the Department of Land and Natural Resources for the purposes of assigning boat slips at the Ala Wai Boat Harbor and other small boat harbors, to recognize joint tenancy as co-ownership and the rights derived from one to be applied to the other, as if the joint tenets were a single person.

Testimony in support of the measure was received from members of the Ala Wai Marina Committee and several other private boat owners.

The Department of Land and Natural Resources submitted testimony in opposition to this concurrent resolution.

Your Committee finds that transfer of use permits for a boat slip from one family member to another through joint tenancy is fair, recognizing that care must be taken to prevent abuse of this transferability when it comes to corporations. Your Committee recognizes that any change in this policy should require public hearings. Your Committee also finds that this issue goes beyond one individual case and may be a more widespread problem.

We have amended the measure by deleting most of the contents and including language describing the issue and directing the Department of Land and Natural Resources to initiate the rule making process to include joint tenancy as an acceptable qualification for transfer of a use permit for a slip in a small boat harbor.

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. 198, as amended herein, and recommends that it be referred to the Committee on Judiciary, in the form attached hereto as H.R. No. 198, HD 1.

Signed by all members of the Committee except Representatives Morihara and Meyer.

SCRep. 1538 Consumer Protection and Commerce and Judiciary on H.C.R. No. 248

The purpose of this concurrent resolution is to clarify "fair market value" as it applies to real property lease renegotiations and the calculation of rent.

This measure requests the State Auditor to study the effect of enacting legislation requiring that fair market value be determined in conformance with Uniform Standards of Professional Appraisal Practice (USPAP).

Supporting testimony was submitted by the HALE Coalition and an individual. A petition supporting this measure was signed by nine individuals and businesses. The Hawaii Chapter of the National Association of Industrial and Office Properties, the Hawaii Chapter of the Appraisal Institute, and an individual offered comments. The Small Landowners Association and Small Landowners of Oahu and Kamehameha Schools Bishop Estate opposed this measure.

Your Committees have amended this concurrent resolution by:

- (1) Clarifying that USPAP is one of the processes by which real property value may be determined;
- (2) Changing the title to read "REQUESTING THE STATE AUDITOR TO REPORT ON H.B. NO. 567 AND S.B. NO. 1077 RELATING TO REAL PROPERTY LEASES";
- (3) Deleting provisions indicating that sections 171-18.5(b) and 10-13.6(b), Hawaii Revised Statutes (HRS), replace arbitration under chapter 658, HRS, with appraisement as the method for resolving disagreement between appraisers over value;
- (4) Deleting provisions indicating that the process of arbitration under chapter 658, HRS, has served as a device to circumvent USPAP;
- (5) Requesting the State Auditor to determine whether H.B. No. 567 and S.B. No. 1077 should be considered rather than whether these bills would result in conformance with USPAP in such renegotiations and in determining the fair market value pursuant to sections 171-18.5(b) and 10-13.6(b), HRS;
- (6) Requesting that the State Auditor submit a report to the 1998 Legislature; and
- (7) Making technical, nonsubstantive amendments for purposes of style and clarity.

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 concur with the intent and purpose of H.C.R. No. 248, as amended herein, and recommend that it be referred to the Committee on Legislative Management, in the form attached hereto as H.C.R. No. 248, HD 1.

Signed by all members of the Committees except Representatives Hiraki, Jones, Pendleton and Whalen.

SCRep. 1539 Energy and Environmental Protection on H.C.R. No. 237

The purpose of this resolution is to oppose the transport of nuclear waste to, and storage of nuclear waste on any territory or possession of the United States, including Wake Island and Palmyra Atoll.

The Department of Health submitted testimony in support of this measure.

Your Committee finds that the Insular Area Appropriation Act of 1980 prohibits the transportation to, and storage of, nuclear waste on any territory or possession of the United States unless specifically authorized by an Act of Congress. There is currently some interest in private development of nuclear waste storage facilities on either Wake Island or Palmyra Atoll.

Your Committee finds that there are proven to be adverse effects on the environment and resident populations resulting from the use of nuclear materials. It further finds that a prohibition of nuclear waste storage now will ensure that future generations will not be burdened with the detrimental effects of nuclear contamination on the delicate Pacific area ecosystem.

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

- (1) Correcting line 16 to read "geologically"; 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 Energy and Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 237, as amended herein, and recommends that it be referred to the Committee on Judiciary, in the form attached hereto as H.C.R. No. 237, HD 1.

Signed by all members of the Committee except Representative Kanoho.

SCRep. 1540 Energy and Environmental Protection on H.R. No. 168

The purpose of this resolution is to oppose the transport of nuclear waste to, and storage of nuclear waste on any territory or possession of the United States, including Wake Island and Palmyra Atoll.

The Department of Health submitted testimony in support of this measure.

Your Committee finds that the Insular Area Appropriation Act of 1980 prohibits the transportation to, and storage of, nuclear waste on any territory or possession of the United States unless specifically authorized by an Act of Congress. There is currently some interest in private development of nuclear waste storage facilities on either Wake Island or Palmyra Atoll.

Your Committee finds that there are proven to be adverse effects on the environment and resident populations resulting from the use of nuclear materials. It further finds that a prohibition of nuclear waste storage now will ensure that future generations will not be burdened with the detrimental effects of nuclear contamination on the delicate Pacific area ecosystem.

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

- (1) Correcting line 16 to read "geologically"; 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 Energy and Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 168, as amended herein, and recommends that it be referred to the Committee on Judiciary, in the form attached hereto as H.R. No. 168, HD 1.

Signed by all members of the Committee except Representative Kanoho.

SCRep. 1541 Energy and Environmental Protection on H.C.R. No. 115

The purpose of this resolution is to request Hawaii's congressional delegation to introduce and support legislation authorizing a federal income tax checkoff for the purpose of allowing taxpayers to designate a portion of their taxes to an environmental management fund in their state.

The Department of Health submitted testimony supporting the intent of this measure, and offered amended language.

Your Committee finds that the federal government's system of administration of environmental funds to assist states may not be adequate and, further, that there has been a movement toward more state autonomy in this area.

Your Committee further finds that Hawaii's congressional delegation is supportive of environmental issues, and should be encouraged to provide an opportunity for taxpayers to designate an environmental use of their federal income tax returns for the benefit of Hawaii's environmental management programs.

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

- (1) Clarifying that a portion of federal taxes be designated for environmental management programs; and
- (2) Making technical, nonsubstantive changes for purposes of clarity and consistency.

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 concurs with the intent and purpose of H.C.R. No. 115, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 115, HD 1.

Signed by all members of the Committee except Representative Kanofo.

SCRep. 1542 Energy and Environmental Protection on H.R. No. 70

The purpose of this resolution is to request Hawaii's congressional delegation to introduce and support legislation authorizing a federal income tax checkoff for the purpose of allowing taxpayers to designate a portion of their taxes to an environmental management fund in their state.

The Department of Health submitted testimony supporting the intent of this measure, and offered amended language.

Your Committee finds that the federal government's system of administration of environmental funds to assist states may not be adequate and, further, that there has been a movement toward more state autonomy in this area.

Your Committee further finds that Hawaii's congressional delegation is supportive of environmental issues, and should be encouraged to provide an opportunity for taxpayers to designate an environmental use of their federal income tax returns for the benefit of Hawaii's environmental management programs.

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

- (1) Clarifying that a portion of federal taxes be designated for environmental management programs; and
- (2) Making technical, nonsubstantive changes for purposes of clarity and consistency.

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 concurs with the intent and purpose of H.R. No. 70, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 70, HD 1.

Signed by all members of the Committee except Representative Kanofo.

SCRep. 1543 Public Safety and Military Affairs on H.C.R. No. 107

The purpose of this concurrent resolution, as received, is to request the Department of Education to establish a Junior Reserve Officer Training Corps Program at Ka'u High School on the Big Island.

Your Committee recognizes that to maintain American's leadership in the Pacific, Hawaii must continue to play a leading role in ensuring a military presence in the Pacific.

Upon due consideration, your Committee has amended this measure by deleting its substance and

- (1) Changing the title to: "URGING THE UNITED STATES CONGRESS TO PROCEED WITH THE FUNDING OF THE NEW CARRIER KNOWN AS CVN-77, AND HOMEPORTING THE SHIP AT PEARL HARBOR"; and
- (2) Replacing the contents of this concurrent resolution with language to support the intent and purpose of this measure, as amended.

Your Committee believes that this measure, as amended, will enhance Hawaii's continuing military presence. Hawaii, due to its historic background, geographic location, and military support, is a prime candidate for homeporting an aircraft carrier and its support vessels.

The Department of Business, Economic Development, and Tourism, the Chamber of Commerce of Hawaii, the University of Hawaii Professional Assembly, the Federal Managers Association, Sweeney Communications, and two members of the public testified in support of the concurrent resolution. The Hawaii Federal Employees Metal Trades Council testified in support of the intent of the measure. The American Friends Service Committee and two members of the public opposed the measure.

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 concurs with the intent and purpose of H.C.R. No. 107, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 107, HD 1.

Signed by all members of the Committee except Representative Tom.

SCRep. 1544 Public Safety and Military Affairs on H.R. No. 62

The purpose of this resolution, as received, is to request the Department of Education to establish a Junior Reserve Officer Training Corps Program at Ka'u High School on the Big Island.

Your Committee recognizes that to maintain American's leadership in the Pacific, Hawaii must continue to play a leading role in ensuring a military presence in the Pacific.

Upon due consideration, your Committee has amended this measure by deleting its substance and

- (1) Changing the title to: "URGING THE UNITED STATES CONGRESS TO PROCEED WITH THE FUNDING OF THE NEW CARRIER KNOWN AS CVN-77, AND HOMEPORTING THE SHIP AT PEARL HARBOR"; and
- (2) Replacing the contents of this resolution with language to support the intent and purpose of this measure, as amended.

Your Committee believes that this measure, as amended, will enhance Hawaii's continuing military presence. Hawaii, due to its historic background, geographic location, and military support, is a prime candidate for homeporting an aircraft carrier and its support vessels.

The Department of Business, Economic Development, and Tourism, the Chamber of Commerce of Hawaii, the University of Hawaii Professional Assembly, the Federal Managers Association, Sweeney Communications, and two members of the public testified in support of the resolution. The Hawaii Federal Employees Metal Trades Council testified in support of the intent of the measure. The American Friends Service Committee and two members of the public opposed the measure.

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 concurs with the intent and purpose of H.R. No. 62, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 62, HD 1.

Signed by all members of the Committee except Representative Tom.

SCRep. 1545 Education on H.C.R. No. 55

The purpose of this concurrent resolution is to request the Department of Education to determine the feasibility of extending the length of the school day for children in kindergarten to grade three.

In addition, the Department of Education is requested to consult with the Departments of Human Services and Health and to submit findings and recommendations to the Legislature before the convening of the Regular Session of 1998, including capital investment costs of, and possible funding sources for, lengthening the school day beginning with the 1999-2001 fiscal biennium.

Your Committee received testimony from the Department of Education supporting only the intent of the concurrent resolution but opposing it at this time due to the lack of resources to cover the costs associated with lengthening the school day.

Your Committee believes that children need stimulating educational experiences at an early age in order to enable them to reach their potential as intellectually healthy and functioning adults. Your Committee further believes that there is a need to examine the feasibility of lengthening the school day for children from kindergarten to grade three in order to increase teaching opportunities and to make the most of the children's learning potential by providing them with the maximum educational stimulation possible.

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 H.C.R. No. 55 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Takai, Takamine, Yonamine, Halford and McDermott.

SCRep. 1546 Education on H.R. No. 48

The purpose of this resolution is to request the Department of Education to determine the feasibility of extending the length of the school day for children in kindergarten to grade three.

In addition, the Department of Education is requested to consult with the Departments of Human Services and Health and to submit findings and recommendations to the Legislature before the convening of the Regular Session of 1998, including capital investment costs of, and possible funding sources for, lengthening the school day beginning with the 1999-2001 fiscal biennium.

Your Committee received testimony from the Department of Education supporting only the intent of the resolution but opposing it at this time due to the lack of resources to cover the costs associated with lengthening the school day.

Your Committee believes that children need stimulating educational experiences at an early age in order to enable them to reach their potential as intellectually healthy and functioning adults. Your Committee further believes that there is a need to examine the feasibility of lengthening the school day for children from kindergarten to grade three in order to increase teaching opportunities and to make the most of the children's learning potential by providing them with the maximum educational stimulation possible.

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 H.R. No. 48 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Takai, Takamine, Yonamine, Halford and McDermott.

SCRep. 1547 Education on H.C.R. No. 278

The purpose of this concurrent resolution is to request the Department of Education to carry out a pilot program and to take specific actions designed to enable Hawaiians to manage their own education at four Hawaiian language schools.

The Office of Hawaiian Affairs submitted testimony in support of the concurrent resolution. The Department of Education submitted comments on it.

Your Committee fully supports the Hawaiian Language Immersion Program and efforts to expand it. Yet, based upon the principle of fairness, the expansion of a small group of schools should not jeopardize the quality of education at other schools.

The measure has been amended by ensuring that the expansion of the four schools specified in the measure do not jeopardize funding for the other Hawaiian language immersion schools.

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. 278, HD 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. 278, HD 2.

Signed by all members of the Committee except Representatives Arakaki, Santiago, Takamine, Tarnas and Yonamine.

SCRep. 1548 Education on H.R. No. 199

The purpose of this resolution is to request the Department of Education to carry out a pilot program and to take specific actions designed to enable Hawaiians to manage their own education at four Hawaiian language schools.

The Office of Hawaiian Affairs submitted testimony in support of the resolution. The Department of Education submitted comments on it.

Your Committee fully supports the Hawaiian Language Immersion Program and efforts to expand it. Yet, based upon the principle of fairness, the expansion of a small group of schools should not jeopardize the quality of education at other schools.

The measure has been amended by ensuring that the expansion of the four schools specified in the measure do not jeopardize funding for the other Hawaiian language immersion schools.

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. 199, HD 1, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 199, HD 2.

Signed by all members of the Committee except Representatives Arakaki, Santiago, Takamine, Tarnas and Yonamine.

SCRep. 1549 Education on H.C.R. No. 66

The purpose of this concurrent resolution is to request a study to determine whether the outsourcing of library services is cost-effective for public resources.

Testimony in support of this measure was submitted by the Librarians Association of Hawaii, Kalihi Valley Neighborhood Board 16, the employees of the Waipahu Public Library, the staff of the Hawaii & Pacific Section of the Hawaii State Library, numerous librarians and library staff, and various individuals.

A petition to return the selection of library materials to the community's librarians contained numerous signatures. The State Library System submitted comments on the measure.

Your Committee heard substantial testimony that was highly critical of the way the library system has been managed. Most of the criticism focused on the contract with Baker & Taylor Books, specifically related to the removal of the responsibility and authority of the librarians to select materials for their libraries. Overall, the selections made by Baker & Taylor Books have not been appropriate for Hawaii's libraries. As a result, library patrons appear to be less satisfied with library services, and employee morale is down. Additional criticism was raised by testifiers that potentially useful innovations have not been fully implemented.

At the same time, the State Librarian testified that Baker & Taylor has not been in compliance with the contract. Baker & Taylor has never before contracted for this type of work, and it has met with organizational resistance. The issues are multi-faceted and complex. Your Committee believes that a complete audit of the library system is needed at this time.

After careful consideration, this concurrent resolution has been amended by:

- (1) Specifying a number of criticisms that have been raised against the contract between the State Library System and Baker & Taylor Books;
- (2) Adding an explanation that one of the objectives of the contract with Baker & Taylor Books was to allow employees to be redeployed to serve library patrons;
- (3) Adding a statement that this objective was not achieved;

- (4) Adding a statement that the morale among employees of the State Library System is excessively low;
- (5) Adding a statement that the contract for the automation system has resulted in converting a facility especially built for automation equipment for other uses;
- (6) Adding a statement that outsourcing was planned with minimal employee participation, which may be the basis for the criticisms lodged against the library system;
- (7) Adding a statement that allegations have been made by some librarians of inadequate follow-through on the implementation of additional reforms initiated by the State Librarian's office;
- (8) Requesting a financial and management audit of the Hawaii Public Library System rather than a study of outsourcing;
- (9) Revising the title to conform with changes to the body of the measure; and
- (10) Making technical, nonsubstantive revisions for purposes of style and clarity.

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. 66, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 66, HD 1.

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

SCRep. 1550 Education on H.C.R. No. 250

The purpose of this concurrent resolution is to request the Auditor to conduct a management and financial audit of the Big Island pilot project on mental health services.

Specifically, this concurrent resolution requests the Auditor to conduct a financial audit of the project and to evaluate and assess whether the project is meeting the demands of the Felix v. Waihee consent decree and if it is doing so in a cost-effective and well-managed way by establishing a system of care that provides prompt access to a continuum of programs, placements, and services.

Your Committee received testimony from the Mental Health Association in Hawaii and the Commission on Persons with Disabilities supporting this concurrent resolution with amendments. Your Committee also received testimony from the Department of Health supporting the intent of this concurrent resolution but expressing the belief that it may be too early to conduct an evaluation.

Your Committee finds that the evaluation requested of the Auditor is necessary to ensure that the Felix v. Waihee consent decree, in which the State agreed to create a statewide care system for all eligible Hawaii children and adolescents up to age twenty to provide required and necessary educational and mental health services in accordance with the federal Individuals with Disabilities Education Act and the Rehabilitation Act of 1973, is being fully implemented.

Your Committee has amended this concurrent resolution to substitute the term "disabled individuals" for the term "handicapped children" on page 1, line 21.

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. 250, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 250, HD 1.

Signed by all members of the Committee except Representatives Morihara, Takai, Yonamine, McDermott and Moses.

SCRep. 1551 Education on H.C.R. No. 188

The purpose of this concurrent resolution is to request the Department of Education to assess the adequacy of the number of instructional days in the school year and the feasibility of establishing the number of school days by statute or administrative rules.

Your Committee finds that the number of instructional days in the school year and the number of instructional minutes in the school week are determined strictly by collective bargaining considerations rather than the need to provide students with adequate opportunities to learn. Regardless of what anyone claims about student and school characteristics, opportunity to learn is the single most powerful predictor of student achievement.

One example of the impact of opportunity to learn concerns the disparity in achievement of students from Japan and Hawaii. Public school students in Hawaii will receive only 176 instructional days during the 1996-1997 school year as compared to 220 days for students in Japan. Additionally, from upper elementary through high school, most Japanese students go to private academies called Juku schools. These schools offer additional instruction in academic subjects after regular school hours and on weekends, helping students prepare for entrance exams. Given the time spent in instruction in regular and Juku schools combined, the typical Japanese sixteen-year-old will have accrued something like two more years of formal schooling than his or her American counterpart.

Your Committee has amended this concurrent resolution by:

- (1) Deleting the provision requesting the Department of Education to assess the feasibility of establishing the number of school days by statute or administrative rules since this matter is determined presently through collective bargaining; and
- (2) Adding provisions to emphasize the great disparity in the number of school days per year for three of Hawaii's most important Asian business partners--South Korea, Taiwan, and Japan.

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. 188, 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. 188, HD 1.

Signed by all members of the Committee except Representatives Morihara, Takai, Halford, McDermott and Moses.

SCRep. 1552 Education on H.R. No. 123

The purpose of this resolution is to request the Department of Education to assess the adequacy of the number of instructional days in the school year and the feasibility of establishing the number of school days by statute or administrative rules.

Your Committee finds that the number of instructional days in the school year and the number of instructional minutes in the school week are determined strictly by collective bargaining considerations rather than the need to provide students with adequate opportunities to learn. Regardless of what anyone claims about student and school characteristics, opportunity to learn is the single most powerful predictor of student achievement.

One example of the impact of opportunity to learn concerns the disparity in achievement of students from Japan and Hawaii. Public school students in Hawaii will receive only 176 instructional days during the 1996-1997 school year as compared to 220 days for students in Japan. Additionally, from upper elementary through high school, most Japanese students go to private academies called Juku schools. These schools offer additional instruction in academic subjects after regular school hours and on weekends, helping students prepare for entrance exams. Given the time spent in instruction in regular and Juku schools combined, the typical Japanese sixteen-year-old will have accrued something like two more years of formal schooling than his or her American counterpart.

Your Committee has amended this resolution by:

- (1) Deleting the provision requesting the Department of Education to assess the feasibility of establishing the number of school days by statute or administrative rules since this matter is determined presently through collective bargaining; and
- (2) Adding provisions to emphasize the great disparity in the number of school days per year for three of Hawaii's most important Asian business partners--South Korea, Taiwan, and Japan.

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. 123, 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. 123, HD 1.

Signed by all members of the Committee except Representatives Morihara, Takai, Halford, McDermott and Moses.

SCRep. 1553 Education on H.C.R. No. 82

The purpose of this concurrent resolution is to request the Department of Education to develop and offer alternative education programs for at-risk, truant-prone students.

The Democratic Party of Hawaii and the Office of Hawaiian Affairs testified in support of the measure. The Hawaii State Teachers Association submitted testimony in support of the intent of the measure. The Department of Education submitted comments on the measure.

Your Committee finds that the Legislature addressed the problems of dangerous and disruptive students last year by passing the following:

- (1) Act 90, Session Laws of Hawaii 1996, which allows principals to suspend students for the possession of dangerous weapons; and
- (2) Act 162, Session Laws of Hawaii 1996, which exempts children above the age of 16 years from compulsory education when the child's behavior is disruptive and an alternative educational plan for the child is developed.

There are localized examples of successful alternative educational programs in Hawaii, but these programs are accessible only on a limited basis. Expanding alternative education to address the needs of all students who can benefit from them would benefit not only these students, but other students whom they are disrupting because they cannot be placed in alternative learning environments.

Your Committee has amended the concurrent resolution by:

- (1) Adding descriptions of Act 90, Session Laws of Hawaii 1996, and Act 162, Session Laws of Hawaii 1996;

- (2) Citing three successful alternative education programs in Hawaii;
- (3) Further describing the types of alternative education programs that the Department of Education is requested to develop;
- (4) Requesting the Superintendent of Education to submit a progress report rather than a report of findings and recommendations; and
- (5) Making technical, nonsubstantive revisions for purposes of style and clarity.

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. 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, HD 1.

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

SCRep. 1554 Education on H.C.R. No. 281

The purpose of this concurrent resolution is to request the Department of Education, in conjunction with Aha Kaulea Kaiapuni Hawaii, to develop a long-range financial and operational plan to ensure the development of the Hawaiian Language Immersion Program.

The Democratic Party of Hawaii and the Office of Hawaiian Affairs submitted testimony in support of this concurrent resolution. The Department of Education submitted testimony in support of the intent of this concurrent resolution.

Hawaiian is one of the two official languages of our State, and your Committee believes in the importance of promoting the study of Hawaiian culture, history, and language.

Your Committee recognizes the need for a long-range financial and operational plan to ensure the development of the Hawaiian Language Immersion Program. Your Committee has been assured that the matter of the funding for the preparation of the long-range plan will be taken up at a subsequent meeting of the Trustees of the Office of Hawaiian Affairs (OHA) and an indication of the extent of OHA funding of the plan should be available to the Legislature before the end of the Regular Session of 1997.

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. 281 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Santiago, Takamine, Tarnas and Yonamine.

SCRep. 1555 Education on H.R. No. 23

The purpose of this resolution is to request the Auditor to evaluate the Big Island pilot project on mental health services.

Specifically, this resolution requests the Auditor to evaluate and assess whether the project is meeting the demands of the Felix v. Waihee consent decree and if it is doing so in a cost-effective and well-managed way by establishing a system of care that provides prompt access to a continuum of programs, placements, and services. The resolution also requests the Auditor to incorporate a management component in its audit.

This resolution also asks the Auditor to report its findings and recommendations twenty days prior to the adjournment of the Regular Session of 1997 (as well as twenty days prior to the convening of the Regular Session of 1998) in order to provide the Legislature with the essential information needed to determine if there are any problems regarding the management of the project to enable the Legislature to make the proper budgetary adjustments to ensure the project fulfills its obligations.

Your Committee received testimony from the Commission on Persons with Disabilities supporting this resolution with amendments. Your Committee also received testimony from the Department of Health supporting the intent of this resolution but expressing the belief that it may be too early to conduct an evaluation.

Your Committee finds that the evaluation requested of the Auditor is necessary to ensure that the Felix v. Waihee consent decree, in which the State agreed to create a statewide care system for all eligible Hawaii children and adolescents up to age twenty to provide required and necessary educational and mental health services in accordance with the federal Individuals with Disabilities Education Act and the Rehabilitation Act of 1973, is being fully implemented.

Your Committee has amended this resolution to substitute the term "disabled individuals" for the term "handicapped children" on page 1, line 20.

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. 23, HD 1, as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.R. No. 23, HD 2.

Signed by all members of the Committee except Representatives Morihara, Takai, Yonamine, McDermott and Moses.

SCRep. 1556 Education on H.C.R. No. 262

The purpose of this concurrent resolution is to request the Department of Education to make available to all parents of preschool-age children a checklist of skills, knowledge, attitudes, and behaviors that children should have upon entry to kindergarten.

The Hawaii Congress of Parents, Teachers, and Students submitted testimony in support of the measure. The Department of Education commented on it.

Your Committee finds that Head Start and the Kamehameha Schools are using a checklist to inform parents about school readiness that has proven to be very useful. Although the Department of Education raised some reasonable concerns about a checklist, your Committee finds that it would be helpful for parents to understand their child-rearing responsibilities and is very much in keeping with teachers' expectations of children upon first entering school.

The measure has been amended by adding a WHEREAS clause describing this checklist.

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. 262, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 262, HD 1.

Signed by all members of the Committee except Representatives Morihara, Takai, Halford, McDermott and Moses.

SCRep. 1557 Education on H.R. No. 187

The purpose of this resolution is to request the Department of Education to make available to all parents of preschool-age children a checklist of skills, knowledge, attitudes, and behaviors that children should have upon entry to kindergarten.

The Hawaii Congress of Parents, Teachers, and Students submitted testimony in support of the measure. The Department of Education commented on it.

Your Committee finds that Head Start and the Kamehameha Schools are using a checklist to inform parents about school readiness that has proven to be very useful. Although the Department of Education raised some reasonable concerns about a checklist, your Committee finds that it would be helpful for parents to understand their child-rearing responsibilities and is very much in keeping with teachers' expectations of children upon first entering school.

The measure has been amended by adding a WHEREAS clause describing this checklist.

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. 187, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 187, HD 1.

Signed by all members of the Committee except Representatives Morihara, Takai, Halford, McDermott and Moses.

SCRep. 1558 Education and Higher Education on H.C.R. No. 242

The purpose of this concurrent resolution is to request the Superintendent of Education and the President of the University of Hawaii to submit reports to the Legislature on programs to increase the number of Filipino students, teachers, and administrators.

Testimony in support of the concurrent resolution was submitted by the U.H. Vice President for Student Affairs, the Filipino Coalition for Solidarity, the Oahu Filipino Community Council, and the Hawaii Civil Rights Commission. The Department of Education supported the intent of the measure while opposing its application to the Department.

Your Committees find that persons of Filipino ancestry are underrepresented as students at the University of Hawaii and as teachers and administrators in the state Department of Education. A Joint Task Force of the Board of Education and the Board of Regents of the University of Hawaii was convened to make recommendations to improve the number of Filipinos as students, teachers, and administrators.

Your Committees find that efforts to curtail the problems of youth gangs, drug abuse, teen pregnancy, and the high drop-out rate for Filipino youth could be more effective if culturally sensitive and knowledgeable teachers and administrators are in place to work with these disaffected groups. Recruiting and hiring Filipino teachers and administrators could provide that guidance and also serve as important role models to encourage Filipino youth to continue their education through college.

Your Committees have amended this concurrent resolution by requiring the reports to provide recommendations for consideration by the Board of Education, the Board of Regents, or the Joint Task Force. Your Committees also made minor, non-substantive corrections.

As affirmed by the records of votes of the members of your Committees on Education and Higher Education that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 242, as amended herein, and recommend that it be referred to the Committee on Judiciary, in the form attached hereto as H.C.R. No. 242, HD 1,

Signed by all members of the Committees except Representatives Santiago, Takamine, Takumi, Tarnas and Yonamine.

SCRep. 1559 Education and Higher Education on H.R. No. 173

The purpose of this resolution is to request the Superintendent of Education and the President of the University of Hawaii to submit reports to the Legislature on programs to increase the number of Filipino students, teachers, and administrators.

Testimony in support of the resolution was submitted by the U.H. Vice President for Student Affairs, the Filipino Coalition for Solidarity, the Oahu Filipino Community Council, and the Hawaii Civil Rights Commission. The Department of Education supported the intent of the measure while opposing its application to the Department.

Your Committees find that persons of Filipino ancestry are underrepresented as students at the University of Hawaii and as teachers and administrators in the state Department of Education. A Joint Task Force of the Board of Education and the Board of Regents of the University of Hawaii was convened to make recommendations to improve the number of Filipinos as students, teachers, and administrators.

Your Committees find that efforts to curtail the problems of youth gangs, drug abuse, teen pregnancy, and the high drop-out rate for Filipino youth could be more effective if culturally sensitive and knowledgeable teachers and administrators are in place to work with these disaffected groups. Recruiting and hiring Filipino teachers and administrators could provide that guidance and also serve as important role models to encourage Filipino youth to continue their education through college.

Your Committees have amended this resolution by requiring the reports to provide recommendations for consideration by the Board of Education, the Board of Regents, or the Joint Task Force. Your Committees also made minor, non-substantive corrections.

As affirmed by the records of votes of the members of your Committees on Education and Higher Education that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 173, as amended herein, and recommend that it be referred to the Committee on Judiciary, in the form attached hereto as H.R. No. 173, HD 1.

Signed by all members of the Committees except Representatives Santiago, Takamine, Takumi, Tarnas and Yonamine.

SCRep. 1560 Finance on S.B. No. 208

The purpose of this bill is to encourage and support computer software companies by:

- (1) Providing a tax credit in an unspecified amount for the monetary reinvestment by a computer service company which provides technical services that are necessary for the production, sale, and licensing of computer software; and
- (2) Broadening the general excise tax exemption for certain computer services as follows:
 - (a) Deleting the requirement for shipment and sale out-of-state;
 - (b) Including "controlled systems" in the definition of "computer software"; and
 - (c) Deleting the requirement that the provider of technical services take from the purchaser of computer software a certificate certifying that the software purchased is to be used out-of-state.

The High Technology Development Corporation, Castle & Cooke, Hawaii Internet Emporium, Inc., and an individual testified in support of this measure. The Department of Taxation and the Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this bill 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. 208, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 208, SD 1, HD 2.

Signed by all members of the Committee except Representatives Abinsay, Ahu Isa, Goodenow and Hamakawa.

SCRep. 1561 Finance on S.B. No. 251

The purpose of this bill is to increase the membership of the board of directors of the Hawaii Health Systems Corporation from eleven to thirteen members.

Your Committee has amended this bill by making technical, nonsubstantive amendments 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 S.B. No. 251, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 251, SD 1, HD 2.

Signed by all members of the Committee except Representatives Abinsay, Goodenow and Hamakawa.

SCRep. 1562 Finance on S.B. No. 941

The purpose of this bill is to propose an amendment to the State Constitution to establish a "rainy day fund" to be known as the Emergency and Budget Stabilization Fund (Fund).

The Department of Budget and Finance submitted testimony in support of this measure. The Tax Foundation of Hawaii submitted comments.

Your Committee has amended this measure by:

- (1) Renaming the Fund from the Emergency and Budget Stabilization Fund to the Budget Stabilization Fund to be consistent with the title of the bill; 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 S.B. No. 941, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 941, SD 1, HD 2.

Signed by all members of the Committee except Representatives Abinsay, Goodenow and Hamakawa.
(Representatives Fox, Marumoto, Meyer and Ward voted no.)

SCRep. 1563 Finance on S.B. No. 1018

The purpose of this bill is to encourage the use of solar energy systems, wind energy systems, heat pump systems, and ice storage systems by extending the energy conservation income tax credits an additional ten years.

The Department of Business, Economic Development, and Tourism, Hawaiian Electric Company, the Hawaii Chapter of Sierra Club, the Hawaii Renewable Energy Alliance, the Hawaii Solar Energy Association, and Inter-Island Solar Supply testified in support of this measure. The Department of Taxation, the Tax Foundation of Hawaii, and the Department of Health commented 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. 1018, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1018, SD 1, HD 2.

Signed by all members of the Committee except Representatives Abinsay, Goodenow and Hamakawa.

SCRep. 1564 Finance on S.B. No. 1385

The purpose of this bill is to more effectively use the Office of Veterans Services' (OVS) very limited resources to serve our State's veteran clients by requiring that:

- (1) All state war memorials and veterans' cemeteries be inspected for repair and maintenance deficiencies every three years instead of annually; and
- (2) Reports of maintenance problems be submitted to the Legislature following the inspections.

The OVS and the Veterans of Foreign Wars of the U.S. submitted testimony in support of this measure.

Your Committee has amended this measure 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. 1385, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1385, HD 1.

Signed by all members of the Committee except Representatives Abinsay, Goodenow and Hamakawa.

SCRep. 1565 Finance on S.B. No. 1571

The purpose of this bill is to make technical amendments to the law relating to vital statistics to allow present staff of the Office of Health Status Monitoring to process both delayed and late registrations.

The Department of Health testified in support of this measure. The Office of Information Practices and HGEA-AFSCME Local 152 commented on this measure.

Your Committee has amended this bill by:

- (1) Deleting the definition of "late" that applies to the whole of chapter 338, Hawaii Revised Statutes (HRS), since the definition varies for different sections of the chapter;
- (2) Adding definitions of "late" to sections 338-10, 338-16, and 338-29.5, HRS; 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 S.B. No. 1571, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1571, SD 1, HD 2.

Signed by all members of the Committee except Representatives Abinsay, Goodenow and Hamakawa.

SCRep. 1566 Finance on S.B. No. 1636

The purpose of this bill is to remove the limit on the number of members which may be appointed to the International Advisory Board of the East-West Center.

The Office of the Governor and the East-West Center testified in support of this measure.

Your Committee has amended this bill 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. 1636, SD 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1636, SD 2, HD 1.

Signed by all members of the Committee except Representatives Abinsay, Goodenow and Hamakawa.

SCRep. 1567 Finance on S.B. No. 1919

The purpose of this bill is to increase public access to the legislative process and to enhance the efficiency and effectiveness of the Legislature by:

- (1) Establishing the Legislative Broadcast Program in the State Capitol as a permanent part of the Legislature's Public Access Program;
- (2) Providing equal access to legislative broadcasts for all citizens in the State;
- (3) Giving the Legislative Analyst additional duties and responsibilities, including the analysis of bills proposing to establish new special funds or new revolving funds; and
- (4) Appropriating moneys to replace the Legislature's existing computer information system.

Common Cause Hawaii, the Hawaii Public Access Media, and four concerned individuals submitted testimony in support of this measure. The Department of Budget and Finance and the League of Women Voters of Hawaii submitted comments.

Your Committee has amended this measure by:

- (1) Inserting \$1 for each appropriation for purposes of continued discussion; 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 S.B. No. 1919, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1919, SD 1, HD 2.

Signed by all members of the Committee except Representatives Abinsay, Goodenow and Hamakawa.

SCRep. 1568 Finance on S.B. No. 1943

The purpose of this bill is to allow the county directors of finance to authorize the issuance of special number license plates to any organization or institution that meets minimum standards and qualifications as established by rule.

The Honolulu Department of Finance submitted testimony in support of the bill.

Your Committee has made technical, nonsubstantive amendments to the bill 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. 1943, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1943, SD 1, HD 2.

Signed by all members of the Committee except Representatives Abinsay, Goodenow and Hamakawa.

SCRep. 1569 Judiciary on S.B. No. 991

The purpose of this bill is to:

- (1) Establish implied consent provisions relative to blood and urine testing for driving under the influence of drugs, and
- (2) Provide penalties for persons suspected of being under the influence of drugs, but who refuse to be tested for possible drug usage.

Testimonies in support of this bill was received from the Department of Transportation, the Mayor of the City and County of Honolulu, the Maui County Prosecuting Attorney, the City and County of Honolulu Prosecuting Attorney, Clinical Laboratories of Hawaii, Mothers Against Drunk Driving (MADD), and the Public Defender.

Your Committee has amended this bill as requested by the Department of Transportation and MADD, except that the requested language that would make the bill apply to alcohol as well as drugs has not been included since your Committee finds that the Hawaii Revised Statutes already contains provisions relating to alcohol offenses.

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. 991, SD 2, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 991, SD 2, HD 2.

Signed by all members of the Committee except Representatives Cachola, Herkes, Menor, Yoshinaga and Pendleton.

SCRep. 1570 Judiciary on S.B. No. 1554

The purpose of this bill is to allow the Hawaii Housing Authority to delegate appeals hearings on public housing evictions to an appeals board.

Your Committee received testimony from the Hawaii Housing Authority in support of the measure. The Legal Aid Society of Hawaii testified in opposition to the bill. Both organizations suggested language which would clarify the measure.

Your Committee agrees with and has amended this bill by adopting the technical amendments suggested by the Hawaii Housing Authority, as well as the amendments proposed by the Legal Aid Society of Hawaii with which the Hawaii Housing Authority concurs.

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. 1554, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1554, SD 1, HD 2.

Signed by all members of the Committee except Representatives Hiraki, Menor, Yoshinaga and Pendleton.

SCRep. 1571 Judiciary on S.B. No. 1588

The purpose of this bill is to allow the courts to authorize mental health examinations in nonfelony cases by one instead of three examiners. In addition, the bill clarifies that treatment can be provided by other appropriate professionals in addition to mental health providers following conditional release from the Hawaii State Hospital.

The Department of Health and the Department of the Prosecuting Attorney testified in support of this measure. The Judiciary offered observations on the bill and the Office of the Public Defender suggested amending language.

Your Committee believes that the amendment suggested by the Office of the Public Defender would give the court the flexibility of appointing an examiner to report on the physical "and/or" mental condition of a defendant and has amended the bill 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. 1588, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1588, SD 1, HD 2.

Signed by all members of the Committee except Representatives Cachola, Herkes, Menor, Yoshinaga, Pendleton and Thielen.

SCRep. 1572 Water and Land Use and Ocean Recreation and Marine Resources on H.C.R. No. 258

The purpose of this concurrent resolution is to endorse the efforts of Hui Okinawa and the Japanese Chamber of Commerce's International Festival in seeking assurances from the Department of Land and Natural Resources (DLNR) to make the Wailoa State Park the permanent site for the annual Haari Boat Race.

Testimony in support of this measure was submitted by DLNR and Hui Okinawa.

Your Committees find that the annual Haari Boat Race has had a significant impact on the relation between the County of Hawaii and the City of Nago, Okinawa. It fosters cultural cooperation and understanding among the many diverse

people and groups participating in this event. The annual Haari Boat Race also brings about further understanding among the participants in such areas as culture and the arts, business, tourism, government relations, education, recreation, and medicine.

As affirmed by the records of votes of the members of your Committees on Water and Land Use 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. 258 and recommend its adoption.

Signed by all members of the Committees except Representatives Kanoho, Morihara, Yoshinaga and Meyer.

SCRep. 1573 Water and Land Use and Ocean Recreation and Marine Resources on H.R. No. 185

The purpose of this resolution is to endorse the efforts of Hui Okinawa and the Japanese Chamber of Commerce's International Festival in seeking assurances from the Department of Land and Natural Resources (DLNR) to make the Wailoa State Park the permanent site for the annual Haari Boat Race.

Testimony in support of this measure was submitted by DLNR and Hui Okinawa.

Your Committees find that the annual Haari Boat Race has had a significant impact on the relation between the County of Hawaii and the City of Nago, Okinawa. It fosters cultural cooperation and understanding among the many diverse people and groups participating in this event. The annual Haari Boat Race also brings about further understanding among the participants in such areas as culture and the arts, business, tourism, government relations, education, recreation, and medicine.

As affirmed by the records of votes of the members of your Committees on Water and Land Use and Ocean Recreation and Marine Resources that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 185 and recommend its adoption.

Signed by all members of the Committees except Representatives Kanoho, Morihara, Yoshinaga and Meyer.

SCRep. 1574 Human Services and Housing on H.C.R. No. 59

The purpose of this concurrent resolution is to request the President of the United States to convene White House Conference on Children and Youth in 1998, with the theme "It Takes A Village to Raise a Child."

The Office of the Governor and a concerned individual submitted testimony in support of this measure.

Your Committee finds that such a conference would draw important attention to both the strengths and the problems faced by those growing up in America today. This conference could also be a mobilization point for those who share in the responsibility of our children: the private, nonprofit sector, the business community, governmental agencies, churches and other faith communities, individuals, as well as institutions.

Your Committee is hopeful that this conference will lead to a renewed awareness of the shared responsibility and potential for a brighter future for our children and youth, and hence, for ourselves.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 59 and recommends its adoption.

Signed by all members of the Committee except Representative Lee.

SCRep. 1575 Human Services and Housing on H.R. No. 51

The purpose of this resolution is to request the President of the United States to convene White House Conference on Children and Youth in 1998, with the theme "It Takes A Village to Raise a Child."

The Office of the Governor and a concerned individual submitted testimony in support of this measure.

Your Committee finds that such a conference would draw important attention to both the strengths and the problems faced by those growing up in America today. This conference could also be a mobilization point for those who share in the responsibility of our children: the private, nonprofit sector, the business community, governmental agencies, churches and other faith communities, individuals, as well as institutions.

Your Committee is hopeful that this conference will lead to a renewed awareness of the shared responsibility and potential for a brighter future for our children and youth, and hence, for ourselves.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing 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 except Representative Lee.

SCRep. 1576 Education on H.C.R. No. 33

The purpose of this concurrent resolution is to provide a healthier future for adolescents.

Specifically, this concurrent resolution urges the Department of Education to discuss with the American Medical Association, the American Pediatric Association, and the Department of Health the feasibility of requiring that all health teachers:

- (1) Be certified in health;
- (2) Take five continuing education classes in health; and
- (3) Be evaluated by random surveys by students enrolled in health classes.

Your Committee received testimony from the Department of Education opposing the concurrent resolution on the grounds that it is not necessary. A student from Kahuku High School testified in strong support of the concurrent resolution on the grounds that changes in the health curricula will engage the students affected and will hopefully curb problems that plague the teenage population.

Your Committee has amended this concurrent resolution to:

- (1) Clarify paragraph (5) in the fifth "Whereas" clause by adding the phrase "Alcohol, tobacco, and illegal" to read "Alcohol, tobacco, and illegal drugs" on page 1, line 30; and
- (2) Add a "Resolved" clause to request the Department of Education to develop health curriculum at each secondary school in collaboration with the school community.

Health classes currently focus on physiological or medical indicators that define health. Your Committee believes that health classes should begin to focus on life skills and encompass discussions around consequences of actions and holistic health, which include emotional, social, mental, as well as physiological aspects of a healthy individual.

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. 33, HD 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 33, HD 2.

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

SCRep. 1577 Education on H.R. No. 32

The purpose of this resolution is to provide a healthier future for adolescents.

Specifically, this resolution urges the Department of Education to discuss with the American Medical Association, the American Pediatric Association, and the Department of Health the feasibility of requiring that all health teachers:

- (1) Be certified in health;
- (2) Take five continuing education classes in health; and
- (3) Be evaluated by random surveys by students enrolled in health classes.

Your Committee received testimony from the Department of Education opposing the resolution on the grounds that it is not necessary. A student from Kahuku High School testified in strong support of the resolution on the grounds that changes in the health curricula will engage the students affected and will hopefully curb problems that plague the teenage population.

Your Committee has amended this resolution to:

- (1) Clarify paragraph (5) in the fifth "Whereas" clause by adding the phrase "Alcohol, tobacco, and illegal" to read "Alcohol, tobacco, and illegal drugs" on page 1, line 30; and
- (2) Add a "Resolved" clause to request the Department of Education to develop health curriculum at each secondary school in collaboration with the school community.

Health classes currently focus on physiological or medical indicators that define health. Your Committee believes that health classes should begin to focus on life skills and encompass discussions around consequences of actions and holistic health, which include emotional, social, mental, as well as physiological aspects of a healthy individual.

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. 32, HD 1, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 32, HD 2.

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

SCRep. 1578 Education on H.C.R. No. 152

The purpose of this concurrent resolution is to request the Department of Education to determine state and district level management authority for the Hawaiian Studies Program.

The Department of Education concurred that the Hawaiian Studies Program is critical in advancing the renaissance of the Hawaiian culture.

Your Committee fully supports Hawaiian studies, which requires adequate management support at the state and district levels.

A technical, nonsubstantive amendment has been made to the measure for purposes of style and clarity.

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. 152, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 152, HD 1.

Signed by all members of the Committee except Representatives Arakaki, Santiago, Takamine, Tarnas and Yonamine.

SCRep. 1579 Education on H.R. No. 98

The purpose of this resolution is to request the Department of Education to determine state and district level management authority for the Hawaiian Studies Program.

The Department of Education concurred that the Hawaiian Studies Program is critical in advancing the renaissance of the Hawaiian culture.

Your Committee fully supports Hawaiian studies, which requires adequate management support at the state and district levels.

A technical, nonsubstantive amendment has been made to the measure for purposes of style and clarity.

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. 98, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 98, HD 1.

Signed by all members of the Committee except Representatives Arakaki, Santiago, Takamine, Tarnas and Yonamine.

SCRep. 1580 Ocean Recreation and Marine Resources on H.C.R. No. 239

The purpose of this concurrent resolution is to request the International Olympic Committee to recognize and to initiate the process of designating surfing and outrigger canoe racing as Olympic sports.

Testimony in support of the measure was received by the Office of Hawaiian Affairs and Boats/Hawaii, Inc.

Your Committee finds that surfing and outrigger canoe racing are internationally recognized competitive sports and are important contributions of the native Hawaiian culture to the modern sporting world. Your Committee also recognizes that the U.S. Olympic Committee is the national organization responsible for Olympic affairs.

Therefore, your Committee amended the measure by adding the U.S. Olympic Committee to the list of those to receive a certified copy of the resolution.

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. 239, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 239, HD 1.

Signed by all members of the Committee except Representatives Morihara and Meyer.

SCRep. 1581 Ocean Recreation and Marine Resources on H.R. No. 170

The purpose of this resolution is to request the International Olympic Committee to recognize and to initiate the process of designating surfing and outrigger canoe racing as Olympic sports.

Testimony in support of the measure was received by the Office of Hawaiian Affairs and Boats/Hawaii, Inc.

Your Committee finds that surfing and outrigger canoe racing are internationally recognized competitive sports and are important contributions of the native Hawaiian culture to the modern sporting world. Your Committee also recognizes that the U.S. Olympic Committee is the national organization responsible for Olympic affairs.

Therefore, your Committee amended the measure by adding the U.S. Olympic Committee to the list of those to receive a certified copy of the resolution.

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. 170, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 170, HD 1.

Signed by all members of the Committee except Representatives Morihara and Meyer.

SCRep. 1582 Finance on S.B. No. 426

The purpose of this bill is to establish an innovative means by which the State Foundation on Culture and the Arts (SFCA) may leverage its resources to support nonprofit culture and arts programs by establishing a Culture and the Arts Revolving Fund.

SFCA, the Hawaii Consortium for the Arts, and an individual submitted testimony in support of the measure. Comments were submitted by an individual.

Your Committee has amended this bill by:

- (1) Requiring the Department of Land and Natural Resources to consult with the kahuna nui of the Mo'okini Heiau on all matters pertaining to physical improvements, alterations, and restorations, and on all cultural matters relating to the historical sites within the Kohala Historical Sites State Monument; 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 S.B. No. 426, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 426, SD 1, HD 2.

Signed by all members of the Committee except Representative White.

SCRep. 1583 Finance on S.B. No. 497

The purpose of this bill, as received by your Committee, is to establish a Traumatic Brain Injury Program in the Department of Health to assist the Governor and the Legislature in devising and carrying out the policies, principles, and recommendations of a comprehensive plan for the coordination of services provided to persons with traumatic brain injury.

The Hawaii Medical Association, the Hawaii Nurses' Association, the Catholic Bishop's Advisory Board for Persons with Disabilities, the Pacific Brain Injury Association, and four concerned individuals testified in support of this measure. The Department of Health and the Commission on Persons with Disabilities testified in support of the intent of this measure.

Your Committee has amended this bill by deleting the substance and inserting the language reflected in H.B. No. 167, HD 2, which was earlier reported out of your Committee on Finance.

As amended, the purpose of this bill is to increase public awareness of the consequences of brain injury to prevent such injuries, and enhance the recovery process for all brain injury survivors by establishing a Traumatic Brain Injury Advisory Board within the Department of Health to:

- (1) Develop and implement a comprehensive plan to address the needs of persons affected by disorders and disabilities that involve the brain; and
- (2) Encourage public and private partnerships and private sector responses.

Although not mentioned in the composition of the advisory board, your Committee believes that the Director of Health should invite a professional neurologist to become a member. Representation of a neurologist would better serve and encompass the needs of persons with traumatic brain injury.

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. 497, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 497, HD 2.

Signed by all members of the Committee except Representatives Abinsay, Goodenow and Hamakawa.

SCRep. 1584 Finance on S.B. No. 927

The purpose of this bill is to:

- (1) Discourage the use of cigarettes, especially by minors, by raising the excise tax on cigarettes from three to five cents per cigarette sold;
- (2) Provide \$500,000 in funding to the Department of Health for tobacco prevention, education, control, and tobacco-related disease prevention activities; and
- (3) Establish a method to identify tax-exempt cigarettes to control sales of tax-exempt cigarettes.

The Departments of Taxation and Health, the Hawaii Medical Service Association, the Hawaii Nurses' Association, the American Lung Association of Hawaii, the Hawaii Medical Association, the American Cancer Society, and a concerned individual testified in support of this measure. The Department of Budget and Finance and the Hawaii Food Industry Association testified in support of the intent of this measure. The Tax Foundation of Hawaii, UST Public Affairs, Inc., the Tobacco Institute, and an individual commented on this measure.

Your Committee has amended this bill by:

- (1) Increasing the tax rate from 3.00 to 3.50 cents per cigarette rather than to 5.00 cents per cigarette;

- (2) Increasing the tax rate from 3.50 cents per cigarette to 4.00 cents per cigarette for cigarettes sold to military installations;
- (3) Leaving the tax on the price of each tobacco product sold by wholesalers at forty percent rather than raising it to fifty percent;
- (4) Removing the provision to appropriate \$500,000 to the Department of Health for tobacco prevention, education, control, and tobacco-related disease prevention activities;
- (5) Changing the effective date from July 1, 1997, to January 1, 1998; and
- (6) 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. 927, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 927, SD 1, HD 2.

Signed by all members of the Committee except Representatives Abinsay, Goodenow and Hamakawa.

SCRep. 1585 Finance on S.B. No. 1293

The purpose of this bill is to:

- (1) Authorize the Director of Human Resources Development to conduct demonstration projects to determine whether a specific change in human resource management procedures, methods, policies, or statutes would result in improved human resource management within the State; and
- (2) Clarify current language concerning applicants for state jobs who make false statements or use or obtain any unauthorized or improper assistance in connection with an examination.

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

Your Committee has amended this measure 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. 1293, SD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1293, SD 1, HD 1.

Signed by all members of the Committee except Representative White.

SCRep. 1586 Finance on S.B. No. 1631

The purpose of this bill is to enhance early childhood education by authorizing the State to contract with a private, nonprofit corporation to develop and implement policy and funding for early childhood education and care services.

The Department of Health, the Department of Human Services, the Governor's Office, the Office of Hawaiian Affairs, the Hawaii Community Foundation, the Democratic Party of Hawaii, the Good Beginnings Alliance, the Institute for Native Pacific Education and Culture, the Maui County Early Childhood Resource Coordinator, the Junior League of Honolulu, Inc., and several individuals submitted testimony in support of this measure. The Department of Education submitted testimony in support of the intent of this measure. Comments were submitted by the Maui County Council.

Your Committee has made technical, nonsubstantive amendments for purposes of 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 S.B. No. 1631, SD 2, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1631, SD 2, HD 2.

Signed by all members of the Committee except Representative White.

SCRep. 1587 Finance on S.B. No. 1548

The purpose of this bill is to correct a budget shortfall by providing:

- (1) Emergency appropriations in the amount of \$55,402,862 in general funds for fiscal year 1996-1997 to be used for health care payments for medical assistance recipients; and
- (2) \$750,000 of that sum to be used to provide wraparound payments to Hawaii qualified health centers.

The Department of Human Services, the Hawaii Medical Association, the Healthcare Association of Hawaii, the Waianae Coast Comprehensive Health Center, the Hawaii State Primary Care Association, and the Hawaii Long Term Care Association submitted testimony in support of this measure. A concerned individual submitted comments.

Your Committee has amended this measure by:

- (1) Decreasing the appropriation to \$54,745,844; 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 S.B. No. 1548, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1548, SD 1, HD 2.

Signed by all members of the Committee except Representative White.

SCRep. 1588 Judiciary on S.B. No. 130

The purpose of this bill is to regulate the registration of special interest vehicles and exempt such vehicles from requirements for reconstructed vehicles.

Your Committee received testimony from the Department of Transportation and several car enthusiasts in support of the measure. The City and County of Honolulu, Department of Finance and the Hawaii Automotive Repair & Gasoline Dealers Association also commented on the bill and recommended amendments thereto.

Your Committee concurs with the recommendation of the City and County of Honolulu, Department of Finance, and has amended the bill to clarify that, if there are equipment requirements that conflict with chapters 286, 291, and 291C, Hawaii Revised Statutes, section 286- (d) shall control. Your Committee has also made technical, nonsubstantive amendments to the bill for the purposes of clarity and style.

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. 130, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 130, SD 1, HD 2.

Signed by all members of the Committee except Representatives Cachola, Herkes, Menor, Yoshinaga and Pendleton.

SCRep. 1589 Judiciary on S.B. No. 377

The purpose of this bill is to allow health care providers to report blood test results of a driver involved in a motor vehicle accident to the police when those tests indicate the driver was intoxicated.

The Department of the Attorney General, the Department of the Prosecuting Attorney, the City and County of Honolulu Police Department, the Hilo Medical Center, the Hawaii Medical Association, Mothers Against Drunk Driving, and various individuals involved in the medical profession testified in support of the measure.

The Office of the Public Defender offered comments and suggested amendments to the bill for purposes of clarifying which persons involved in a motor vehicle accident would be subject to the reporting requirement.

Your Committee finds that the language suggested by the Office of the Public Defender and agreed to by the Attorney General is less confusing and does not diminish the intent of the bill and has therefore amended the measure 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. 377, SD 2, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 377, SD 2, HD 2.

Signed by all members of the Committee except Representatives Hiraki, Menor, Yoshinaga and Pendleton.

SCRep. 1590 Education on S.B. No. 817

The purpose of this bill is to repeal obsolete provisions of the public education law, chapter 302A, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Education and the Hawaii State Teachers Association.

The repeal of these obsolete statutes is consistent with the findings and recommendations of the Education Statutory Revision Interim Study Group established by Act 168, Session Laws of Hawaii 1995.

Your Committee has amended this measure by adding the substance of H.B. No. 1131, HD 1; and H.B. No. 2161, HD 1. All these measures were passed by the House on Third Reading and transmitted to the Senate.

This bill, as amended, is organized in three substantive parts. Part I of this bill includes the substance of the bill as received by your Committee and discussed above.

Part II of this bill authorizes school/community-based management councils of public schools to develop and establish community service programs that may be required for graduation from high school. Requiring high school students to participate in community service work provides opportunities for students that otherwise may not have been available in a traditional educational setting.

Finally, part III of this bill focuses on special needs schools. These special needs schools are characterized by low standardized achievement test scores and low high school graduation rates. Typically, these schools have a high

proportion of relatively inexperienced teachers. This measure prohibits the Department of Education from assigning probationary teachers, those with less than two years of experience, to special needs schools, unless a teacher retires, is terminated or there are other extenuating circumstances. Keeping veteran teachers at our special needs schools will provide the necessary extra experience these students may require to excel.

Your Committee finds that these provisions will improve the education system throughout the State and provide a better education for the students.

Your Committee has made a few technical, nonsubstantive amendments, such as the renumbering of sections, necessitated by the combining of these bills.

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. 817, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 817, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Arakaki, Santiago, Takamine, Tarnas and Yonamine.

SCRep. 1591 Judiciary on S.B. No. 1575

The purpose of this bill is to clarify that noncompliance with vehicular smoke emission and open burning control rules adopted pursuant to the Air Pollution Control Law are considered violations subject to the grades and classes of offenses enumerated under the Hawaii Penal Code (Penal Code).

Testimony in support of this measure was submitted by the Department of Health.

Your Committee notes that this is a housekeeping measure that will correct an inadvertent omission of the reference to the Penal Code under the Air Pollution Control Law, which was repealed and reenacted.

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. 1575 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cachola, Herkes, Menor, Yoshinaga and Pendleton.

SCRep. 1592 Judiciary on S.B. No. 382

The purpose of this bill is to allow the examiner of drivers to waive actual demonstration of ability to operate a motorcycle or motor scooter upon showing proof that the person has completed the motorcycle education course.

The Department of Transportation, the City and County of Honolulu Department of Finance, the Director of Street Bikers United - Hawaii, and several individuals submitted testimony in support of this measure.

Your Committee understands that the motorcycle safety courses have been designed and approved by instructors who are certified by the Motorcycle Safety Foundation. Therefore, this bill will improve the efficiency of the licensing process and eliminate duplication of services.

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. 382, SD 1, HD 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cachola, Herkes, Menor, Yoshinaga and Pendleton.

SCRep. 1593 Judiciary on S.B. No. 26

The purpose of this bill is to ensure that parents and guardians are informed of their responsibilities with respect to their children's compliance with the Student Code of Conduct adopted by the Board of Education.

The Department of Education testified in support of this measure. The Office of the Public Defender provided comments on this measure.

Your Committee finds that the Student Code of Conduct was adopted by the Board of Education in 1995. This measure would serve to remind parents and guardians of their critical role in encouraging their children to comply with the Student Code of Conduct and of their liability should their children fail to meet attendance and punctuality requirements or destroy school property.

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. 26, HD 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cachola, Herkes, Menor, Yoshinaga, Pendleton and Thielen.

SCRep. 1594 Judiciary and Consumer Protection and Commerce on S.B. No. 165

The purpose of this bill is to promote the donation of pharmaceuticals and health care supplies by providing protection from liability for charitable, religious, and nonprofit organizations that distribute these donated supplies.

The Department of Health, the Hawaii Medical Association, the Hawaii State Primary Care Association, the Hawaii Nurses' Association, the Medical Service Representatives of Hawaii, Healthy Mothers, Healthy Babies Coalition of Hawaii, and Kokua Kalihi Valley submitted testimony in support of this measure. Comments were submitted by the Consumer Lawyers of Hawaii.

Your Committees find that this bill will enhance the health care of needy individuals, provided that the donated products are safe, effective, and properly labeled when used or administered. Your Committees believe that the "Lau'au Makana" (Gift Medicines) Program will provide a means to achieve improved health and productivity for all citizens of Hawaii.

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. 165, SD 2, HD 1, and recommend that it pass Third Reading.

Signed by all members of the Committees except Representatives Cachola, Garcia Herkes, Menor, Yoshinaga, Pendleton and Thielen.

SCRep. 1595 Consumer Protection and Commerce on S.B. No. 1532

The purpose of the bill is to increase the time period given to private detective or guard licensees to request a contested case hearing from thirty days to sixty days.

The Department of Commerce and Consumer Affairs and the Board of Private Detectives and Guards submitted testimony in support of this measure.

Section 463-4(c), Hawaii Revised Statutes (HRS), establishes administrative hearing procedures for the revocation of a private investigator or guard license. Currently, a licensee against whom disciplinary action is sought, has thirty days from the mailing date of the notice of hearing to file an answer. This bill amends the time period to answer by increasing it from thirty to sixty days. The proposed sixty-day time period parallels the sixty-day time period under Chapter 91, HRS, to request an administrative hearing to contest the denial of a license or certificate of registration.

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. 1532 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 Case, Tom and Yoshinaga.

SCRep. 1596 Consumer Protection and Commerce on S.B. No. 1110

The purpose of this bill is to repeal the requirement that retail dealers set aside exclusive space for the sale of liquor if other retail items are sold on their premises.

The Retail Liquor Dealers Association and the Distilled Spirits Council of the United States submitted testimony in support of this measure.

Current law requires retail dealers to set aside space on their premises exclusively for the sale of liquor if other retail items are sold. However, the sale of beer and wine is exempt from this requirement, and may be sold anywhere within the licensed premises.

This bill will treat the sale of liquor, beer, and wine equally without relaxing controls designed to prevent the sale of alcohol to underage individuals. Further, it will ease the administrative burden on the Liquor Commission which must approve requests for liquor display changes.

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. 1110 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 Case, Tom and Yoshinaga.

SCRep. 1597 Consumer Protection and Commerce on S.B. No. 1522

The purpose of this bill is to:

- (1) Mandate that each licensed dispensing optician wear identification tags;
- (2) Repeal the Board of Dispensing Opticians (Board) and assign administration of the program to the Director of Commerce and Consumer Affairs (Director);
- (3) Require the Director to appoint an advisory committee to serve as experts for licensing matters;
- (4) Repeal the requirement for a business to report the names of dispensing optician apprentices it employs; and
- (5) Make various housekeeping amendments.

The Department of Commerce and Consumer Affairs and the Board of Dispensing Opticians submitted testimony in support of this measure. Comments were submitted by several individuals and the Hawaii Ophthalmological Society.

Your Committee believes that repealing the Board and assigning administration to the Director aids in restructuring government by making it more facilitative rather than regulatory in nature, while at the same time protecting the public.

Your Committee has amended this measure by:

- (1) Deleting the requirement that each licensed optician wear an identification tag;
- (2) Deleting the requirement that the Director appoint an advisory committee to serve as experts for licensing matters;
- (3) Deleting the provision requiring a transition of the current members of the Board to the initial advisory committee;
- (4) Repealing the provision that requires a dispensing optician to give the client written notice that the client should return to the prescribing ophthalmologist or optometrist to ensure that the client has received lenses of the proper fit and prescription;
- (5) Retaining current statutory language for a dispensing optician to grant, allow, credit, or pay any price differential, rebate, refund, discount, commission, credit, kickback, or other allowance to any oculist, optometrist, physician, surgeon, or practitioner of any other profession; and
- (6) Making technical, nonsubstantive amendments for purposes of 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. 1522, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1522, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Case, Garcia and Tom.

SCRep. 1598 Consumer Protection and Commerce on S.B. No. 1518

The purpose of this bill is to streamline the licensing and registration requirements for real estate brokers and salespersons by:

- (1) Clarifying that a real estate brokerage's name includes any trade name approved by the Real Estate Commission (REC);
- (2) Allowing a real estate brokerage to continue to operate in the case of the incapacitating disability or death of a real estate licensee whose name is represented in the brokerage's name;
- (3) Clarifying that a real estate brokerage's name may include the name of a franchise registered with the business registration division of the Department of Commerce and Consumer Affairs;
- (4) Allowing condominium hotel operators to submit a statement from their insurer certifying that they have a fidelity bond in effect; and
- (5) Clarifying that condominium hotel operators are required to re-register and pay the appropriate re-registration fee.

Testimony in support of the bill was received from the Department of Commerce and Consumer Affairs and the Hawaii Association of Realtors.

Presently, in the event of the disassociation of an individual real estate licensee from the real estate brokerage bearing the licensee's name, the brokerage is required to amend its name or have its license placed on inactive status. This bill will allow a brokerage to continue operating despite the death or incapacitating disability of the individual licensee, provided that written permission from either the individual or the individual's authorized representative is received by the REC.

Additionally, the bill allows the use of a certification statement from an insurer as an optional means of providing evidence of compliance with the fidelity bond requirement by a condominium hotel operator. In order to register with REC, condominium hotel operators are required to submit evidence of liability coverage under a fidelity bond. This process normally involves filing a copy of the fidelity bond policy with REC. Since it may take up to two months to obtain a complete copy of the policy, a condominium hotel operator may meet the bonding requirement, yet not be able to complete the registration process. The proposed amendment to the law will facilitate the registration process without compromising consumer protection.

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. 1518 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 Cachola, Case, Garcia, Tom and Yoshinaga.

SCRep. 1599 Consumer Protection and Commerce on S.B. No. 1513

The purpose of this bill is to allow a massage therapist with a forfeited license to be relicensed without retraining and re-examination, provided that the person is able to demonstrate current knowledge and skills in the practice of massage therapy.

Testimony in support of the bill was received from the Department of Commerce and Consumer Affairs and the Board of Massage Therapy.

Currently, a license is forfeited if not renewed in a timely manner. After one year of forfeiture, an individual who desires relicensure is required to file a new application, undergo additional training, and pass an examination.

Your Committee believes that requiring individuals who possess knowledge and skills for the practice of massage therapy to be subjected to retraining and re-examination may discourage qualified individuals from applying for relicensure.

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. 1513 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 Cachola, Case, Garcia, Tom and Yoshinaga.

SCRep. 1600 Consumer Protection and Commerce on S.B. No. 1490

The purpose of this bill is to amend the laws pertaining to educational requirements for licensure as a certified public accountant (CPA) by:

- (1) Imposing the same educational requirements on both the examination and licensure applicants. Effective December 31, 2000, an applicant for examination or licensure must have completed one hundred and fifty semester hours of college education, and have earned:
 - (A) A baccalaureate or higher degree; and
 - (B) A concentration in accounting;
- (2) Eliminating a seldom-invoked educational exemption applicable to certain out-of-state applicants;
- (3) Establishing an educational exemption for applicants who have passed the Uniform Certified Public Accountant Examination (Exam) in another state; and
- (4) Accepting educational equivalency reports on foreign school transcripts from recognized credential evaluation services.

The Department of Commerce and Consumer Affairs and the Board of Public Accountancy submitted testimony in support of this measure.

Currently, the law requires that a candidate for a CPA license complete a two-step process by first passing a license examination, then taking additional coursework or completing field work.

This bill eliminates this two-step process and standardizes the requirements for examination and licensing by establishing a prerequisite of one hundred and fifty semester hours of college education in order to qualify to take the Exam or to apply for a license. This educational standard is endorsed by several national professional and educational associations, has been adopted by thirty states, and its implementation will facilitate interstate licensing reciprocity.

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. 1490, SD 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 Cachola, Case, Garcia, Tom and Yoshinaga.

SCRep. 1601 Consumer Protection and Commerce on S.B. No. 1523

The purpose of this bill is to:

- (1) Streamline the application, examination, and licensing procedures for hearing aid dealers and fitters;
- (2) Repeal the Board of Hearing Aid Dealers and Fitters (Board); and
- (3) Reassign the Board's duties to the Director of Commerce and Consumer Affairs (Director).

Specifically, this bill:

- (1) Authorizes the Director to:
 - (A) Establish an advisory committee; and
 - (B) Contract with a professional testing agency to prepare, administer, and grade hearing aid licensing examinations;

- (2) Amends the licensing examination requirements by deleting the specific listing contained in section 451A-6, Hawaii Revised Statutes (HRS), and by allowing the Director to provide by rules the scope of the examination. This will provide flexibility to the Director when updating the examination because statutory amendments would no longer be required, thereby allowing revisions to be made on a more timely basis;
- (3) Renames "certificate of endorsement" to "license by endorsement";
- (4) Repeals the provisions for temporary permits as being unnecessary;
- (5) Repeals the requirement that businesses annually file a report listing all licensed hearing aid dealers and fitters directly or indirectly employed by them, because the provision is basically unenforceable since there is no requirement for the businesses to be licensed; and
- (6) Provides that all rules, guidelines, and other material adopted or developed by the Board remain in full force and effect until amended or repealed by the Department of Commerce and Consumer Affairs (DCCA) pursuant to Chapter 91, HRS.

The DCCA and the Board of Hearing Aid Dealers and Fitters submitted testimony in support of this measure.

While sunset evaluations conducted in both 1985 and 1994 recommended deregulation of hearing aid dealers and fitters, your Committee believes that some regulation is necessary for the protection of consumers requiring such products. However, your Committee finds that as the standards for licensure currently in place are so clearly defined, the Board's repeal is warranted as its regulatory duties can be accomplished by the DCCA without additional assistance.

Your Committee further finds that the specific regulatory changes proposed in this measure will increase the efficiency of the application, examination, and licensing process while maintaining the effectiveness of the program and safeguarding the health and welfare of consumers.

Upon further consideration, your Committee has amended this bill 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 Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1523, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1523, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Case, Garcia, Tom and Yoshinaga.

SCRep. 1602 Consumer Protection and Commerce on S.B. No. 1487

The purpose of this bill is to protect health plan consumers by regulating the financial solvency of mutual benefit societies.

This bill provides similar requirements to those enacted in 1995 for health maintenance organizations (Chapter 432D, Hawaii Revised Statutes).

The Department of Commerce and Consumer Affairs and the Hawaii Medical Service Association submitted testimony in support of this measure.

Your Committee has made technical, nonsubstantive amendments for purposes of 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. 1487, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1487, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Case, Garcia, Tom and Yoshinaga.

SCRep. 1603 Consumer Protection and Commerce on S.B. No. 985

The purpose of this bill is to:

- (1) Recodify Article 8, of the Uniform Commercial Code (UCC), relating to investment securities; and
- (2) Amend related provisions in Article 9, of the UCC to clarify the manner in which interests in investment property are perfected.

The Hawaii Committee to Promulgate Uniform Legislation submitted testimony in support of this measure.

Your Committee finds that the proposed amendments to the UCC will help to clarify the manner in which a creditor may perfect a security interest in investment properties such as commodities contracts, thereby facilitating lending practices in this area.

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. 985, SD 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 Cachola, Tom and Yoshinaga.

SCRep. 1604 Consumer Protection and Commerce on S.B. No. 1118

The purpose of this bill is to require pest control operators to list their current license numbers in all advertisements on television, radio, newspapers, telephone directories, hand bills, or other media.

The Department of Commerce and Consumer Affairs, the Pest Control Board, and the Hawaii Pest Control Association submitted testimony in support of this measure.

The bill provides that upon entry of either a final order of the Pest Control Board or a judgment by a court of competent jurisdiction that a person has advertised without listing the person's license number, the public utility furnishing telephone service to the person shall disconnect the telephone number contained in the advertisement or listing.

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

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. 1118, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1118, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Case, Garcia, Tom and Yoshinaga.

SCRep. 1605 Consumer Protection and Commerce on S.B. No. 1715

The purpose of this bill is to clarify that perfecting security interests in deposit accounts is governed by Article 9 of the Uniform Commercial Code (UCC).

The Hawaii Bankers Association and the Hawaii Committee to Promulgate Uniform Legislation submitted testimony in support of this measure.

During the 1996 Regular Session, the Legislature repealed Article 5 of the UCC and replaced it with an updated version to reflect the use of electronic technology and evolving business standards. The conforming changes unintentionally excluded the transfer of an interest in any depository account from Article 9 of the UCC. Therefore, this bill clarifies that such transactions are governed by Article 9.

Your Committee has made technical, nonsubstantive amendments for purposes of 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. 1715, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1715, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Tom and Yoshinaga.

SCRep. 1606 Consumer Protection and Commerce on S.B. No. 1516

The purpose of this bill is to enable consultants to provide consumers seeking to lease or purchase motor vehicles with specialized information and expertise by:

- (1) Exempting consultants from licensure;
- (2) Requiring the consumer consultant to register and pay a fee to the Motor Vehicle Industry Licensing Board; and
- (3) Subjecting dealers to disciplinary action for interfering with the intended independence of the consultant.

The Department of Commerce and Consumer Affairs and the Motor Vehicle Industry Licensing Board submitted testimony in support of this measure. Testimony in opposition was received from the Hawaii Automobile Dealers' Association.

Your Committee has made a technical, nonsubstantive amendment for purposes of consistency and style.

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. 1516, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1516, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Case, Garcia, Tom and Yoshinaga.

SCRep. 1607 Consumer Protection and Commerce on S.B. No. 1507

The purpose of this bill is to:

- (1) Eliminate certain provisions of Chapter 456, Hawaii Revised Statutes, that do not reflect the current practices of the Board of Psychology; and
- (2) Authorize open book examinations in jurisprudence.

The Department of Commerce and Consumer Affairs submitted testimony in support of this measure.

Your Committee finds that this measure will reduce administrative costs of the licensing program and eliminate the need for applicants to memorize state licensing statutes and rules that are subject to change. Permitting open book examinations in jurisprudence will sufficiently apprise applicants of the current licensing requirements and, at the same time, provide them with familiarity as to how to obtain the most recent licensing information.

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. 1507 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 Cachola, Case, Garcia, Tom and Yoshinaga.

SCRep. 1608 Consumer Protection and Commerce on S.B. No. 1517

The purpose of this bill is to delete the requirement that a licensee's employment as a salesperson with a motor vehicle dealer be the licensee's principal occupation.

Testimony in support of the bill was received from the Department of Commerce and Consumer Affairs and the Motor Vehicle Industry Licensing Board. Testimony in opposition was received from the Hawaii Automobile Dealers' Association.

Current law requires that an applicant for a motor vehicle salesperson's license intend to be principally employed as a motor vehicle salesperson. Your Committee finds that this requirement is unduly restrictive as it appears to regulate the amount of time a person must work in order to engage in this occupation. It also penalizes a person employed in another occupation who may be seeking employment as a motor vehicle salesperson on a "part-time" basis.

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. 1517 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 Cachola, Case, Garcia, Tom and Yoshinaga.

SCRep. 1609 Consumer Protection and Commerce on S.B. No. 1514

The purpose of this bill is to provide less costly and less burdensome requirements for the restoration of an optometrist license by:

- (1) Establishing and assessing a nominal recordkeeping fee for each biennium the license was forfeited; and
- (2) Providing that optometrists satisfy the continuing education requirements for the biennium immediately preceding the application for restoration.

The Department of Commerce and Consumer Affairs and the Board of Examiners in Optometry submitted testimony in support of this bill.

Currently, to restore a forfeited license an optometrist must pay all renewal fees and complete all continuing education requirements for the periods the license was forfeited, in addition to paying a penalty fee. This bill allows a nominal recordkeeping fee to be established and assessed for each biennium the license was forfeited, in lieu of requiring the licensee to pay delinquent renewal fees for the entire forfeiture period.

This bill also provides that optometrists need only satisfy the continuing education requirements for the biennium preceding the application for restoration, rather than for all forfeited periods. The current requirement becomes increasingly onerous over time and may prevent otherwise qualified optometrists from becoming relicensed in Hawaii.

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. 1514 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 Cachola, Case, Garcia, Tom and Yoshinaga.

SCRep. 1610 Consumer Protection and Commerce on S.B. No. 958

The purpose of this bill is to update the Uniform Commercial Code (UCC) by, among other things, reflecting the correct references to the recently enacted Article 2A, relating to leases of personal property.

This bill makes various housekeeping amendments to the UCC, that include correcting the citations to some of the sections in addition to technical, nonsubstantive revisions such as grammar.

The Hawaii Committee to Promulgate Uniform Legislation submitted testimony in support of 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. 958 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 Cachola, Tom and Yoshinaga.

SCRep. 1611 Consumer Protection and Commerce on S.B. No. 1508

The purpose of this bill is to conserve the staff time and resources of the Department of Commerce and Consumer Affairs (DCCA) by:

- (1) Deleting the prelicensing inspection requirements of the premises and facilities of motor vehicle dealers or auctions and pharmacies; and
- (2) Allowing the Motor Vehicle Industry Licensing Board and the Board of Pharmacy to accept written reports in lieu of a physical inspection.

The Department of Commerce and Consumer Affairs, the Board of Pharmacy, and the Motor Vehicle Industry Licensing Board submitted testimony in support of this bill.

The current inspection requirement with DCCA's Regulated Industries Complaints Office (RICO) imposes an undue hardship on the applicant and the DCCA's resources in relation to the actual benefit derived from this practice. This bill allows the Board of Pharmacy and the Motor Vehicle Industry Licensing Board to accept statements and documents from an applicant which saves RICO staff time and resources. Additionally, an applicant will be able to begin business operations without waiting for the completion of inspection reports.

The Department of Health, on behalf of the Board of Pharmacy, conducts pharmacy and wholesale prescription drug distributor inspections. This inspection is preserved in this bill. Additionally, the Department of Public Safety has inspection search powers relative to controlled substances. Therefore, safeguards are in place regarding the regulation of pharmacy premises.

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. 1508 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 Cachola, Case, Garcia, Tom and Yoshinaga.

SCRep. 1612 Consumer Protection and Commerce on S.B. No. 1511

The purpose of this bill is to:

- (1) Require the Board of Examiners in Optometry (Board) to accept the scores of the practical examination administered by the National Board of Examiners in Optometry (NBEO) if the examination was passed by an applicant after January 1, 1991, rather than if the examination was passed less than five years prior to the application date; and
- (2) Permit the Board to accept an applicant's passing scores on a NBEO written examination taken prior to December 31, 1986, and on a NBEO practical examination taken prior to January 1, 1991, if the NBEO determines that the examinations are substantially equivalent to the current examinations administered by the NBEO and the applicant holds a current valid license to practice under the laws of another state.

The Department of Commerce and Consumer Affairs submitted testimony in support of this measure.

The Board adopted the use of the NBEO written examination on December 31, 1986, and the NBEO practical examination on January 1, 1991. However, the NBEO had been administering the examinations prior to the dates the examinations were adopted by the Board.

Your Committee finds that this measure will eliminate the unduly restrictive examination requirements for out-of-state optometrists without sacrificing public safety as the NBEO must determine that the prior examinations be substantially equivalent to its current examinations before an applicant's scores can be accepted by the Board.

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. 1511 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 Cachola, Case, Garcia, Tom and Yoshinaga.

SCRep. 1613 Consumer Protection and Commerce on S.B. No. 1515

The purpose of this bill is to provide an exemption for engineers and architects in accordance with their scope of practice from the pest control licensing laws.

Specifically, this bill, among other things:

- (1) Deletes the blanket exemption for pest control operators;
- (2) Clarifies that pest control operators need not provide evidence of workers' compensation coverage if the applicant is excluded from the workers' compensation statutes;
- (3) Repeals outdated provisions regarding automatic licensure of pest control operators and fumigators; and
- (4) Establishes statutory authority to allow a licensee to place a license on "inactive" status.

Supportive testimony was received from the Department of Commerce and Consumer Affairs, the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects, the Pest Control Board, and the Hawaii Pest Control Association.

Your Committee has amended this bill by:

- (1) Requiring engineers and architects granted exemptions from the licensing requirements to consult with a licensed termite control operator or other duly recognized expert having expertise in the identification or control of termites; 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 Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1515, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1515, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Case, Garcia, Tom and Yoshinaga.

SCRep. 1614 Consumer Protection and Commerce on S.B. No. 1510

The purpose of this bill is to eliminate cumbersome and unnecessary procedures by repealing the requirement for notarized signatures on professional and vocational license applications.

Supportive testimony was received from the Department of Commerce and Consumer Affairs (DCCA).

As part of an ongoing initiative to streamline regulation and eliminate unnecessary steps for filing, the Professional and Vocational Licensing Division conducted a review of its programs. Notarized signatures on professional and vocational license applications were identified as cumbersome and unnecessary. A self-certifying statement to the truth and accuracy on applications is reasonably acceptable. Currently, self-certified business registration documents are accepted by the DCCA. Adoption of similar requirements within the DCCA promotes consistency and facilitates the licensing process.

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. 1510 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 Cachola, Case, Garcia, Tom and Yoshinaga.

SCRep. 1615 Consumer Protection and Commerce on S.B. No. 1524

The purpose of this bill is to repeal burdensome, costly, and unnecessary requirements including:

- (1) Mandating the publication of a notice of the dental examination in a newspaper of general circulation in the State; and
- (2) Requiring photographs and affidavits of applicants who are graduates of foreign dental schools not accredited by the American Dental Association.

The Department of Commerce and Consumer Affairs and the Board of Dental Examiners submitted testimony in support of this measure.

Your Committee has made technical, nonsubstantive amendments for purposes of 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. 1524, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1524, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Case, Tom and Yoshinaga.

SCRep. 1616 Consumer Protection and Commerce on S.B. No. 1521

The purpose of this bill is to consolidate the regulatory oversight of barbers and beauty operators by:

- (1) Establishing a single consolidated board with the authority to regulate barbers and beauty operators, rather than maintaining two separate boards;

- (2) Adding a definition of "student" to mean "a person who is engaged in learning to be a barber in a barber school and while so doing assists in doing any act involved in the practice of barbering under the supervision of an instructor";
- (3) Clarifying that a person shall have sixty days from the date of notification to request a contested case hearing where a licensing application has been denied;
- (4) Repealing Sections 439-3, 439-5, 439-7, and 439-10, Hawaii Revised Statutes, pertaining to the Board of Cosmetology; and
- (5) Making conforming amendments to various definitions relating to both occupations.

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

Your Committee believes that this bill will increase government efficiency and effectiveness by consolidating the regulatory oversight of two related professions into a single board, without negatively impacting consumer protection.

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 Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1521, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1521, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Case, Garcia, Tom and Yoshinaga.

SCRep. 1617 Consumer Protection and Commerce on S.B. No. 1501

The purpose of this bill is to:

- (1) Make housekeeping amendments to the Insurance Code to provide for the correct and consistent use of terminology throughout the Code; and
- (2) Establish the Insurance Commissioner's authority to waive the filing of certain documents.

The Department of Commerce and Consumer Affairs testified in support of the measure.

An insurance company seeking licensure in the State applies for a certificate of authority in a process called "certification". This bill clarifies section 431:3-203.5, Hawaii Revised Statutes (HRS), by replacing the term "accreditation" with "certification". In addition, this bill establishes the Insurance Commissioner's authority to waive the filing of documents required under section 431:3-212, HRS, to expedite the certification process.

This bill also amended section 431:3-301, HRS, by replacing the word "penalty" with the word "fine" to make the terminology used in the section consistent with other penalty provisions in the Insurance Code.

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. 1501 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 Cachola, Tom and Yoshinaga.

SCRep. 1618 Consumer Protection and Commerce on S.B. No. 1519

The purpose of this bill is to:

- (1) Change the composition of the Board of Public Accountancy; and
- (2) Provide an alternative to the experience requirement for certification as a certified public accountant.

The Department of Commerce and Consumer Affairs and the Department of Taxation submitted testimony in support of this measure. Comments were submitted by the Internal Revenue Service.

Your Committee understands that public accountants are a diminishing class of licensees who were allowed in 1955 to enter the profession without satisfying the examination and education requirements for licensure as a certified public accountant. Since 1955, an individual must either meet the "grandfather" requirements for a public accountant license, or meet the requirements for a "certified" public accountant license to practice public accountancy. Therefore, no public accountants have been licensed since the 1960's and their number has steadily declined as they retire from the profession.

Currently, there are less than fifty licensed public accountants, as opposed to over two thousand certified public accountants licensed in this State. Your Committee notes that while this bill deletes the requirement for a public accountant board member, public accountants would still be eligible for appointment as this bill does not restrict the licensee members to be only certified public accountants.

Further, your Committee finds that certain aspects of private or government accounting or auditing experience may be equivalent to experience obtained in public accountancy practice. Therefore, this bill will allow recognition and

acceptance of experience earned in different defined practice settings, as allowed in the majority of other jurisdictions. Individuals who do not work for public accountancy firms, but who otherwise possess equivalent knowledge and experience could then qualify for licensure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for purposes of 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. 1519, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1519, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Case, Garcia, Tom and Yoshinaga.

SCRep. 1619 Consumer Protection and Commerce on S.B. No. 1509

The purpose of this bill is to eliminate the requirement to submit evidence or verification of high school education when higher educational degrees are required.

The Department of Commerce and Consumer Affairs, the Board of Nursing, and the Board of Dental Examiners submitted testimony in support of this measure.

Dental hygienist, registered nurse, and licensed practical nurse applicants are required to submit evidence or verification of a high school education even though evidence of education beyond graduation from high school is required. The high school requirement does not serve any useful purpose and is superfluous, since the individual must obtain higher degrees such as a dental hygiene degree or at a minimum an associate nursing degree prior to licensure.

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. 1509 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 Cachola, Case, Garcia, Tom and Yoshinaga.

SCRep. 1620 Consumer Protection and Commerce and Judiciary on S.B. No. 818

The purpose of this bill is to establish penalties for trademark counterfeiting by:

- (1) Establishing the offense of trademark counterfeiting as a Class C felony;
- (2) Authorizing the forfeiture and destruction or other disposition of counterfeited property; and
- (3) Providing for a mandatory minimum term of imprisonment without parole for repeat offenders.

Your Committees believe that this bill will safeguard not only consumers from the sale of counterfeit products, which are often substandard in quality and safety, but will also protect the reputation and quality of trademarks and ensure that trademarks are used for their legitimate and intended purposes.

Supporting testimony was submitted by the University of Hawaii, the International Anticounterfeiting Coalition, the Chair of the Oversight Committee of the Western Anti-Counterfeiting Coalition, the Recording Industry of America, Chanel Boutiques, Guess?, Inc., Oakley, Inc., and an individual.

This bill is similar to H.B. No. 963, HD 1, which passed out of the House of Representatives earlier this session after a joint public hearing before these Committees.

Your Committees have made amendments to conform this bill to H.B. No. 963, HD 1.

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. 818, SD 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 818, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Hiraki, Jones, Pendleton and Whalen.

SCRep. 1621 Consumer Protection and Commerce and Judiciary on S.B. No. 1495

The purpose of this bill is to establish specific mandatory disclosures for motor vehicle lease transactions. Specifically, this measure requires a lessor to:

- (1) Disclose all material terms, conditions, and limitations that apply to lease agreements, including federally mandated disclosures;
- (2) Make explicit disclosures of specific terms and amounts;
- (3) Provide specific warnings to retail lessees;
- (4) Provide retail lessees with copies of certain relevant documents; and

- (5) Disclose the lease rate together with a notice stating that the percentage may not measure the overall cost of financing the lease.

In addition, this measure:

- (1) Requires the disclosure of the identity and credit value of any trade-in vehicle; and
- (2) Provides for civil remedies for any violations of the chapter.

The Department of Commerce and Consumer Affairs testified in support of this measure. The Hawaii Bankers Association supported the intent of this measure. GE Capital Hawaii, Inc. and the American Automobile Manufacturers Association provided comments on this measure, and the Hawaii Automobile Dealers Association supported the American Automobile Manufacturers Association's position.

Your Committees find that automobile leasing has become a popular alternative to financing the purchase of a car due to lower monthly payments. However, your Committees recognize that automobile leasing is confusing for the average consumer because of a lack of disclosure and the use of complex language in leasing contracts.

Although many of the mandates in this measure are already required under the federal Consumer Leasing Act, that Act is limited in application to property totalling no more than \$25,000. This measure would enhance state enforcement of the disclosure requirements in all lease transactions and help consumers to make informed decisions about their motor vehicle financing.

Upon due consideration, your Committees have amended this bill by:

- (1) Adding the definitions of "adjusted capitalized cost", "clear and conspicuous", "gross capitalized cost", and "worksheet";
- (2) Deleting the definitions of "adjusted or net capitalized cost", "capitalized cost", and "lease rate";
- (3) Modifying the definition of "capitalized cost reduction";
- (4) Providing for the disclosure of gross capitalized costs, capitalized cost reductions, and adjusted capitalized costs;
- (5) Requiring that specified disclosures be in at least ten point bold type rather than not less than fourteen point bold type;
- (6) Deleting the requirement for disclosure of the lease rate together with a notice stating that the percentage may not measure the overall cost of financing the lease;
- (7) Requiring that copies of certain portions of the retail lessor's worksheets be provided to the retail lessee upon request;
- (8) Providing that compliance with the requirements of the chapter is optional until January 1, 1998; and
- (9) Making technical, nonsubstantive amendments for purposes of 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. 1495, SD 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1495, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Hiraki, Jones, Pendleton and Whalen.

SCRep. 1622 Consumer Protection and Commerce and Judiciary on S.B. No. 1115

The purpose of this bill is to clarify the law relating to the return of merchandise by replacing the existing refunds and exchanges statute with a new section that addresses the return of merchandise issue as it relates to current industry practices.

Testimony in support of this bill was submitted by the Retail Merchants of Hawaii, Liberty House, and Legislative Information Services of Hawaii. The Department of Consumer Protection and Commerce also submitted testimony indicating its support for the bill with suggested changes.

This bill is the result of lengthy discussions between the Office of Consumer Protection and the Retail Merchants of Hawaii. Your Committees note that this bill is supported by the Retail Merchants of Hawaii and is based upon H.B. No. 3096, which was passed by the Legislature during the 1996 Regular Session but was vetoed by the Governor. It is your Committees' belief that this bill ensures that consumers' interests are protected, while clarifying the law for both merchants and consumers, and thereby helping to resolve disputes between them.

Your Committees have amended this bill by making technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

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. 1115,

SD 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1115, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Hiraki, Jones, Pendleton and Whalen.

SCRep. 1623 Consumer Protection and Commerce and Judiciary on S.B. No. 1116

The purpose of this bill is to clarify changes for dishonored checks by:

- (1) Allowing both the payee and a holder in due course to assess a service charge of up to \$20 on checks that are dishonored; and
- (2) Requiring the posting of a sign that is clearly visible to a person at the place of payment that a service fee will be charged for a check that is subsequently dishonored.

The Legislative Information Services of Hawaii submitted testimony in support of this measure. The Retail Merchants of Hawaii and Liberty House submitted comments on this measure.

Your Committees find that the costly task of placing signs at every location where checks are accepted may be too onerous on businesses as well as offensive to the consumer. By statutorily setting the fee for dishonored checks at \$20, the posting of signs would not be necessary.

Upon careful consideration, your Committees have amended this measure by replacing its contents with the language of H.B. No. 791, HD 1, which was earlier passed by the House of Representatives. H.B. No. 791, HD 1, adds a new section to the Hawaii Uniform Commercial Code to allow the payee or holder in due course to assess a service charge, provided notice of the assessment was given to the maker by the payee.

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. 1116, SD 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1116, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Hiraki, Jones, Pendleton and Whalen.

SCRep. 1624 Consumer Protection and Commerce and Judiciary on S.B. No. 35

The purpose of this bill, as received by your Committees, is to:

- (1) Decrease crime in the state;
- (2) Protect a landlord from potential forfeiture of rental property when certain criminal offenses occur on those premises; and
- (3) Provide a landlord with a method of terminating a rental agreement by authorizing the landlord to:
 - (A) Inform the police of the landlord's suspicion that a tenant is committing offenses listed in the forfeiture law, Chapter 712A, Hawaii Revised Statutes (HRS);
 - (B) Inform the tenant that the landlord has notified the police and instruct the tenant to stop all illegal activity;
 - (C) Bring a proceeding, suit, or action to terminate a rental agreement where the landlord has reason to believe that the tenant has committed an illegal activity; and
 - (D) Subpoena testimony and evidence held by the police to be used in a proceeding to terminate the rental agreement;
- (4) Protect a landlord from damages for defamation, slander, or libel for actions or statements made in an action to terminate a rental agreement for an offense specified in section 712A-4, HRS; and
- (5) Provide a landlord who initiates an action to terminate the rental agreement with conclusive presumptions in any forfeiture proceeding under Chapter 712A, HRS, that:
 - (A) The rental property is not subject to forfeiture; and
 - (B) The landlord did not consent to the illegal activities.

The Department of the Prosecuting Attorney of the City and County of Honolulu, the Honolulu Police Department, and the Hawaii Association of Realtors supported the intent of this bill and offered amendments. The Department of Commerce and Consumer Affairs suggested amendments.

The Legal Aid Society of Hawaii and the Affordable Housing and Homeless Alliance opposed this measure. Eight members of the Community Coalition for Neighborhood Safety and an individual also opposed this bill and preferred the language contained in H.B. No. 1975, HD 1. The Office of the Public Defender offered comments.

Upon further consideration, your Committees have amended this bill by deleting the substance, and inserting the substance of H.B. No. 1975, HD 1. Your Committees note that H.B. No. 1975, HD 1 passed out of the House of

Representatives earlier this session after a public hearing before the House Committees on Consumer Protection and Commerce and Judiciary.

Your Committees believe that this bill clearly establishes that the tenant's responsibilities include refraining from committing any offenses under section 712A-4 of the Hawaii Penal Code that may subject the landlord's property to forfeiture.

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. 35, SD 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 35, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Hiraki, Jones, Pendleton and Whalen.

SCRep. 1625 Consumer Protection and Commerce and Judiciary on S.B. No. 57

The purpose of this bill is to make state laws regulating gold and silver stamping consistent with the National Gold and Silver Stamping Act.

The Department of Commerce and Consumer Affairs, the Honolulu Police Department, Carats and Karats, and numerous individuals submitted testimony in support of this measure.

Your Committees believe that this bill will facilitate enforcement by the police because the forfeiture can be based upon the absence of the required trademark and without the difficulties of testing for fineness and proving underkarating.

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. 57 and recommend that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Hiraki, Jones, Pendleton and Whalen.

SCRep. 1626 Finance on S.B. No. 1553

The purpose of this bill is to encourage the development of less costly alternatives to nursing facilities by exempting extended care adult residential care homes and assisted living facilities from the State Health Planning and Development Agency's certificate of need requirements.

The Queen Emma Foundation, the Building Industry Association of Hawaii, the Assisted Living Options Task Force, and the Palolo Chinese Home testified in support of this measure. The Department of Human Services commented on this measure.

Your Committee made technical, nonsubstantive amendments for 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 S.B. No. 1553, SD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1553, SD 1, HD 1.

Signed by all members of the Committee except Representative White.

SCRep. 1627 Finance on S.B. No. 1806

The purpose of this bill is to increase Hawaii's competitiveness in the sports tourism industry by providing the Department of Business, Economic Development, and Tourism (DBEDT) with funds to develop, promote, and market sports tourism in Hawaii.

DBEDT, the Chamber of Commerce of Hawaii, Hawaii Pacific Sports, Inc., C. Brewer and Company, Limited, and four individuals testified in support of this measure.

Your Committee has amended this bill by:

- (1) Providing consistent reference to Hawaii Pacific Sports, Inc., throughout this measure; 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 S.B. No. 1806, SD 2, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1806, SD 2, HD 2.

Signed by all members of the Committee except Representative White.

SCRep. 1628 Finance on S.B. No. 202

The purpose of this bill is to extend the sunset date of Act 339, Session Laws of Hawaii 1990, which provides for a pensioners' bonus, from June 30, 1997, to June 30, 1999.

The Retirees Unit of the Hawaii Government Employees Association, the Coalition of Hawaii State/County Retirees, the Hawaii State Teachers Association-Retired, and the Hawaii State Teachers Association submitted testimony in support of this measure. The Department of Budget and Finance and the Employees' Retirement System submitted comments on this measure.

Your Committee finds that section 88-114, Hawaii Revised Statutes, specifically states that the payment of pensioners' bonuses shall be made from the Pension Accumulation Fund. As a result, general fund appropriations should not be necessary to implement this law.

Your Committee has amended this measure by deleting its substance and inserting the provisions of H.B. No. 817, HD 1, which was previously reported from this Committee and passed the House. As amended, the measure:

- (1) Makes pensioners' bonuses permanent;
- (2) Changes the effective date to June 29, 1997; and
- (3) Makes 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. 202, SD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 202, SD 1, HD 1.

Signed by all members of the Committee except Representative White.

SCRep. 1629 Consumer Protection and Commerce and Judiciary on S.B. No. 846

The purpose of this bill is to make housekeeping amendments to chapter 329, Hawaii Revised Statutes, to conform with changes in federal law. Specifically, this measure:

- (1) Adds the definition of "mid-level practitioner" to section 329-1, HRS;
- (2) Allows the Department of Public Safety to post public notice of certain recommended changes to controlled substances schedules;
- (3) Provides for the emergency scheduling of substances;
- (4) Establishes conditions for the automatic forfeiture of controlled substances registration;
- (5) Clarifies when narcotic drugs may be administered or dispensed to maintain or detoxify a person;
- (6) Establishes how and when a partial filling of a controlled substance prescription is permissible;
- (7) Criminalizes certain acts relating to prescription forms;
- (8) Clarifies statutory language to protect the identities of medical research subjects; and
- (9) Requires that the quantity of authorized refills be included as part of a dispensation report.

The Department of Public Safety and the Honolulu Police Department testified in support of this measure.

Your Committees believe that this measure will substantially strengthen the Uniform Controlled Substances Act to avoid any current or imminent danger to the health and safety of the public.

Your Committees have amended this bill by:

- (1) Deleting the proposed definition of "mid-level practitioner" from section 329-1, HRS; and
- (2) Making technical, nonsubstantive changes for purposes of 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. 846, SD 1, HD 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 846, SD 1, HD 2.

Signed by all members of the Committees except Representatives Hiraki, Jones, Pendleton and Whalen.

SCRep. 1630 Consumer Protection and Commerce and Judiciary on S.B. No. 1560

The purpose of this bill is to increase the effectiveness and efficiency of the health care system by allowing a prescription to be transmitted by electronic means within the confines of the State.

Specifically, this bill:

- (1) Establishes minimum requirements for the transmission and recordkeeping of prescriptions transmitted through facsimile or computers;

- (2) Establishes requirements to ensure these records are maintained in a confidential and secure manner; and
- (3) Contains a sunset provision to allow the law to be evaluated after four years.

The Department of Health (DOH), the Hawaii Pharmaceutical Association, Kaiser Permanente, and the Hawaii Medical Service Association submitted testimony in support of this measure.

Your Committees recognize that this bill would help physicians and pharmacists monitor the medication of patients, eliminate errors pharmacists make because of illegible prescriptions, make it more difficult to alter prescriptions, and reduce the cost of health care by increasing the efficiency of the drug prescription and dispensing process.

Your Committees have made technical, nonsubstantive amendments for purposes of clarity and style.

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. 1560, SD 1, HD 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 1560, SD 1, HD 2.

Signed by all members of the Committees except Representatives Hiraki, Jones, Pendleton and Whalen.

SCRep. 1631 Finance on S.B. No. 45

The purpose of this bill is to remove the acreage limitations imposed on the Department of Land and Natural Resources (DLNR) regarding land to be set aside or acquired for veterans cemeteries.

The Office of Veterans Services submitted testimony in support of this measure. DLNR 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. 45, SD 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative White.

SCRep. 1632 Finance on S.B. No. 1016

The purpose of this bill is to enable the Department of Land and Natural Resources (DLNR) to modify or extend pasture leases.

DLNR and the Hawaii Farm Bureau 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. 1016, HD 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative White.

SCRep. 1633 Finance on S.B. No. 1653

The purpose of this bill is to expand the Leave Sharing Program to allow state and county employees to use donated leave credits for the care of family members before exhausting their own sick leave.

The City and County of Honolulu Department of Personnel and the Hawaii State Teachers Association 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. 1653 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative White.

SCRep. 1634 Judiciary on S.B. No. 373

The purpose of this bill is to make housekeeping amendments to certain provisions of the water pollution law, chapter 342D, Hawaii Revised Statutes (HRS).

Specifically, this measure:

- (1) Prohibits the Director of Health from granting or denying an application for the issuance or renewal of a permit without affording any person who comments on a proposed permit during the public comment period an opportunity for a hearing in accordance with chapter 91, HRS;
- (2) Specifies that a request for a hearing, a hearing, and any judicial review of a hearing shall not stay the effect of the issuance or renewal of a permit unless specifically ordered by the Director of Health or a court;
- (3) Clarifies that section 342D-6(d), HRS, pertains to water pollution permits; and
- (4) Establishes conditions under which the Director of Health may modify, suspend, revoke, or revoke and reissue any sludge permit.

The Department of Health testified in strong support of this measure.

Your Committee finds that this measure is necessary to provide consistency with federal regulations and to ensure protection of our waters.

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. 373, HD 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cachola, Herkes, Menor, Yoshinaga and Pendleton.

SCRep. 1635 Finance on S.B. No. 37

The purpose of this bill is to:

- (1) Amend the definitions of "education and training services," "medical and health care services," and "telecommunication services" under the State Enterprise Zones Law (Law);
- (2) Specify that only Census Tract #404 on Kauai is eligible for enterprise zone (EZ) designation which will remain in effect until January 1, 1997, rather than January 1, 1996;
- (3) Exempt agricultural producers in Kauai from certain requirements of the Law;
- (4) Repeal the requirement that tangible personal property be delivered to buyers in the EZ in which it is sold; and
- (5) Specify that agricultural producers operating as qualified businesses in Kauai prior to June 30, 1998, may complete their seven years of eligibility under the Law.

The Department of Business, Economic Development, and Tourism (DBEDT) submitted testimony in support of the intent of the measure. Comments were submitted by the Department of Taxation (DOTAX).

Your Committee has amended this bill by:

- (1) Requiring DBEDT to certify annually to DOTAX that qualified businesses are exempt from the use tax for their purchases;
- (2) Specifying that the gross proceeds received by contractors are exempt from the general excise tax for construction within EZs performed for a qualified business within an EZ;
- (3) Changing the effective date from January 1, 1999, to January 31, 1996; and
- (4) Making technical, nonsubstantive amendments for 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. 37, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 37, SD 1, HD 2.

Signed by all members of the Committee except Representative Goodenow.

SCRep. 1636 Finance on S.B. No. 242

The purpose of this bill is to:

- (1) Authorize the State Ethics Commission (Commission) to initiate, receive, and consider complaints concerning alleged violations of chapter 97, Hawaii Revised Statutes, which regulates lobbyists;
- (2) Set forth procedures with regard to pursuing charges concerning violations; and
- (3) Require the Commission to publish yearly summaries of decisions, advisory opinions, and informal advisory opinions.

The Commission and the Democratic Party of Hawaii submitted testimony in support of 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. 242, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 242, SD 1, HD 2.

Signed by all members of the Committee.

SCRep. 1637 Finance on S.B. No. 257

The purpose of this bill is to protect the financial integrity of the Employees' Retirement System (ERS) by:

- (1) Changing the method of computing the ERS's unfunded liability from the current Frozen Initial Liability to the Entry Age Normal method;
- (2) Deleting the requirement that the earnings shortfalls below the current eight percent threshold shall be made up by the employer; and
- (3) Eliminating the excess investment earnings provision that requires that excess earnings above the actuarial assumption of eight percent will reduce the employers' appropriation requirements.

The ERS, the Segal Company, and the Hawaii Government Employees Association submitted testimony in support of this measure. Your Committee received comments from the Department of Budget and Finance, the Coalition of Hawaii State/Counties Retirees, Inc., the Hawaii State Teachers Association-Retired, and the American Association of Retired Persons.

Your Committee has amended this bill by deleting the substance and inserting the language reflected in H.B. No. 1806, HD 1, which was earlier reported out of your Committee on Finance. As amended, the purpose of this bill is to:

- (1) Reduce volatility of employer contributions to the Pension Accumulation Fund (Fund) of the ERS through the use of a five-year moving average based on the total earnings of the ERS; and
- (2) Provide a corresponding setoff of ten percent a year, cumulatively up to one hundred percent, for employer contribution to the Fund to make up for actual investment earning shortfalls.

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. 257, SD 2, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 257, SD 2, HD 2.

Signed by all members of the Committee.

SCRep. 1638 Finance on S.B. No. 727

The purpose of this bill, as received by your Committee, is to provide health insurance coverage to the following unmarried dependents of state and county employees:

- (1) Unmarried full-time student dependents under the age of twenty-four; and
- (2) Unmarried individuals, regardless of age, who are incapable of self-support due to a mental or physical incapacity that existed prior to the individual reaching the age of nineteen.

The Hawaii Government Employees Association, the Hawaii State Teachers Association-Retired, and the Hawaii State Teachers Association testified in support of this measure. The Department of Budget and Finance commented on this measure.

Your Committee has amended this bill by deleting the substance and inserting the substance of H.B. No. 1809, HD 1, with technical, nonsubstantive amendments. Your Committee notes that H.B. No. 1809, HD 1, passed out of the House of Representatives earlier this session after a public hearing before this Committee.

As amended, this bill:

- (1) Authorizes the use of rate credits or reimbursements from any insurance carrier or self-insured plan, as well as any interest or earning, to stabilize future health benefits plan or long-term care benefit plan rates and for other expenses authorized through legislative appropriation; and
- (2) Requires excess rate credits or reimbursements from any insurance carrier or self-insured plan, or any interest or earning, to be returned to the appropriate general fund if derived from a health benefits plan for:
 - (a) Retirees, surviving spouses of deceased retirees, or employees killed in the performance of their duty; and
 - (b) Employees, based on a portion financed by the State or a county on behalf of the employees.

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. 727, SD 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 727, SD 2, HD 1.

Signed by all members of the Committee.

SCRep. 1639 Finance on S.B. No. 843

The purpose of this bill is to provide tax credits equal to the amount of a guaranty fee paid by small businesses pursuant to obtaining U.S. Small Business Administration financing.

The U.S. Small Business Administration and the Democratic Party of Hawaii testified in support of this measure. The Department of Business, Economic Development, and Tourism testified in support of the intent of this measure. The Department of Taxation and the Tax Foundation of Hawaii commented on this measure.

Your Committee finds that \$4,000 is the average fee for a \$134,000 loan. Those who receive loans of up to this amount constitute the target group that this bill is attempting to assist.

Your Committee has amended this bill by:

- (1) Specifying that the tax credit applies only to small businesses receiving new financing from the Small Business Administration;
- (2) Clarifying that the tax credit is allowed in lieu of a deduction from income;
- (3) Revising the effective date to match the date a federal income tax credit becomes effective;
- (4) Adding a sunset date so that the tax credit expires after three years; and
- (5) 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 S.B. No. 843, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 843, SD 1, HD 2.

Signed by all members of the Committee.

SCRep. 1640 Finance on S.B. No. 1160

The purpose of this bill is to improve energy efficiency in transportation in the State and to reduce Hawaii's dependence on imported oil and petroleum products by:

- (1) Requiring the Department of Transportation (DOT) to:
 - (a) Establish and adopt rules for registering electric vehicles in the State; and
 - (b) Establish and issue a special license plate for electric vehicles;
- (2) Exempting electric vehicles from parking fees and high occupancy vehicle restrictions; and
- (3) Waiving motor vehicle registration and other fees on electric vehicles for a period of four years, provided that the DOT reviews these incentives every two years.

Hawaii Electric Company, Inc., the Electric Vehicle Association of Hawaii, and the High Technology Development Corporation testified in support of this bill. DOT testified in support of the intent of this bill.

Your Committee has amended this bill by making technical, nonsubstantive amendments for 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. 1160, SD 1, HD 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1160, SD 1, HD 3.

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

SCRep. 1641 Finance on S.B. No. 1581

The purpose of this bill is to encourage developers and prospective purchasers to clean up contaminated properties and put them into productive use by establishing the Voluntary Response Program.

The Land Use Research Foundation of Hawaii, Bank of Hawaii, the Myers Corporation, and the Chamber of Commerce of Hawaii submitted testimony in support of this measure. The Department of Health and the Sierra Club, Hawaii Chapter, submitted comments on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the definition of "prospective purchaser" includes prospective owners, operators, and tenants who would not otherwise be liable under section 128D-6, Hawaii Revised Statutes, prior to conducting a voluntary response action;
- (2) Clarifying that until the Department of Health adopts rules relating to fiduciaries, the Asset Conservation, Lender Liability and Deposit Insurance Protection Act of 1996 applies; and
- (3) 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. 1581, SD 2, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1581, SD 2, HD 2.

Signed by all members of the Committee.

SCRep. 1642 Finance on S.B. No. 1624

The purpose of this bill is to restructure the Advisory Council for Literacy and Lifelong Learning by:

- (1) Changing its name to the Advisory Alliance for Literacy and Lifelong Learning (Alliance);
- (2) Reducing the number of its members from eighteen to seven;
- (3) Changing the appointing authority from the Governor to the Board of Education; and
- (4) Redefining its purpose so that the Alliance will act as a statewide literacy planning alliance to maximize resources for community-level programs.

The State Librarian testified in support of this measure.

Your Committee has amended this bill by making technical, nonsubstantive amendments, including a conforming amendment to section 312-8, Hawaii Revised Statutes, to reflect the name change set forth in 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. 1624, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1624, HD 2.

Signed by all members of the Committee.

SCRep. 1643 Judiciary on S.B. No. 870

The purpose of this bill, as received by your Committee on Judiciary, is to prohibit the operation of a pickup truck with a passenger in the bed or load-carrying area, depending upon certain conditions.

Your Committee received testimony regarding this bill from the Commission on Persons With Disabilities, the Hawaii Insurers Council, the Department of Health, the Department of Transportation, the Keiki Injury Prevention Coalition, the Hawaii Medical Association, the Healthcare Association of Hawaii, the Healthy Mothers Healthy Babies Coalition of Hawaii, the Kapiolani Medical Center, the American Academy of Pediatrics, the Hawaii Congress of Parents, Teachers and Students, the Hawaii Nurses' Association, and several concerned doctors and citizens.

Your Committee finds that sometimes government imposes excessive regulations that limit peoples' personal freedoms of choice. Many times, especially in rural areas of our State, a pickup truck may be the the only mode of transportation available to families.

Accordingly, your Committee has amended this measure to:

- (1) Retain the original language of section 291-14, Hawaii Revised Statutes, that does not prohibit passengers from riding in pickup truck beds unless there is unoccupied seating available in the cab area of the truck, the tailgate is closed, and no passengers in the bed of the truck are attempting to control unlash cargo;
- (2) Authorize the counties to regulate the operation of pickup trucks;
- (3) Revise the fine for violating this section from \$500 to not less than \$25 and not more than \$100; and
- (4) Change the effective date of the bill to July 1, 1997.

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. 870, SD 2, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 870, SD 2, HD 2.

Signed by all members of the Committee except Representatives Cachola, Menor, Yoshinaga and Whalen.

SCRep. 1644 Judiciary on S.B. No. 1621

The purpose of this bill is to:

- (1) Expedite the serving of summons and citations for violations relating to High Occupancy Vehicle (HOV) lanes; and
- (2) Authorize the Director of Transportation to permit the use of HOV lanes regardless of the number of occupants when the use is determined to enhance public safety and improve traffic conditions.

Testimony in strong support of this measure was received from the Department of Transportation, the Leeward Oahu Transportation Management Association, and the Transportation Committee of the Chamber of Commerce of Hawaii.

Your Committee finds that Act 224, Session Laws of Hawaii (SLH) 1993, provided that summons or citations for illegal use of HOV lanes could be sent by certified or registered mail. This provision was to expire on June 30, 1995, but was extended to June 30, 1997 by Act 25, SLH 1995.

This bill repeals the expiration date, and will make permanent the serving of summons and citations by law enforcement officers through registered and certified mail. Your Committee believes that this measure will provide a much-needed enforcement alternative for law enforcement officers to cite violators expediently and efficiently so as not to pose safety problems on our roadways.

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. 1621, HD 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cachola, Herkes, Menor, Yoshinaga and Pendleton.

SCRep. 1645 Judiciary on S.B. No. 1589

The purpose of this bill is to authorize the Department of Health to conduct multidisciplinary and multiagency reviews of child deaths to reduce the incidence of preventable child fatalities.

The Department of Health, the Department of Human Services, the Office of Information Practices, the Maui County Police Department, the Kauai County Police Department, the Hawaii Nurses' Association, Kapiolani Medical Center, the Hawaii Sudden Infant Death Syndrome Information and Counseling Program, Healthy Mothers Healthy Babies Coalition, the Keiki Injury Prevention Coalition, and two members of the public testified in support to the bill. The Judiciary supported the concept of the measure.

Your Committee finds that this bill will be instrumental in gathering information necessary to reduce the incidence of preventable deaths of infants in this 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. 1589, SD 2, HD 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hiraki, Menor, Yoshinaga and Thielen.

SCRep. 1646 Finance on S.B. No. 58

The purpose of this bill is to:

- (1) Require the Department of Education (DOE) to establish and maintain kindergartens with a program of instruction as part of the public school system;
- (2) Repeal the requirement that at least fifteen children eligible to attend school be in a school zone before the DOE establishes a kindergarten in the zone;
- (3) Clarify that attendance in kindergarten is not mandatory; and
- (4) Stipulate that children are to be at least five years old, as determined by the Board of Education, to attend kindergarten.

DOE submitted testimony in support of this measure. The Hawaii State Teachers Association submitted testimony 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. 58, SD 1, HD 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 1647 Finance on S.B. No. 1486

The purpose of this bill is to:

- (1) Eliminate the public hearing requirement for insurance rate filings except for workers' compensation rate filings; and
- (2) Allow consumers to obtain negotiated coverage.

The Department of Commerce and Consumer Affairs and State Farm 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. 1486, HD 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 1648 Finance on S.B. No. 1506

The purpose of this bill is to:

- (1) Amend the Hawaii Nonprofit Corporation Act to permit HEMIC to be reorganized as a nonprofit corporation; and

(2) Correct and clarify Act 261, Session Laws of Hawaii 1996, which established the Hawaii Employers' Mutual Insurance Company (HEMIC) by:

- (a) Exempting HEMIC from participation in the Education and Training Fund as required under the Insurance Code;
- (b) Permitting a separate contingent liability for HEMIC members in its high risk division; and
- (c) Establishing economic parameters with which HEMIC's directors must comply.

HEMIC and the Legislative Information Services of Hawaii, Inc., 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. 1506, SD 1, HD 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative White.

SCRep. 1649 Finance on S.B. No. 262

The purpose of this bill is to:

- (1) Ensure that vested former employees with at least ten years of credited service can return to service without forfeiting their right to fully paid health fund benefits upon retirement; and
- (2) Enable employees who are hired before July 1, 1996, to leave state or county employment and return to state or county employment within ninety calendar days without adversely affecting accrued health fund benefits.

The Hawaii State Teachers Association 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. 262, SD 1, HD 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 1650 Judiciary on S.B. No. 718

The purpose of this bill, as received by your Committee, is to expedite the disposal of criminal cases and reduce unnecessary delays in sentencing by allowing a court to waive pre-sentence correctional diagnosis in appropriate circumstances.

The Judiciary testified in support of the bill and suggested clarifying amendments. The Office of the Public Defender testified in opposition to the measure.

Your Committee concurs with the amendments suggested by the Judiciary and has amended the bill to clarify that a court may waive a pre-sentence correctional diagnosis in the following instances:

- (1) The defendant is being sentenced for a class A felony other than manslaughter or a class A offense under part IV of chapter 712, Hawaii Revised Statutes;
- (2) A prior pre-sentence diagnosis was completed within one year preceding the sentencing in the instant case;
- (3) The defendant is being sentenced for murder or attempted murder in any degree;
- (4) The defendant is being sentenced to a mandatory term of imprisonment; or
- (5) A plea agreement has been approved by the court under Rule 11 of the Hawaii Rules of Penal Procedure.

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. 718, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 718, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Menor, Yoshinaga and Whalen.

SCRep. 1651 Judiciary on S.B. No. 1277

The purpose of this bill is to:

- (1) Make the manufacture of dangerous drugs in any amount a class A felony; and
- (2) Provide for a mandatory minimum term of imprisonment of not less than ten years for a person convicted for the manufacture of methamphetamine or any of its salts or isomers.

Your Committee received testimony from the Attorney General and the Prosecutors and Police Chiefs of the City and County of Honolulu, and the Counties of Hawaii, Kauai, and Maui, the Department of Public Safety, the Office of the Mayor, City and County of Honolulu, the Chinese Chamber of Commerce of Hawaii, and various individuals in support of the measure.

The Office of the Public Defender offered comments on the bill and suggested amendments.

The Legislature in the preceding session set forth mandatory minimum terms of imprisonment for the possession and distribution of methamphetamine. Because these laws have been in effect for less than a year with no apparent abuses, your Committee has amended the bill to:

- (1) Make the ten-year mandatory minimum term of imprisonment applicable only to the new offense of manufacturing methamphetamine; and
- (2) Make technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

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. 1277, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1277, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Menor, Yoshinaga and Whalen.

SCRep. 1652 Judiciary on S.B. No. 1286

The purpose of this bill, as received by your Committee, is to exempt minors, who with parental consent are participating in a controlled purchase of tobacco products as part of a law enforcement activity or a study authorized by the Department of Health to determine the level of incidence of tobacco sales to minors, from the proscription against minors purchasing any tobacco product.

The Attorney General, the Department of Health, the Hawaii Medical Association, and the American Lung Association testified in support of the bill. Legislative Information Services of Hawaii, Inc. offered comments on the measure.

Some members of your Committee expressed concern with the inclusion of the phrase "with parental authorization." Inclusion of this phrase should not be interpreted or construed as an element of the offense or constitute a defense thereto. Inclusion of this phrase is for the purpose of clarity.

Your Committee has amended the bill to ensure that minors participating in controlled purchases as part of an enforcement activity or study are under the supervision of law enforcement personnel.

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. 1286, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1286, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Herkes, Jones, Menor and Pendleton.

SCRep. 1653 Judiciary on S.B. No. 1619

The purpose of this bill, as received by your Committee, is to establish uniform penalties for unauthorized or improper uses of public and private parking spaces that are reserved for disabled persons.

Your Committee received testimony in support of this bill from the Department of Transportation and the Commission on Persons With Disabilities.

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

- (1) Deleting the word "stalls" from the title of the bill so that the title of bill will be the same as when it was introduced;
- (2) Changing the range of fines assessed for a disabled parking violation to \$150 to \$300; 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 Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1619, HD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1619, HD 2, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Herkes, Jones, Menor, Yoshinaga and Pendleton.

SCRep. 1654 Human Services and Housing on S.B. No. 1464

The purpose of this bill, as received by your Committee, is to provide homeowners, who have purchased a home under the Hula Mae program and are in the process of either selling or transferring their property, with a waiver of up to three years from the owner-occupancy requirement in section 201E-61, Hawaii Revised Statutes (HRS).

There was relatively light turnout for testimony on this matter, with the Department of Budget and Finance's Housing Finance and Development Corporation (HFDC) submitting both oral and written remarks. Essentially, the HFDC proposed that the current law, section 201E-61, HRS, be amended to allow for a waiver from the owner-occupancy requirement for a period of up to three years while the eligible owner is in the process of selling, refinancing, or transferring title to the real property.

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

- (1) Incorporating the substance of S.B. No. 908, which amends section 201E-221, HRS, by decreasing the HFDC's buy-back period from ten years to three years; and
- (2) Providing for the automatic repeal of the measure on December 31, 2000.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1464, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1464, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Lee and Stegmaier.
(Representative Santiago voted no.)

SCRep. 1655 Consumer Protection and Commerce on S.B. No. 1948

The purpose of this bill, as received by your Committee, is to:

- (1) Amend section 412:12-104(b)(1), Hawaii Revised Statutes, to provide that the five-year age requirement for whole bank acquisition under the new Hawaii interstate branching law shall remain in effect from June 1, 1997, to May 31 of an unspecified year;
- (3) Amend section 412:12-104(d), Hawaii Revised Statutes, to add language requiring any out-of-state bank involved in a merger with a Hawaii bank to confirm in writing that it will comply with all applicable laws of this State; and
- (4) Impose a reciprocity requirement on de novo interstate branching and partial acquisition of branches by out-of-state banks.

An individual submitted testimony in support of this measure. The Department of Commerce and Consumer Affairs and Bank of Hawaii submitted comments on this measure. Opposing testimony was submitted by the Bank of Honolulu.

Your Committee has made technical, nonsubstantive amendments for 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. 1948, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1948, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Tom and Yamane.

SCRep. 1656 Consumer Protection and Commerce on S.B. No. 1901

The purpose of this bill is to prohibit developers from selling the right to use more weeks or nights than are available in a time share plan.

Supportive testimony was received from the Department of Commerce and Consumer Affairs and an individual. Opposing testimony was submitted by an individual.

Your Committee finds that this bill will ensure the right and practical ability of each owner to use a time share unit for the maximum number of nights to which the time share owner is entitled. Your Committee notes that similar requirements have been adopted by Florida and California.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2010; and
- (2) Making technical, nonsubstantive amendments for 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. 1901, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1901, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Cachola.

SCRep. 1657 Consumer Protection and Commerce on S.B. No. 1778

The purpose of this bill is to ensure consumer protection by:

- (1) Requiring all electricians, except maintenance electricians, to furnish the Board of Electricians and Plumbers with proof of attendance at a course related to the updates of the National Electrical Code or to successfully complete an examination prior to each license renewal; and
- (2) Providing that a licensee who has been issued a new license within one year of the renewal date will not be required to take the course or the examination to renew the license.

The Board of Electricians and Plumbers, the Electrical Contractors Association of Hawaii, and the International Brotherhood of Electrical Workers submitted testimony in support of 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. 1778, SD 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 Cachola, Garcia, Herkes, Saiki and Tom.

SCRep. 1658 Consumer Protection and Commerce on S.B. No. 1714

The purpose of the bill is to exempt from the requirement of licensure as a motor vehicle dealer an insurance company, finance company, bank, or other financial institution selling or offering for sale motor vehicles pursuant to a purchase option in a lease agreement.

The Hawaii Bankers Association testified in support of the measure. The Motor Vehicle Industry Licensing Board (Board) testified in opposition to the bill.

Testimony was received by your Committee that banks currently engage in the practice of selling vehicles to their preferred customers pursuant to a purchase option contained in a lease agreement. An interpretation of the Motor Vehicle Industry Licensing Act, Chapter 437, Hawaii Revised Statutes (HRS), by the Department of the Attorney General and the Regulated Industries Complaints Office (RICO), concluded that this activity requires licensure as a motor vehicle dealer. Licensed dealers are subject to regulation by the State and an injured consumer has recourse against a licensee through RICO.

Your Committee finds that regulation of a bank's motor vehicle leasing and selling activities under Chapter 437 is not warranted because a bank's activities are already highly regulated by the State through the Division of Financial Institutions (Division). Consumers with a complaint against a bank have recourse and remedies available to them through the Division. Accordingly, your Committee has amended the bill by:

- (1) Deleting the amendments to paragraph (4) of the definition of "dealer, section 437-1.1, HRS;
- (2) Establishing an additional exclusion from the definition of "dealer" for a Hawaii bank or its affiliate selling or offering for sale motor vehicles surrendered or redelivered to it under the terms of a lease, or sold by it pursuant to a purchase option contained in a lease; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

It is your Committee's understanding that the term "Hawaii bank" means a Hawaii state-chartered bank as defined in section 412:5-100, HRS, and a national banking association or a federally-chartered bank with headquarters in Hawaii. Currently, five state-chartered banks and one national banking association fall within the definition of "Hawaii bank".

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, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1714, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Garcia, Herkes, Saiki and Tom.

SCRep. 1659 Consumer Protection and Commerce on S.B. No. 1814

The purpose of this bill is to allow public utilities providing telecommunications services to recover capital costs and operating expenses associated with providing statewide enhanced 911 emergency telephone service through a surcharge or rate case, irrespective of which occurs first.

Supportive testimony on the bill was received from the Public Utilities Commission (PUC), GTE Hawaiian Telephone Inc., AT&T, and Oceanic Communications.

Current law allows recovery of costs associated with providing enhanced 911 emergency telephone service for the first year through a telephone line surcharge or the next rate case, whichever occurs first. After the first year, the remaining capital costs and any additional capital costs are required to be added to the utility's rate base and recovered along with the associated operating expenses through the utility's rates.

Testimony indicated that this bill would provide the PUC with the discretion to permit the recovery of the capital costs and associated operating expenses through either a telephone line surcharge or the utility's rates, irrespective of which

occurs first. In either case, the net impact to consumers would be the same whether the enhanced 911 costs are recovered via surcharge or as an equivalent increase in telephone rates.

In light of the competition that is developing in the local exchange telecommunications market, this flexibility is needed. As telecommunications providers enter the local exchange market, the PUC indicated that it would be inclined to require each telecommunications carrier providing local exchange service to recover the capital costs and operating expenses of providing enhanced 911 service through a telephone line surcharge, rather than through rates. The PUC testified that use of the surcharge would allow the PUC to readily track the costs and expenses incurred in providing this service, whereas the recovery of the capital costs and associated operating expenses through the utility's rates could hamper this review and monitoring.

Upon careful consideration, your Committee has amended this bill by replacing its contents with the language of H.B. No. 2146, HD 1.

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. 1814, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1814, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Saiki, Tom, Yoshinaga, Aiona and Kawanakoa.

SCRep. 1660 Consumer Protection and Commerce on S.B. No. 680

The purposes of the bill are to:

- (1) Allow an association of apartment owners (AOAO) the option of funding one hundred per cent of a condominium's estimated replacement reserves using a cash flow plan;
- (2) Require that an AOAO disclose in its annual operating budget whether the reserves assessment was calculated using a per cent funded or cash flow plan; and
- (3) Provide that the method used to determine assessments against owners for reserves contributions shall not circumvent the estimated replacement reserves amount as determined by the association's reserve study.

Testimony in support of the bill was received from the following organizations: Real Estate Commission; Hawaii State Bar Association, Condominium Sub-Committee of the Real Property and Financial Services Section; and Community Associations Institute, Hawaii Chapter.

The bill authorizes AOAOs to use the cash flow plan as an alternative method of funding replacement reserves. Testimony was received by your Committee that cash flow analyses are more accurate and may require a smaller contribution to reserves than required under a per cent funded plan.

Upon careful consideration, your Committee has amended the bill by replacing its contents with the language of H.B. No. 780 HD1. As amended, the bill provides that under a cash flow plan, an association shall assess apartment owners to fund up to one hundred percent of the estimated replacement reserves.

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. 680, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 680, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Saiki, Tom, Yoshinaga, Aiona and Kawanakoa.

SCRep. 1661 Consumer Protection and Commerce and Judiciary on S.B. No. 681

The purpose of this bill is to provide self-governance regulations for planned community associations in a manner similar to cooperative housing corporations and condominium property regimes.

Supportive testimony was submitted by the Real Estate Commission, the Housing Finance and Development Corporation, the Community Associations Institute - Hawaii Chapter, and the Mililani Town Association. The Land Use Research Foundation of Hawaii submitted comments.

Your Committees have amended this measure by replacing its contents with the language of H.B. No. 777, HD 1, which was earlier passed by the House of Representatives. As amended, this bill:

- (1) Defines "member" to have the same meaning as provided in association documents, or if no definition is provided, means the person or persons owning or co-owning a unit;
- (2) Requires that every member of the Board of Directors (Board) be a member of the association, except for directors appointed by a developer or declaration as provided in the association documents;
- (3) Specifies that not more than one representative from any one unit shall sit on the Board, except directors appointed by a developer or declaration; and

- (4) Provides that partners in a general partnership, the general partners in a limited partnership, and any officer or a corporate owner be deemed board members.

Technical, nonsubstantive amendments have also been made for 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. 681, SD 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 681, SD 2, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representative Cachola.

SCRep. 1662 Consumer Protection and Commerce and Judiciary on S.B. No. 152

The purpose of this bill is to protect the public against fraud and misrepresentation by:

- (1) Requiring that all time share agents wear an identification badge;
- (2) Providing for a private right of action; and
- (3) Amending signage requirements to require all booths to permanently display on all sides of the booth a sign with the words "TIME SHARE" clearly printed.

The Department of Commerce and Consumer Affairs, TRILOGY Excursions, and the Activity Owners Association of Hawaii submitted testimony in support of this measure. Dwyer Imanaka Schraff Kudo Meyer & Fujimoto, Attorneys at Law, submitted comments on this measure.

Your Committees believe that an identification badge that clearly shows the agent's picture, name, and license number can benefit prospective purchasers by identifying the person with whom they are doing business. In addition, disciplinary action against a time share licensee through the complaints office, consumers will have, by statute, a separate private right of action.

Your Committees have amended this measure by:

- (1) Changing the effective date to July 1, 2010; and
- (2) Making technical, nonsubstantive amendments for purposes of 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. 152, SD 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 152, SD 2, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representative Cachola.

SCRep. 1663 Consumer Protection and Commerce and Judiciary on S.B. No. 1484

The purpose of this bill is to ensure that Hawaii maintains its accreditation status by the National Association of Insurance Commissioners (NAIC) by applying the risk-based capital standard to property and casualty companies.

The Department of Commerce and Consumer Affairs submitted testimony in support of this measure.

Your Committees believe that the amendments in this bill are part of the accreditation requirement of the NAIC and will assist the Insurance Division in monitoring the financial solvency of property and casualty insurance companies.

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. 1484, SD 2, and recommend that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representative Cachola.

SCRep. 1664 Finance on S.B. No. 623

The purpose of this bill is to repeal certain special and revolving funds and change the revenue source of each special fund program affected to the General Fund.

To ensure that members of the public would have ample opportunity to present their views at the public hearing, your Committee circulated a proposed HD 1 version that deletes the provisions of the bill and inserts new language that authorizes:

- (1) The Director of Transportation to transfer from the State Highway Fund all or any portion of available moneys in excess of one hundred thirty-five percent of the requirements for the ensuing twelve months for the State Highway Fund. Currently, this threshold is one hundred fifty percent;
- (2) The transfer of the following amounts of excess funds from the State Highway Fund to the General Fund:

- (a) For fiscal year 1996-1997, \$22,559,000;
 - (b) For fiscal year 1997-1998, \$23,414,000; and
 - (c) For fiscal year 1998-1999, \$24,268,000; and
- (3) The Director of Finance to transfer the following amounts from the Homes Revolving Fund to the General Fund:
- (a) For fiscal year 1997-1998, \$6,000,000; and
 - (b) For fiscal year 1998-1999, \$6,000,000.

All testifiers submitted testimony on the proposed HD 1 version of the bill. The Department of Budget and Finance and the Department of the Attorney General supported the intent of this draft. The Sierra Club, Hawaii Chapter, also testified in support of this draft. The Tax Foundation of Hawaii, the Hawaii Transportation Association, the American Association of Retired Persons, and the Affordable Housing and Homeless Alliance offered comments.

Your Committee has amended the proposed HD 1 version of 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. 623, SD 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 623, SD 2, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Abinsay and Ward.

SCRep. 1665 Finance on S.B. No. 147

The purpose of this bill is to alleviate the effects of pyramiding of the general excise tax on lease and sublease transactions by, among other things:

- (1) Removing renting or leasing real property from the general excise tax requirements and instead establishing a four percent privilege tax on the leasing of real property by a lessor or sublessor to a lessee or sublessee; and
- (2) Providing a deduction from the gross rental proceeds received from the subleased real property.

The Chamber of Commerce of Hawaii, the Hawaii Association of Realtors, the Institute of Real Estate Management, the Hawaii Chapter of the National Association of Industrial and Office Properties, the Hawaii Society of Certified Public Accountants Tax Committee, and an individual submitted testimony in support of this measure. Comments were submitted by the Department of Taxation and the Tax Foundation of Hawaii.

Upon further consideration, your Committee has made the following amendments:

- (1) Prohibited a lessee from getting a deduction without a certificate from the lessor certifying that the lessor is subject to tax on the gross proceeds or gross income received from the lessee;
- (2) Provided that the deduction will be calculated by multiplying the gross proceeds or gross income paid by the lessee to its lessor for the lease from .125 to .875 percent; and
- (3) Made 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. 147, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 147, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Abinsay, White and Ward.

SCRep. 1666 Finance on S.B. No. 1316

The purpose of this bill is to conform the Hawaii Income Tax Law, to the federal Internal Revenue Code.

The Department of Taxation, the Hawaii Bankers Association, and the American Association of Retired Persons testified in support of this measure. The Tax Foundation of Hawaii submitted comments.

Your Committee has amended this measure by:

- (1) Expanding the "timely mailing treated as timely filing and paying" rule to include the delivery of a tax return by a private delivery service;
- (2) Making the federal income tax provision relating to medical, dental, etc., expenses inoperative in this State as it applies to:
 - (a) Long-term care services;

- (b) Long-term care insurance contract premiums; and
- (c) Eligible long-term care premiums;
- (3) Allowing an individual to elect to file a joint income tax return after a separate tax return was previously filed without full payment of the amount shown as tax on the joint return; and
- (4) 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 S.B. No. 1316, SD 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1316, SD 2, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative White.
(Representative Fox voted no.)

SCRep. 1667 Finance on S.B. No. 1618

The purpose of this bill is to establish a Transportation Improvement Revolving Fund to:

- (1) Fund qualified transportation projects; and
- (2) Receive reimbursements from private developers who have been advanced public funds to fulfill the conditions of land use development relating to transportation.

The Department of Transportation testified in support of this bill.

Your Committee has amended this bill to:

- (1) Reflect its proper title as introduced: "RELATING TO THE TRANSPORTATION IMPROVEMENT SPECIAL FUND";
- (2) Change the name of the fund from the Transportation Improvement Revolving Fund to the Transportation Improvement Special Fund to be consistent with the bill's title; and
- (3) Make technical, nonsubstantive amendments to correct drafting errors.

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. 1618, HD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1618, HD 2, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1668 Finance on S.B. No. 1699

The purpose of this bill, as received by your Committee, is to increase the general excise tax on certain establishments holding liquor licenses from four to ten percent of gross income or proceeds.

Specifically, this measure would affect class 11 (cabaret licenses) licensees and those class 5 (dispensers' licenses) licensees allowing persons to perform unclothed or allowing employees to be compensated for sitting with patrons.

The Department of Taxation, the Tax Foundation of Hawaii, the Liquor Dispensers of Hawaii, World Cafe, Moose McGillycuddy's Pub and Cafe, Pacific Bar Associates, Blue Zebra Cafe, Showtime Entertainment 1 of Hawaii, and two individuals commented on this measure.

Your Committee has amended this measure by:

- (1) Deleting all references to class 11 liquor licensees so that only certain class 5 liquor licensees would be affected;
- (2) Decreasing the general excise tax for those previously listed class 5 liquor licensees to 3.5 percent of gross income or proceeds; 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 Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1699, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1699, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative White.
(Representatives Fox, Marumoto, Meyer and Ward voted no.)

SCRep. 1669 Consumer Protection and Commerce on S.B. No. 952

The purpose of the bill is to provide consumers with additional warranty remedies in connection with the purchase of assistive devices for persons with disabilities.

Testimony in support of the bill was received from several individuals and the following organizations: Office of Consumer Protection, State Planning Council On Developmental Disabilities, Hawaii Assistive Technology Training And Services, Hawaii Centers For Independent Living, and Protection And Advocacy Agency Of Hawaii. The Commission On Persons With Disabilities submitted supportive testimony and offered an amendment to the bill.

Assistive devices such as wheelchairs, hearing aids, and telephone communication devices enable individuals with disabilities to see, hear, maneuver, and communicate, and to lead normal, independent lives. Therefore, it is important that these assistive devices work properly at all times. This bill prohibits the waiver of certain warranties and provides additional remedies and penalties not provided under current law.

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

- (1) Requiring that the manufacturer of the assistive device, rather than the dealer, repair or at the manufacturer's election, reimburse the consumer for the reasonable costs of repairing a nonconformity in the assistive device;
- (2) Providing that the warranty is supplementary and not in lieu of any other express or implied warranties;
- (3) Providing that repairs necessary to conform the assistive device to the warranties, and made by the manufacturer's agent, representative, distributor, authorized assistive device dealer, or authorized assistive device lessor after the expiration of the warranty, shall be done at the manufacturer's option and expense; 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 Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 952, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 952, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Saiki, Tom, Yoshinaga, Aiona and Kawanakoa.

SCRep. 1670 Consumer Protection and Commerce on S.B. No. 1153

The purpose of the bill is to:

- (1) Permit condominium managing agents (CMAs) and associations of apartment owners (AOAOs) to provide evidence of a fidelity bond when registering with the Real Estate Commission by submitting an insurer's certification statement; and
- (2) Clarify that the requirement of registration with the Real Estate Commission (Commission) applies to all condominium projects or associations of apartment owners having six or more apartments.

Testimony in support of the bill was received from the Commission, the Hawaii Chapter of the Community Associations Institute, and the Hawaii Association of Realtors.

This bill establishes an optional, simplified method for submitting evidence to the Commission that a CMA or AOAO is covered by a fidelity bond. Difficulties in obtaining a complete copy of the fidelity bond policy for filing with the Commission has resulted in delays in registration for some projects and associations. Allowing CMAs and AOAOs to file statements from their insurers certifying coverage under a fidelity bond in lieu of providing the actual policy will streamline the registration process without compromising consumer protection.

This measure is also necessary to clarify that all condominium projects and AOAOs with six or more apartments are subject to the Commission's registration requirements, including those projects and associations created prior to 1963, pursuant to Act 180, Session Laws of Hawaii 1961.

Your Committee finds that the reasons that justify the registration of condominiums and associations created after 1963, e.g., maintaining a public record of projects and associations and identifying parties who may benefit from the Commission's education program, also justify the registration of projects and associations created prior to 1963.

Accordingly, your Committee has amended the bill by:

- (1) Requiring that condominium projects or associations with six or more apartments, created prior to May 29, 1963, and pursuant to Act 180, Session Laws of Hawaii 1961, register with the Commission and comply with the requirements of section 514A-95.1(a)(1), Hawaii Revised Statutes, with the exception of the fidelity bond requirement; 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 Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1153, SD 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1153, SD 2, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Garcia, Herkes, Saiki and Tom.

SCRep. 1671 Consumer Protection and Commerce on S.B. No. 226

The purposes of the bill are to:

- (1) Establish a requirement that all candidates for the registration exam for licensure to practice architecture in the State of Hawaii complete a post-graduate program of training that bridges the gap between formal education and professional practice as a registered architect; and
- (2) Require that this program of training be administered by the National Council of Architectural Registration Boards.

The Board of Professional Engineers, Architects, Surveyors, and Landscape Architects (Board) and several individuals submitted testimony in support of the bill. The AIA Hawaii State Council submitted supportive testimony and proposed amendments to the bill.

Your Committee finds that the Intern Development Program (IDP) was created to address the problem of an architect's transition between formal education and architectural registration. The IDP is currently a registration requirement in forty-two other states, and Hawaii architects who move to or wish to practice in other states that require IDP will be in jeopardy of not qualifying for licensure reciprocity if Hawaii fails to adopt an IDP requirement.

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

- (1) Replacing its contents with the language of H.B. No. 784, HD1;
- (2) Providing that an architect license examinee may satisfy the post-graduate training program requirement by fulfilling the requirements of a Board-approved program similar to the IDP; and
- (3) 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 Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 226, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 226, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Saiki, Tom, Yoshinaga, Aiona and Kawanakoa.

SCRep. 1672 Consumer Protection and Commerce on S.B. No. 141

The purpose of this bill is to regulate lease-purchase agreements, commonly referred to as "rent-to-own" contracts.

The Department of Commerce and Consumer Affairs submitted comments on this measure. Opposing testimony was submitted by the Legal Aid Society of Hawaii and an individual.

Your Committee agrees with the Department of Commerce and Consumer Affairs that further amendments must be made to this bill to ensure that consumers are adequately protected from unconscionable, onerous rent-to-own contracts.

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

- (1) Deleting the exemption of rent-to-own transactions from chapter 476 and articles 2A and 9 of chapter 490, Hawaii Revised Statutes;
- (2) Adding a provision to control the amounts charged by a lessor for the lease-purchase transaction;
- (3) Adding language to ensure that consumers are not penalized if they elect to purchase the leased property prior to the completion of the contract term;
- (4) Adding language to ensure that specific limits are placed on the amounts charged by the lessor over and above the rental charge;
- (5) Adding language to ensure that assignees of lease-purchase agreements take lessors' interests subject to defenses that can be raised by a lessee against the lessor;
- (6) Providing language to address concerns regarding:
 - (a) Unfair or deceptive acts or practices;
 - (b) Remedies of lessees;
 - (c) Unconscionability;
 - (d) Supplementary provisions; and
 - (e) Waivers; and

- (7) Making technical, nonsubstantive amendments for 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. 141, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 141, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Tom and Yoshinaga.

SCRep. 1673 Consumer Protection and Commerce on S.B. No. 1114

The purpose of this bill is to enhance the professionalism of the real estate industry by:

- (1) Adding a definition for "continuing education";
- (2) Repealing the waivers of continuing education requirements for real estate licensees; and
- (3) Requiring the Real Estate Commission to study, assess, and analyze the feasibility of privatization of the administration of the continuing education program for real estate licensees.

The Real Estate Commission and an individual submitted testimony in support of this measure. The Hawaii Association of REALTORS submitted comments.

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

- (1) Adding a findings and purpose section to clarify the intent of the bill;
- (2) Eliminating the authority of the Real Estate Commission to provide educational activities, effective July 1, 1998;
- (3) Eliminating the Real Estate Education Fund, effective July 1, 1998;
- (4) Requiring the Legislative Reference Bureau to conduct a comprehensive study of the continuing education program for real estate licenses, including the feasibility of allowing a private organization to administer the program; and
- (5) Making technical, nonsubstantive amendments for 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. 1114, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1114, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Tom.

SCRep. 1674 Consumer Protection and Commerce on S.B. No. 228

The purpose of the bill, as received by your Committee, is to:

- (1) Establish that the practice of chiropractic:
 - (a) Does not include the use of all methods or means for the treatment of disease; and
 - (b) Includes the use of necessary patient evaluation and management procedures of the human spinal column, hot or cold packs, whirlpool, therapeutic and rehabilitative exercise, traction, electrical stimulation, therapeutic ultrasound, diathermy, infrared, and chiropractic spinal manipulative treatment; and
- (2) Clarify that the term "spine", as used in section 442-1, Hawaii Revised Statutes (HRS), refers to the five spinal regions.

Testimony in support of the bill was received from the Department of Labor and Industrial Relations, the Hawaii Federation of Physicians and Dentists, the Hawaii Insurers Council, the ILWU-Local 142, and several individuals. Testimony in opposition to the bill was received from the Board of Chiropractic Examiners, the Hawaii State Chiropractic Association, the Maui Chamber of Commerce, and several individuals. The Hawaii Medical Association offered comments on the measure.

Your Committee finds that it is necessary to clarify the scope of chiropractic practice under Chapter 442, HRS, an issue which has recently come to the forefront with the filing of the Hawaii State Chiropractic Association's Petition for Declaratory Relief with the Board of Chiropractic Examiners.

Your Committee also finds that while chiropractic does not include all methods for the treatment of disease, it encompasses more than the manual palpation and adjustment of the spine, and utilizes various modalities for the treatment of conditions related to the spinal column.

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

- (1) Clarifying that chiropractic is not only the science of palpating and adjusting the articulations of the human spinal column by hand;

- (2) Including in the definition of chiropractic the use of electromechanical stimulation, myofascial release, and extraspinal evaluations for the diagnosis and treatment of neuromusculoskeletal conditions related to the human spinal column; and
- (3) Changing its effective date to July 1, 1998.

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. 228, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 228, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Tom.

SCRep. 1675 Consumer Protection and Commerce on S.B. No. 1533

The purpose of this bill, as received by your Committee, is to amend various provisions of the Insurance Code (Code) by:

- (1) Broadening the definitions of "state" and "United States" to include the governments of American Samoa, Guam, and the United States Virgin Islands;
- (2) Authorizing the Insurance Commissioner to suspend, revoke, or refuse to extend any license issued under Article 9 of the Code, or any surplus lines broker's license, if a licensee wilfully violates or knowingly participates in the violation of any provision of the Code;
- (3) Making a technical correction to section 431:11-104, Hawaii Revised Statutes (HRS), to refer to "section" rather than "subsection"; and
- (4) Repealing section 431:3-211, HRS, pertaining to alien reinsurers.

For the past several sessions, including this session, your Committee has been working diligently to provide necessary and much needed relief to Hawaii's beleaguered consumers from unacceptable high motor vehicle insurance premiums. One change that was instituted in 1993 repealed the "take-all-comers" provision of the no-fault law. In passing H.B. No. S6-93 (enacted as Act 4, Special Session Laws of Hawaii 1993), your members were assured that the repeal of this provision would attract more insurers to Hawaii and increase competition among carriers, thus helping to bring down the rates. However, recently your Committee has been receiving complaints from consumers that their insurance policies were not being renewed for relatively minor reasons.

Recognizing the difficulties faced by consumers suddenly faced with nonrenewal of their policies and being forced to find replacement insurance, your Committee wanted to re-examine this issue at this time, along with other contemplated changes to the motor vehicle insurance law being considered this session through H.B. No. 100 and S.B. No. 1812.

To ensure that the members of the public would have ample opportunity to present their views on this particular issue of the no-fault law, your Committee had prepared a proposed House draft of this bill, adding provisions that would:

- (1) Reinstate the "take-all-comers" provision of the no-fault law that was repealed by Act 4, Special Session Laws of Hawaii 1993; and
- (2) Repeal the two percent nonrenewal and conditional renewal restriction of the no-fault law.

The proposed House draft was made available to the public several days before the scheduled hearing date on this bill.

Consumers Lawyers of Hawaii and six individuals submitted testimony in support of the proposed measure. State Farm Insurance Companies, the Hawaii Independent Insurance Agents Service Corporation, the National Association of Independent Insurers, the Hawaii Insurers Council, Allstate Insurance Group, the Hawaii Independent Insurance Agents Association, the United Services Automobile Association, Insurance Factors, King & Neel, Inc., TIG Insurance, and an individual submitted testimony in opposition to the proposed measure. DCCA, Brainard & Black, Ltd., GEICO, Commercial Insurance Agency, Inc., and two individuals provided comments on the proposed measure.

Upon further consideration, your Committee has amended the proposed draft of this bill by:

- (1) Deleting the new language reinstating the "take-all-comers" provision of the no-fault law;
- (2) Providing that an insurer may not nonrenew or conditionally renew any policy solely because of claims made on the policy where insureds or covered persons were not at fault; provided that there are no more than three such claims within the prior five years;
- (3) Requiring that notice of intention not to renew include or be accompanied by a written explanation of the insurer's specific reasons for nonrenewal;
- (4) Changing the limit on nonrenewals and conditional renewals from two percent to one percent; and
- (5) Making technical, nonsubstantive amendments for purposes of 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. 1533, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1533, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1676 Consumer Protection and Commerce on S.B. No. 1191

The purpose of this bill is to allow related insurers to acquire investments in investment pools, thereby increasing an insurer's potential to achieve higher yields and cost savings.

The Hawaii Insurers Council and the Fireman's Fund Insurance Company submitted testimony in support of this measure. Comments were received from the Department of Commerce and Consumer Affairs (DCCA).

Testimony from the DCCA indicated the importance of finding innovative means for insurers to pool their limited resources and seek a greater return on their investments. The Securities Valuation Office (SVO) of the National Association of Insurance Commissioners (NAIC) is responsible for quality assessment and valuation of securities owned by state-regulated insurance companies. The SVO rates these securities so that NAIC members, such as Hawaii, may utilize the ratings as a means to monitor the financial condition of domestic insurers. The NAIC has recently adopted a model law to deal with investment pools, and has informed the DCCA that the SVO will be providing a value for these investments in the future.

Your Committee has amended this measure by 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 Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1191, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1191, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Saiki, Tom, Yoshinaga, Aiona and Kawananakoa.

SCRep. 1677 Consumer Protection and Commerce on S.B. No. 1499

The purposes of the bill are to:

- (1) Restrict unfair methods of competition in the business of insurance by requiring that an insurer issue a substantive written response within fifteen days to any written inquiry from the Insurance Commissioner regarding an insurance claim or consumer complaint; and
- (2) Authorize a nonresident insurance adjuster licensed in another state to adjust losses occurring as a direct result of a catastrophe in the State, subject to registering with the Insurance Division and meeting other conditions.

Testimony in support of the bill and proposing additional amendments was received from the Insurance Division of the Department of Commerce and Consumer Affairs and the Hawaii Insurers Council. State Farm Insurance Companies submitted comments on the measure.

Under the current law, there is no general requirement for an insurer to respond to inquiries from the Insurance Commissioner. Without the authority to compel a response from an insurer, the Insurance Commissioner is unable to effectively investigate and resolve consumer complaints. The bill addresses this deficiency in the insurance code by establishing an insurer's duty to provide a reasonably prompt and responsive reply to an inquiry from the Insurance Commissioner.

The bill also provides that a nonresident insurance adjuster licensed in another state may work for a maximum of one hundred and twenty days in Hawaii to adjust losses incurred as a direct result of a catastrophe. Permitting licensed nonresident adjusters in work in the State for the short term following a natural disaster and other catastrophes will allow insurers to respond more quickly to policyholders who have suffered severe losses.

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

- (1) Requiring that an insurance company, independent adjusting company, general agent, or subagent utilizing a nonresident independent adjuster provide to the Insurance Division certain information pertaining to the adjuster within three working days of, rather than three days before, the adjuster commences work in this State; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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. 1499, SD 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1499, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Garcia, Herkes, Saiki and Tom.

SCRep. 1678 Consumer Protection and Commerce and Judiciary on S.B. No. 1565

The purpose of this bill is to prohibit insurers, mutual benefit societies, and health maintenance organizations from:

- (1) Using an individual's or a family member's genetic information, or request for genetic services, to deny or limit any coverage or establish eligibility, continuation, enrollment, or premium payments;
- (2) Requesting or requiring collection or disclosure of an individual's or a family member's genetic information; and
- (3) Disclosing an individual's or a family member's genetic information without specific written consent.

This bill also exempts any action taken in connection with policies of life insurance, disability income insurance, and long-term care insurance delivered or issued for delivery in this State from provisions of this measure.

The Department of Health (DOH), the American Association of Retired Persons, the Christian Science Committee on Publication in Hawaii, and two individuals submitted testimony in support of this measure. State Farm Insurance Companies and the American Council of Life Insurance opposed this measure. The Executive Office on Aging and the Hawaii State Association of Life Underwriters commented on this measure.

Your Committees recognize the sensitive nature of genetic information and the need to protect individuals and families from any unauthorized and nonvoluntary disclosure of genetic information.

However, your Committees also recognize concerns that the definition of "genetic information", as proposed by this measure, may be so broad as to preclude the disclosure of routine health information. Your Committees therefore require further clarification from DOH regarding the rationale for adopting this broad definition.

Your Committees have amended this bill by making technical, nonsubstantive amendments for purposes of 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. 1565, SD 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1565, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Hiraki and Jones.
(Representative Herkes voted no.)

SCRep. 1679 Consumer Protection and Commerce and Judiciary on S.B. No. 1113

The purpose of this bill is to establish new procedures for nonjudicial foreclosures.

Your Committees received testimony in support of this bill from the Hawaii Financial Services Association, the Hawaii Council of Association of Apartment Owners, the Hawaii Credit Union League, the Hawaii Land Title Association, Title Guaranty of Hawaii, and a concerned individual. The Legal Aid Society of Hawaii and two concerned individuals opposed passage of this measure.

Nonjudicial foreclosure is a process where a lender can foreclose on a mortgage under a power of sale without filing a lawsuit.

Your Committees have amended this bill to provide more protections for borrowers by limiting the power of sale foreclosures to a mortgagee or a foreclosing mortgagee that is a regulated financial institution. More specifically, this bill was amended by:

- (1) Specifying that the definitions of "foreclosing mortgagee" and "mortgagee" are limited to financial institutions;
- (2) Inserting a definition for "financial institution";
- (3) Clarifying that the power of sale foreclosures may be used by a mortgagee or a foreclosing mortgagee as an alternative to the existing process under section 667-5, Hawaii Revised Statutes;
- (4) Deleting provisions that specify where a public sale of certain types of mortgaged property may be held;
- (5) Deleting provisions that allow a power of sale foreclosure to be used in certain nonmortgage situations;
- (6) Deleting provisions that would repeal the section relating to:
 - (A) The contents of the notice of intention of foreclosure; and
 - (B) The person who may prepare the affidavit;
- (7) Deleting the requirement that notice of the public sale be published in the county where the public sale is to be held;
- (8) Providing that when an action is commenced in the circuit courts for the judicial foreclosure of the mortgaged property, the power of sale foreclosure is terminated; and
- (9) Making technical, nonsubstantive amendments for purposes of clarity.

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. 1113, SD 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1113, SD 1, HD 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Hiraki, Jones, Pendleton and Whalen.
(Representative Thielen voted no.)

SCRep. 1680 Consumer Protection and Commerce and Judiciary on S.B. No. 1159

The purpose of this bill is to make a clarification to the Hawaii Business Corporation Act by expressly allowing bylaws of a corporation approved prior to July 1, 1996, to eliminate or limit the personal liability of its directors.

The Department of Commerce and Consumer Affairs and an individual submitted testimony in support of the bill.

Last year, the Legislature passed Act 182, Session Laws of Hawaii 1996, which allowed a corporation's articles of incorporation or subsequent amendments to eliminate or limit the personal liability of its directors. At the same time, the Act eliminated the authority of a corporation's bylaws to do that. While the Act was effective prospectively, it did not have a retrospective effect. Hence, the liability provisions of bylaws adopted prior to the effective date of the Act, or July 1, 1996, continue to be valid. This bill makes that clarification.

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. 1159 and recommend that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Hiraki, Jones, Pendleton and Whalen.

SCRep. 1681 Finance on S.B. No. 1268

The purpose of this bill is to establish a uniform interstate case processing law for child support to be known as the Uniform Interstate Family Support Act (UIFSA), which is mandated by the federal government.

The State Attorney General, the Department of Human Services, and the Uniform Law Commissioners submitted testimony in support of the bill. The Corporation Counsel of the County of Hawaii and the Kauai County Attorney submitted comments on the bill.

Your Committee has made technical, nonsubstantive amendments to the bill 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. 1268, SD 2, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1268, SD 2, HD 2.

Signed by all members of the Committee.

SCRep. 1682 Finance on S.B. No. 1535

The purpose of this bill is to amend the Insurance Code to:

- (1) Enable the Insurance Division (Division) to cover costs relating to responding to legal summons by increasing the fee for service on the commissioner from \$7.50 to \$12;
- (2) Clarify annual and quarterly report filing deadlines;
- (3) Encourage timely filing of reports by establishing a penalty for delinquent filings of annual statement convention blanks or additional required filings;
- (4) Implement NAIC accreditation team recommendations by requiring that audits and financial statements required to be filed by domestic insurers be prepared in accordance with NAIC practices and procedures;
- (5) Remove obsolete provisions by deleting the unearned premium reserve table and requiring the use of a pro rata basis instead;
- (6) Ease the Division's review without compromising regulatory oversight by changing the payment of the Drivers Education Fund Underwriters Fee from a quarterly to an annual basis;
- (7) Amend the requirements for submission of a statement of financial condition;
- (8) Amend an error in the definition of "liability" in the insurance code chapter on risk retention; and
- (9) Specify that the commissioner may require certain types of information of a purchasing group in the insurance code chapter on risk retention.

The Department of Commerce and Consumer Affairs submitted testimony in support of this measure.

Your Committee has amended this bill by making technical, nonsubstantive revisions for the purpose of clarity and to correct drafting errors.

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. 1535, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1535, SD 1, HD 2.

Signed by all members of the Committee.

SCRep. 1683 Finance on S.B. No. 1625

The purpose of this bill is to:

- (1) Allow the Hawaii State Public Library System to assess and charge delinquency fees when overdue fines are referred to a collection agency; and
- (2) Authorize the Board of Education to establish, specify the membership number and quorum requirements for, appoint members to, and disestablish the Library Advisory Commission.

The Board of Education testified in support of this measure.

Your Committee has amended this measure by 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. 1625, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1625, HD 2.

Signed by all members of the Committee.

SCRep. 1684 Finance on S.B. No. 1628

The purpose of this bill is to permit the Department of Education (DOE) to rehire retired teachers on a temporary full-time basis to teach in declared shortage areas.

The DOE, The Hawaii State Teachers Association, and an individual submitted testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Specifying that rehired retired teachers shall not earn retirement service credit, contribute to the retirement system, or gain additional retirement system benefits, if the rehired teacher continues to receive entitled normal retirement benefits without penalty;
- (2) Placing the new provision in the Session Laws of Hawaii rather than in the Hawaii Revised Statutes because it will be repealed at the end of the 1997-1998 school year; 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 Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1628, SD 2, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1628, SD 2, HD 2.

Signed by all members of the Committee.

SCRep. 1685 Finance on S.B. No. 1773

The purpose of this bill is to strengthen efforts to recover, recycle, and reuse glass in the state by:

- (1) Increasing the advance disposal fee charged to glass container importers from 1-1/2 cents to 2 cents per glass container beginning on January 1, 1998; and
- (2) Prohibiting a property owner or manager from restricting a retailer from establishing a recycling drop-off facility by the store entrance.

The Department of Health (DOH), the Anheuser Busch Companies, the Sierra Club, Hawaii Chapter, and the Hawaii Food Industry Association testified in support of this measure. The Tax Foundation of Hawaii, the Estate of James Campbell, and the Coca Cola Bottling Company of Hawaii submitted comments.

Your Committee has amended this bill by deleting its substance and inserting provisions that:

- (1) Authorize DOH to use a portion of the revenues generated from the advance disposal fee for enforcement purposes; and
- (2) Appropriate \$30,000 from the special account in the Environmental Management Fund to implement phase I of Grant Thornton LLP's October 25, 1996, Management Plan for the Advance Disposal Fee Collection Program

which calls for the identification of all companies that import glass as the first step toward identifying which companies are not currently paying the advance disposal fee on importation of glass containers.

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. 1773, SD 2, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1773, SD 2, HD 2.

Signed by all members of the Committee.

SCRep. 1686 Finance on S.B. No. 1891

The purpose of this bill is to require the Convention Center Authority (CCA) to:

- (1) Conduct a study on the feasibility of allowing residents and community organizations to use the convention center (center) whenever the center is not reserved for out-of-state group events; and
- (2) Submit its findings and recommendations to the Legislature prior to the 1999 Regular Session.

Waikiki Neighborhood Board No. 9, Neighbors of the Ala Wai, the Community Vision Committee, and two individuals submitted testimony in support of this measure. The CCA submitted testimony in support of the intent of this measure. Comments were submitted by an individual.

Your Committee has amended this bill by:

- (1) Extending the sunset date of the CCA from June 30, 1998, to June 30, 1999;
- (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 Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1891, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1891, SD 1, HD 2.

Signed by all members of the Committee except Representative White.

SCRep. 1687 Finance on S.B. No. 944

The purpose of this bill, as received by your Committee, is to establish an Early Intervention Special Fund and an Early Intervention Trust Fund to enhance early intervention services to infants and toddlers with special needs.

Your Committee has amended this bill by deleting the substance and inserting the language reflected in H.B. No. 102, HD 2, which was earlier reported out of the House of Representatives.

As amended, the purpose of this bill is to improve Hawaii's workers' compensation system by allowing employers to use coordinated care organizations to provide medical care, services, and supplies to injured workers.

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. 944, SD 2, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 944, SD 2, HD 2.

Signed by all members of the Committee except Representatives Abinsay, White and Ward.

SCRep. 1688 Finance on S.B. No. 138

The purpose of this bill is to increase patient accessibility to mental health and substance abuse treatment by including advanced practice registered nurses in the pool of qualified mental health service providers covered by health insurers.

The Department of Health, the National Association of Social Workers, the Hawaii Nurses' Association, the Mental Health Community Coalition, and several individuals testified in support of this measure. The Hawaii Psychological Association testified in support of the intent of this measure.

Your Committee has amended this bill by:

- (1) Adding definitions of "advanced practice registered nurse," "physician," and "psychologist" under chapter 431M, Hawaii Revised Statutes (HRS);
- (2) Clarifying that the term "physician" refers to persons licensed to practice medicine and osteopathy pursuant to chapters 453 and 460, HRS; 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 S.B. No. 138, SD 1, HD 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 138, SD 1, HD 3.

Signed by all members of the Committee.

SCRep. 1689 Finance on S.B. No. 656

The purpose of this bill is to increase patient accessibility to mental health and substance abuse treatment by including state-licensed social workers in the pool of qualified mental health service providers covered by health insurers.

The University of Hawaii School of Social Work, the National Association of Social Workers, the Catholic Charities Family Services, the Kalihi-Palama Health Center, the Hawaii Nurses' Association, the Mental Health Association in Hawaii, and numerous individuals testified in support of this measure. The Hawaii Psychological Association testified in support of the intent of the measure.

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

- (1) Specifying that a state-licensed social worker must be certified in clinical social work by a recognized national organization, referring to certification awarded from either the National Association of Social Workers or the American Board of Examiners. It is current practice for insurance companies in other states to require certification from these two organizations for social workers to be reimbursed;
- (2) Clarifying that the term "physician" includes persons licensed in the practice of medicine and osteopathy pursuant to Chapters 453 and 460, Hawaii Revised Statutes, based on the precedent set by Act 202, Session Laws of Hawaii 1996 (Act 202). Act 202 amended numerous statutory citations to include "osteopathic physicians" and "Chapter 460" whenever "Chapter 453" and "physicians" were referenced; 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 Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 656, SD 1, HD 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 656, SD 1, HD 3.

Signed by all members of the Committee.

SCRep. 1690 Finance on S.B. No. 717

The purpose of this bill is to establish a \$35 surcharge on family court filing fees for persons who are filing for divorce, separation, or annulment actions. The surcharge is to be used to fund a parent education program to:

- (1) Educate parents on the impact their separation will have on their children; and
- (2) Help separating parties avoid future litigious disputes.

The Judiciary, Kids First, and a concerned individual submitted testimony in support of this measure.

Your Committee has amended this measure 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. 717, SD 2, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 717, SD 2, HD 2.

Signed by all members of the Committee except Representatives Abinsay, White and Ward.

SCRep. 1691 Finance on S.B. No. 969

The purpose of this bill is to increase the amount of the maximum fine that the University of Hawaii Board of Regents may impose on vehicle violations from \$25 to \$200.

The University of Hawaii at Manoa submitted testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Decreasing the maximum fine limit from \$200 to \$100; 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 S.B. No. 969, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 969, HD 2.

Signed by all members of the Committee except Representatives Abinsay, White and Ward.

SCRep. 1692 Judiciary on S.B. No. 1197

The purpose of this bill, as received by your Committee on Judiciary, is to revise the term for drivers' licenses, depending upon the driver's age.

Your Committee received testimony on this measure from the Department of Transportation and the Department of Finance, City and County of Honolulu.

Your Committee has amended this bill as follows:

- (1) The reference to "special" licenses has been eliminated at the request of the City because there are no special licenses; and
- (2) The reference to the waiver of a road test for trained motorcycle operators has been revised to refer to training approved in accordance to section 431:10G-104, Hawaii Revised Statutes.

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

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. 1197, SD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1197, SD 1, HD 1.

Signed by all members of the Committee except Representatives Cachola, Herkes, Jones, Menor, Yoshinaga and Pendleton.

SCRep. 1693 Judiciary on S.B. No. 647

The purpose of this bill, as received by your Committee, is to define the liability of providers of recreational activities, such as scuba or skin diving, sky diving, bicycle tours, and mountain climbing.

Your Committee received testimony on this bill from the Activity Owners Association of Hawaii, Pride Charters, Inc., Maui Downhill Company, Maui-Molokai Sea Cruises, Maui Classic Charters, Inc., ZipPurr Catamaran Charters, Trilogy Company, Mango Mitch EcoTours, and Makena Coast Charters.

In addition to recreation business operators, your Committee finds that landowners are also concerned about their liability when people come upon their land for recreational purposes. Specifically, landowners have not been immune from liability for claims brought by those who go upon the land to rescue recreational users.

Upon further consideration, your Committee has amended this bill to:

- (1) Extend the immunity provided to landowners in chapter 520, Hawaii Revised Statutes, with respect to recreational users, to also include those who rescue or provide assistance to recreational users on the land;
- (2) Abolish joint and several liability; and
- (3) Make technical, nonsubstantive amendments 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. 647, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 647, SD 1, HD 2.

Signed by all members of the Committee except Representatives Cachola, Menor, Yoshinaga and Whalen.
(Representative Thielen voted no.)

SCRep. 1694 Consumer Protection and Commerce and Judiciary on S.B. No. 388

The purpose of this bill is to require every institution that issues degrees to be accredited by an agency recognized by the United States Department of Education, or be a candidate for accreditation.

Greenwich University, the International University of Professional Studies, the University of Phoenix, and Pacific Western University submitted testimony in support of this measure. The Department of Commerce and Consumer Affairs, the University of the Nations, and the University of Hawaii submitted comments on this measure.

Upon further consideration, your Committees have amended this bill by replacing its contents with the language of H.B. No. 1860, HD 3, which earlier passed the House of Representatives. As amended, this bill:

- (1) Deletes the provisions that no degree-granting institution may issue:
 - (A) A juris doctor (J.D.), a master of laws degree (LL.M.), or any equivalent or comparable degree, unless it is accredited by the American Bar Association; or
 - (B) A doctor of medicine (M.D.), or any equivalent or comparable degree, unless it is accredited by the Liaison Committee on Medical Education;
 and
- (2) Deletes the provision that any unaccredited institution may issue degrees only until December 31, 2002, or five consecutive years from the date it commenced offering degrees, whichever is later.

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. 388, SD 2, HD 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 388, SD 2, HD 2.

Signed by all members of the Committees except Representative Cachola.

SCRep. 1695 Water and Land Use on S.B. No. 633

The purpose of this bill is to:

- (1) Hasten the recovery of Kauai's crippled economy caused by Hurricane Iniki; and
- (2) Provide visitors with alternative accommodations while hurricane-damaged hotels are under repair;

by authorizing the Kauai Planning Commission (Commission) to permit, for a period of three years, the establishment of bed and breakfast operations on lands designated for agricultural uses.

Under this bill, the Commission may also grant retroactive approvals to all bed and breakfast operations operating on lands designated for agricultural uses prior to the passage of this measure.

The Land Use Commission, the Office of Planning, and the Department of Health generally supported this bill and suggested amendments. The Sierra Club, Hawaii Chapter, Hawaii's Thousand Friends, and the ILWU Local 142 opposed this measure.

Your Committee finds that in spite of the clear benefits that bed and breakfast operations provide, burdensome regulations currently prohibit these operations in areas where they may exhibit the greatest potential to expand.

Upon further consideration, your Committee has amended this bill by replacing its contents with the language of H.B. No. 1101, HD 1, which passed out of the House of Representatives earlier this session. As amended, this bill:

- (1) Reduces, from three to two years, the period for the Commission to permit the establishment of bed and breakfast operations so that the bill drops dead on June 30, 1999;
- (2) Limits the exemption contained in this bill to any law, rather than to any law, ordinance, rule, or regulation;
- (3) Requires the Commission, instead of the Department of Business, Economic Development, and Tourism's Office of Planning, to submit annual reports to the Legislature; and
- (4) Requires that these reports include a listing of all new bed and breakfast operations authorized to conduct business as well as those operations granted retroactive approval.

Technical, nonsubstantive revisions have been made to correct drafting errors.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 633, SD 2, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 633, SD 2, HD 2.

Signed by all members of the Committee except Representative Kanoho.

SCRep. 1696 Consumer Protection and Commerce on S.B. No. 263

The purpose of this bill is to require health insurers, mutual benefit societies, and health maintenance organizations to include contraceptive services in their benefit plans.

In addition, this bill provides a religious exclusionary clause to exempt religious organizations or religious-affiliated organizations if it contradicts their philosophy.

The Healthy Mothers, Healthy Babies Coalition of Hawaii, the Student Health Services of the University of Hawaii at Manoa, the Hawaii State Commission on the Status of Women, the Hawaii Nurses' Association, and many concerned individuals submitted testimony in support of this measure. Brigham Young University-Hawaii submitted testimony in opposition of this measure. The Hawaii Catholic Conference, Kokua Kalihi Valley, the Hawaii Medical Service Association (HMSA), and several concerned individuals submitted comments.

Your Committee finds that annually more than one-half of the pregnancies in the U.S. are reported to be unintended. Research indicates that one of the most important pre-conceptual or other interventions may be the prevention of unintended pregnancy. According to the national March of Dimes, if all partners not desiring pregnancy used contraception, it has been estimated that infant mortality could be reduced by at least ten percent.

Your Committee further finds that this bill will contribute to increased access to contraceptive planning, which can be a key aspect to planning families. While insurance coverage alone is not sufficient to assure family planning practices, the linking of contraceptive and pregnancy coverage will emphasize the messages of:

- (1) Responsible decision-making; and
- (2) Increased focus on prenatal care that is associated with family planning.

With this in mind, your Committee is also sensitive to the concerns of groups and institutions whose right to freely practice their religious beliefs could be potentially infringed upon due to this measure. Your Committee notes that such groups believe that the exemption to exclude contraceptive services for any insured if it contradicts their philosophy contains ambiguities, and therefore should be expanded.

Your Committee also notes the testimony of HMSA which states that this measure will not result in a shift of cost to employers who purchase HMSA plans. HMSA testified that it is able to offer three oral contraceptive drugs at no additional cost due to a volume discount arrangement.

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

- (1) Expanding the religious exclusionary clause to respect:
 - (A) The religious tenet of chastity for any church, religious institution, or religious affiliate organization, including a school, college, university, or other educational institution of learning; and
 - (B) Individual employers who object on moral or religious grounds;
 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 Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 263, SD 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 263, SD 2, HD 1.

Signed by all members of the Committee except Representative Tom.

SCRep. 1697 Consumer Protection and Commerce on S.B. No. 512

The purpose of the bill is to:

- (1) Authorize the issuance of limited and temporary licenses for out-of-state physicians who are practicing in this State in order to cover the practice of a Hawaii-licensed physician temporarily out of the state for training purposes, or to fulfill a medical specialty shortage; and
- (2) Exempt from the licensure requirement out-of-state physicians consulting with a Hawaii-licensed physician in person, by mail, or by electronic, telephonic, or fiberoptic means.

Testimony in support of the bill was received from the Department of Commerce and Consumer Affairs (DCCA) and St. Francis Medical Center. The Hawaii Medical Association (HMA) testified in opposition to the bill. The Board of Medical Examiners (Board) testified in opposition to the issuance of temporary licenses.

Upon careful consideration, your Committee has incorporated proposed amendments agreed to by DCCA, the Board, and HMA, and accordingly, has amended the bill by:

- (1) Deleting the provisions pertaining to a locum tenens temporary license and specialty shortage temporary license;
- (2) Inserting a provision authorizing the issuance of a training replacement temporary license to an out-of-state physician maintaining patient services for a Hawaii-licensed physician receiving specialized training at an out-of-state fully accredited medical teaching institution;
- (3) Deleting the amendment to section 453-2, Hawaii Revised Statutes; 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 Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 512, SD 2, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 512, SD 2, HD 2.

Signed by all members of the Committee except Representative Tom.

SCRep. 1698 Finance on S.B. No. 1336

The purpose of this bill is to include "training" as one of the purposes of the Research Corporation of the University of Hawaii (RCUH).

The University of Hawaii and RCUH 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. 1336 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Abinsay, Goodenow and Hamakawa.

SCRep. 1699 Finance on S.B. No. 1264

The purpose of this bill is to allow the inclusion of fingerprints of juveniles convicted of a misdemeanor or petty misdemeanor into the Hawaii Automated Fingerprint Identification System.

The Department of the Prosecuting Attorney of the City and County of Honolulu and the Hawaii County Police Department submitted testimony in support of this measure. The Honolulu Police Department and the Department of the Attorney General 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. 1264, SD 1, HD 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 1700 Finance on S.B. No. 209

The purpose of this bill is to propose an amendment to the State Constitution to provide that the Tax Review Commission will be appointed every ten years, instead of the current five years, beginning in the year 2005.

The Department of Taxation supported the measure. The Tax Foundation of Hawaii commented on the 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. 209 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Abinsay, White and Ward.
(Representatives Fox, Marumoto and Meyer voted no.)

SCRep. 1701 Finance on S.B. No. 538

The purpose of this bill is to require the Board of Education to take action to ensure the formal involvement of the State's public service librarians in the selection of books and other library materials.

Specifically, this measure authorizes public service librarians to select library resources upon the termination of any outsourcing contract in effect on July 1, 1997. Until that time, this bill requires the Board of Education to ensure the formal involvement of public service librarians in the selection of library resources.

Concerned individuals submitted testimony in support of this measure. The Board of Education submitted comments.

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. 538, SD 3, HD 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Abinsay, Nakasone and Ward.

SCRep. 1702 Consumer Protection and Commerce on S.B. No. 1363

The purpose of this bill is to expand the locations where medical residents with limited and temporary licenses may train to meet the educational standards of the Accreditation Council for Graduate Medical Education by allowing these residents to train in health care facilities and organized ambulatory health care facilities.

The Board of Medical Examiners, Hawaii Residency Programs, Inc., the Hawaii Federation of Physicians & Dentists, Healthcare Association of Hawaii, and two individuals submitted testimony in support of 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. 1363 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Tom.

SCRep. 1703 Consumer Protection and Commerce on S.B. No. 1303

The purpose of this bill is to allow volunteer firefighters to obtain the same insurance rate benefits as county firefighters when volunteers are working in the capacity of a firefighter.

The State Fire Council, the Hawaii Fire Chiefs Association, and the Honolulu Fire Department submitted testimony in support of this measure.

Your Committee finds that equitable treatment of insurance rates for paid and volunteer firefighters encourages partnerships between public entities and the public, reduces the cost of government, and increases the fire protection services for the rural areas.

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. 1303 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Tom.

SCRep. 1704 Consumer Protection and Commerce on S.B. No. 1304

The purpose of this bill is to exempt state and county firefighters from the requirement of obtaining a commercial driver's license to drive commercial vehicles while working in the capacity of a firefighter, if they are trained and certified.

The State Fire Council, the Hawaii Fire Chiefs Association, the Honolulu Fire Department, and a concerned individual submitted testimony in support of this measure. The Department of Transportation (DOT) submitted comments.

Your Committee finds that the fire departments of each county are presently training and certifying firefighters on safe driving practices and legal requirements, as well as conducting road evaluations and testing. Driver training is conducted by the DOT's licensed examiners who are employed in each fire department as driver trainers who train and conduct the initial and annual driving certification for personnel to drive emergency vehicles, as well as other types of commercial vehicles in the fire departments. Your Committee believes that the internal commercial driver training program ensures highway safety and will not compromise the safety of the general public or firefighters.

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. 1304 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Tom.

SCRep. 1705 Consumer Protection and Commerce on S.B. No. 835

The purpose of this bill is to provide the peer review activities of Health Maintenance Organizations (HMOs), Preferred Provider Organizations (PPOs), and Preferred Provider Networks (PPNs) the same protections against discovery and liability that currently exist for such committees in hospitals, clinics, and group practices.

The Queen's Health Plans, the Hawaii Medical Service Association, and the Hawaii Medical Association submitted testimony in support of this measure.

Current law provides incentives and protections for physicians engaging in professional peer review within hospital, clinic, and group practice settings. Since these laws were enacted, peer review has become a more important, even mandated, part of other health care entities' practice. These entities include HMOs, PPOs, and PPNs who are required by the State and federal government (QUEST, Medicare) to engage in effective peer review activities in order to ensure quality delivery of care to patients. More and more, employers and other outside agencies are also requiring that such peer review functions be performed.

Your Committee finds that because current law does not specifically include HMOs, PPOs, and PPNs, physicians working within these settings do not feel protected against discovery and liability and, thus, refuse to participate in required peer review activities. Not only are health care entities so mandated to conduct peer review hampered by physicians' refusal to participate, patients are being denied the quality improvement benefits that result from effective peer review activities.

Your Committee believes that extending these protections to HMOs, PPOs, and PPNs is a big step toward ensuring effective, high quality health care.

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. 835, SD 1, HD 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Tom.

SCRep. 1706 Consumer Protection and Commerce on S.B. No. 137

The purpose of this bill is to allow registered nurses to make pronouncements of death.

The Board of Nursing, the Hawaii Nurses' Association, and the Healthcare Association of Hawaii submitted testimony in support of this measure.

Your Committee finds that it has been community practice for over twenty years that registered nurses have determined that death has occurred and have then called the attending physician to report that death. The physician, after being told that there are no spontaneous respirations or circulatory functions, then pronounces the patient dead.

While the current statute does not expressly prohibit registered nurses from pronouncing death, it seems to imply that a physician must personally examine a patient to make this determination. The Regulated Industries Complaints Office (RICO) has indicated that RICO interprets this statute as requiring the physician to personally examine the patient prior to pronouncing death.

Your Committee further finds that in most states, nurses can pronounce death, and in several states, can certify those deaths. This bill, however, would not change the certification requirements under chapter 338-9, Hawaii Revised Statutes (Vital Statistics). Physicians will still be required to certify the death.

Your Committee believes that requiring physicians to pronounce death would entail great hardship for patients and families. Unless physicians are able to come in and pronounce the death, many patients who clearly wish to die at home surrounded by loved ones would have to be transferred by ambulance to hospital emergency rooms for pronouncement of death. In addition, families would have to wait for the patient to be transferred to a hospital or for a physician to arrive before death could officially be pronounced.

This bill would recognize the expertise of registered nurses, permit the registered nurse to make the pronouncement, and allow more timely support for family members.

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. 137 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cachola, Saiki, Tom and Yoshinaga.

SCRep. 1707 Consumer Protection and Commerce on S.B. No. 1599

The purpose of this bill is to:

- (1) Authorize the Department of Land and Natural Resources (DLNR) to license commercial marine dealers;
- (2) Provide DLNR the flexibility to exempt certain commercial marine dealers from having to report monthly;
- (3) Increase the time commercial marine dealers are required to keep receipts;
- (4) Allow DLNR to require a license from persons who export any marine life taken in the State for commercial purposes;
- (5) Authorize DLNR to require any terms or conditions for the licenses through rules adopted pursuant to chapter 91, Hawaii Revised Statutes; and
- (6) Require that commercial marine dealers who buy aquarium fish give a receipt to the seller that includes information specifying the number and species of the aquarium fish bought.

Testimony in support of this measure was received by the Board of Land and Natural Resources, the Hawaii Conservation Association, the Ocean Recreation Council of Hawaii, Hualalai Development Company, and members of the public. Dive Makai Charters and Sun Seeker Hawaii supported the intent of the bill.

Your Committee finds that it is imperative that the State protect its precious resources by carefully monitoring the types and amounts of reef fish removed from their natural habitat for commercial purposes.

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. 1599, SD 1, HD 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cachola, Saiki, Tom and Yoshinaga.

SCRep. 1708 Education on S.B. No. 161

The purpose of this bill, as received by your Committee, is to:

- (1) Exempt after-school, weekend, and summer recess programs conducted by the Department of Education from child care facilities regulation;
- (2) Exempt child care programs conducted by counties for children five years of age or older from child care facilities regulation, provided that each county will adopt rules and regulations for their programs; and
- (3) Exempt any person who enters a home in a child caring capacity and only cares for children who are of that household from child care facilities regulation.

Your Committee received testimony in support of this measure from the Superintendent of the Department of Education and the Director of the Department of Human Services.

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. 161, SD 1, HD 1, and recommends that it pass Third Reading.

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

SCRep. 1709 Consumer Protection and Commerce on S.B. No. 135

The purpose of this bill is to:

- (1) Define the scope of the practice of optometry under chapter 459, Hawaii Revised Statutes (HRS); and
- (2) Advance the effective date of the act establishing therapeutic certification of optometrists.

Specifically, this bill, as received by your Committee:

- (1) Defines the practice of optometry to:

- (A) Include the examination, diagnosis, treatment, and management of diseases and disorders of the human visual system, the eye, and eyelids, and the performance of diagnostic procedures or ordering of laboratory tests incident thereto; prescription of topically applied pharmaceutical agents; and removal of superficial foreign bodies from the eye and eyelid; and
- (B) Exclude surgery, including refractive or therapeutic laser surgery;
- (2) Provides that two members of the joint formulary advisory committee shall be licensed in medicine and board certified or board eligible in ophthalmology;
- (3) Repeals from chapter 459, HRS, the list of specific topical ocular pharmaceutical agents; and
- (4) Changes the effective date of Act 292, Session Laws of Hawaii (SLH) 1996, from July 1, 1999, to July 1, 1997.

Testimony in support of the bill was received from the Board of Examiners in Optometry (Board), the Hawaii Optometric Association, the Hawaii Nurses' Association, and numerous individuals. Testimony in opposition to the measure was received from the Hawaii Medical Association, the Hawaii Ophthalmological Society, and numerous individuals.

Act 292, SLH 1996, amended chapter 459 by authorizing the use and prescription of topical therapeutic pharmaceutical agents (TPAs) by therapeutically certified optometrists. Among other things, the Act mandated the formation of a joint formulary advisory committee and established general certification criteria. The effective date of the Act was delayed to July 1, 1999, in order to allow the groundwork to be laid for the certification process.

Testimony was received by your Committee that this bill intends to conform the definition of the practice of optometry in section 459-1, HRS, to reflect the grant of prescriptive authority established by the Act. However, opponents of the measure testified that the amended definition of optometric practice is too broad and does not clearly preclude the use of invasive or surgical techniques by optometrists.

A concern was also raised by proponents of the bill that the delayed effective date of the Act prevents the Board from initiating rulemaking to effectuate the provisions relating to the course and experiential requirements for certification.

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

- (1) Adding a definition for "surgery" to chapter 459, HRS;
- (2) Clarifying that diagnostic procedures permitted by optometrists shall be non-invasive and related to the use of topically applied TPAs;
- (3) Establishing parameters for the optometric removal of superficial foreign bodies from the eye;
- (4) Clarifying that the one hundred hours of supervised experience in the use of TPAs required for certification shall be a preceptorship that includes training in the diagnosis, treatment, and management of ocular disease;
- (5) Increasing the number of continuing education hours required for biennial license renewal from eight to fifty;
- (6) Providing that two members of the joint formulary advisory committee shall be licensed in medicine by the Board of Medical Examiners and board certified in ophthalmology;
- (7) Providing that the Board of Optometry's authority to adopt rules to establish standards and criteria related to the course and experiential requirements and to establish and operate the joint formulary advisory committee shall be effective on July 1, 1997; and
- (8) Deleting the purpose section.

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. 135, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 135, SD 1, HD 2.

Signed by all members of the Committee except Representative Tom.

SCRep. 1710 Finance on S.B. No. 252

The purpose of this bill is to:

- (1) Remove the two-year limit to General Assistance (GA) for disabled persons;
- (2) Establish the General Assistance Supplemental Special Fund (Special Fund), which would allow the Department of Human Services (DHS) to retain moneys to be used for GA payments and services;
- (3) Create a General Assistance Advisory Council (Advisory Council) to advise DHS on matters relating to the GA program; and
- (4) Appropriate funds for the GA program.

The National Association of Social Workers, the American Association of Retired Persons, the Mental Health Association in Hawaii, the Legal Aid Society of Hawaii, the STRENGTH Coalition, the American Friends Service Committee, the Honolulu Friends Meeting, the Committee on Welfare Concerns, the Mental Health Community Coalition, and several concerned individuals submitted testimony in support of this measure.

DHS, the Department of Budget and Finance, the Judiciary, and an individual submitted comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the list of names of organizations that would serve on the Advisory Council;
- (2) Deleting the Special Fund;
- (3) Deleting the appropriations for the GA program; and
- (4) Making technical, nonsubstantive amendments for purposes of clarity and style.

Your Committee believes that this measure should not mandate the Governor to select members to the Advisory Council from a predetermined list of organizations. Your Committee, however, recommends that the following groups be strongly considered when determining membership:

- (1) The Legal Aid Society of Hawaii;
- (2) The Protection and Advocacy Agency in Hawaii;
- (3) The Mental Health Association;
- (4) United Self Help;
- (5) The Affordable Housing and Homeless Alliance;
- (6) The Welfare Concerns Committee;
- (7) The Substance Abuse Coalition;
- (8) The Sandwich Group Consumer Organization;
- (9) The Oahu Alliance for the Mentally Ill;
- (10) Health Care for the Homeless;
- (11) The Center for Independent Living;
- (12) The National Association of Social Workers; and
- (13) Recipients of general assistance.

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. 252, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 252, SD 1, HD 2.

Signed by all members of the Committee.

SCRep. 1711 Finance on S.B. No. 1266

The purpose of this bill is to make statutory amendments to meet the mandates of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 and other federal requirements.

The Department of the Attorney General, the Department of Human Resources, the County of Hawaii, and the County of Kauai submitted testimony in support of this measure.

Your Committee has amended this bill by making technical, nonsubstantive amendments to correct statutory drafting errors and for 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. 1266, SD 2, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1266, SD 2, HD 2.

Signed by all members of the Committee.

SCRep. 1712 Finance on S.B. No. 1472

The purpose of this bill, as received by your Committee, is to:

- (1) Revise the allocation of the transit accommodation tax revenues for the fiscal year beginning July 1, 1997; and

(2) Distribute the revenues from traffic fines and forfeitures collected for uncontested traffic infractions to the counties.

To ensure that members of the public would have ample opportunity to present their views at the public hearing, your Committee circulated a proposed HD 2 version that deletes the provisions of the bill and inserts new language that authorizes the State or a county to enter into a contract with a private provider to obtain certain services historically performed by persons or positions in the civil service, or functionally attributed to a government agency or program.

All testifiers submitted testimony on the proposed HD 2 version of the bill. Testimony in support of the proposed HD 2 was received from the Department of the Attorney General, the Hawaii Health Systems Corporation, the Judiciary, the Department of Human Resources Development, the Department of the Corporation Counsel, City and County of Honolulu, the Office of the Mayor, a member of the County Council, the Department of Finance, the Department of Public Works, the Office of the Corporation Counsel, and the Police Department, County of Hawaii, the Office of the Mayor, a member of the County Council, the Department of Water, the Housing Agency, the Office of the County Attorney, the Office of Economic Development, and the Transportation Agency, County of Kauai, the Chair of the County Council, the Board of Water Supply, and the Department of the Corporation Counsel, County of Maui, the American Institute of Architects-Hawaii State Council, the Building Industry Association of Hawaii, the Chinese Chamber of Commerce, the Construction Industry Legislative Organization, the Consulting Engineers Council of Hawaii, the General Contractors Association, the HGEA, the Hawaii Island Chamber of Commerce, the Hawaii Island Contractors' Association, the Hawaii Island Economic Development Board, the Hawaii Water Environment Association, the Pacific Resource Partnership, ABC Mortgage, Child and Family Service, Goodwill Industries of Honolulu, Inc., Hidano Construction, Inc., KFC Airport, Inc., Kona Krafts, Opportunities for the Retarded, Inc., Pacific Geotechnical Engineers, Inc., Pewell Geotechnical Engineering, Ltd., Research Center of Hawaii, and a concerned citizen. The Hawaii State AFL-CIO submitted comments on the proposed HD 2.

The Supreme Court's recent decision in the consolidated cases Konno v. County of Hawaii, S. Ct. No. 18203, and UPW v. Yamashiro, S. Ct. No. 18236 (2/28/97), has generated extensive confusion, widespread speculation, and large scale uncertainty about the propriety of public-private partnerships which have been relied on as a vital resource for the State to provide needed and timely services to the public.

Although the court "emphasize[d] that nothing in this opinion should be interpreted as passing judgment, one way or the other, on the wisdom of privatization," and acknowledged that "[w]hether or not, as a policy matter, private entities should be allowed to provide public services entails a judgment ordinarily consigned to the legislature[.]" the Supreme Court did conclude that "the civil service encompasses those services that have been customarily and historically provided by civil servants." Absent legislative authority to obtain services from other sources, the court concluded, civil servants must provide these services.

As the court notes, the legislature determines whether or not, as a policy matter, private entities should be allowed to provide public services. The purpose of this bill is to address this situation and allay the confusion and uncertainty which the Supreme Court's decision in Konno has generated.

In assessing the policy on allowing private entities to provide public services, your Committee reviewed the history of public-private partnerships in this State.

The culture of the State is one of cooperation, with a long-standing history of reliance on public-private partnerships to provide public services. For more than a quarter of a century, through laws like chapter 42D, Hawaii Revised Statutes (Grants, Subsidies, and Purchases of Services), the State and its counties have looked to private profit and non-profit organizations and their respective staffs, to deliver culture and arts, educational, health, recreational, nutritional, transportation, and social services, on the State's behalf, to members of the general public. Also, State and county public works, including repairs and maintenance, have always been designed and constructed through contracts with private professionals, artisans, and craftsmen, pursuant to the procurement laws.

The legislature has authorized contracts for services from the private sector. The State's school transportation law (sections 302A-406 and 302A-407, Hawaii Revised Statutes), takes as a given that school bus transportation will be arranged and provided by the Department of Education through contracts with private providers. Similarly, without reference to the civil service laws, the legislature has provided that the several counties may establish and maintain volunteer fire stations, subject to the full authority and control of each county's fire chief but staffed by uncompensated volunteers. In like fashion, the State's corrections system is authorized by statute to contract with public or private correctional facilities in other states to alleviate overcrowding by housing and delivering appropriate correctional services to our inmate population. Other examples of statutes enacted by the legislature which directly or indirectly rely upon these public-private partnerships to respond to the needs of the State's citizenry, include concession for services at the airports, contracts for minor repairs and maintenance of school facilities, contracts to acquire school facilities on terms deemed appropriate by the Department of Education and Department of Accounting and General Services, authorization for school/community-based management schools to clean classrooms and the State's affordable housing projects, its federally assisted rental housing projects, its business and economic development programs, its developer constructed schools, and commercial developments like the Aloha Tower Marketplace.

This historical backdrop of reliance on public-private partnerships to provide needed services to the public notwithstanding, the State's long-standing and continuous policy to provide public services through a strong and viable civil service complemented by a vigilant collective bargaining system must also be reaffirmed. But the civil service has never been and never was intended to be the exclusive source for the services government provides to its citizens here in Hawaii. Moreover, whether a civil servant has, is, or could have provided a particular public service is not and has never been determinative of whether that service can or should be obtained from a private provider by contract. That is too simple a notion, particularly in these grave financial and economic times. As the above-noted examples demonstrate, there is long-standing precedent for using public-private partnerships for fulfilling government's responsibilities to its citizens.

Ironically, the Konno decision comes at a time when the State's financial condition and its economy suggests that even greater reliance needs to be placed upon innovative public-private partnerships if we are to maintain even our present level of public services. Some suggest that privatization provides a means to control and avoid government over-growth and its attendant escalating expenditures. Others suggest that privatization is the only means available with which to deal with our fiscal crisis:

- (1) To use the private sector's infrastructure to minimize if not to avoid capital costs;
- (2) To use its efficiencies to lower the State and counties ever-increasing operating costs; and
- (3) To allow the state and its counties to concentrate their capital in large-scale efforts to generate jobs, and jump-start the lagging economy.

Thus, your Committee expressly finds that the specific instances of public-private partnerships and contracts noted above, as well as others like them, confirm the legislature's past, present, and future policy of providing public services through a combination of resources.

Based on the reasons and findings aforesaid, your Committee has amended the bill to provide that the authority of a department or agency of the State or a county may enter into a contract with a private provider to obtain services historically performed by persons or positions in the civil service, or functionally attributed to a government agency or program:

- (1) To disburse appropriations for grants, subsidies, or purchases of services pursuant to chapter 42D or any other law, charter or ordinance authorizing grants, subsidies, or purchases of services;
- (2) For purchases of goods and real property or for construction where services are provided incidentally to the acquisition of the goods or real property, or for construction;
- (3) For services which the department or agency is otherwise authorized by statute, charter or ordinance to obtain or provide without regard to chapter 76 or 77, or section 46-13;
- (4) For services performed by an independent contractor provided that no person in the civil service will be discharged solely as a result of the service being performed by the contractor, and provided further that the department or agency certifies that:
 - (A) The service is special and unique or is essential to the public interest and the circumstances are such that normal civil service recruitment procedures are impracticable; or
 - (B) The service is of a temporary nature and the normal civil service recruitment procedures to retain the needed personnel are impracticable because of the temporary nature; or
 - (C) Substantial capital outlay or operating costs can be avoided or minimized if the service is obtained from a private contractor than through the hiring of additional civil service personnel; or
 - (D) The service is a service provided in a public health facility.

The bill also provides that a department or agency of the State or county may certify that the services obtained from a current or prior contract were obtained in good faith and are qualified and authorized under the provisions set forth in the 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. 1472, SD 2, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1472, SD 2, HD 2.

Signed by all members of the Committee except Representative Suzuki.

SCRep. 1713 Finance on S.B. No. 1794

The purpose of this bill is to improve sanitation procedures of the Department of Health (DOH) by:

- (1) Allowing for the transfer of a sanitation permit upon the sale of a food establishment;
- (2) Authorizing only registered sanitarians to inspect food establishments; and
- (3) Creating an Advisory Council on Food Protection Practices (Council).

Testimony in strong support of the bill was received from the Hawaii Restaurant Association. The DOH testified in support of the transfer of food establishment permits only if DOH approves the transfer.

Your Committee has amended the bill by:

- (1) Allowing the transfer of sanitation permits only with the approval of DOH;
- (2) Authorizing persons qualified in the area of sanitation and food protection practices, in addition to registered sanitarians, to perform inspections of food establishments;

- (3) Requiring the Director of Health rather than the Governor to appoint members to the Council;
- (4) Deleting provisions relating to the terms, vacancies, and election of officers of the Council; and
- (5) 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 S.B. No. 1794, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1794, SD 1, HD 2.

Signed by all members of the Committee except Representatives Abinsay, White and Ward.

SCRep. 1714 Finance on S.B. No. 1879

The purpose of this bill is to:

- (1) Repeal the provision of section 321-15.6, Hawaii Revised Statutes (HRS), that allows the Department of Health (DOH) to issue temporary permits to operate adult residential care homes;
- (2) Change an incorrect reference to the definition of "developmental disabilities" from section 333F-2, HRS, to section 333F-1, HRS;
- (3) Allow a private paying resident who is certified by a physician as needing nursing facility level of care, and who resides in his or her own home, a hospital, or other care setting, to qualify for the new category of adult residential care home or community-based residence; and
- (4) Extend the Maluhia wait-list project to June 30, 1999.

DOH, the Oahu Filipino Community Council, the Palolo Chinese Home, the United Group of Home Operators, and two individuals submitted testimony in support of this measure. The Department of Human Services supported the intent of this measure.

Your Committee has amended this bill by:

- (1) Clarifying that an individual is required to reside in the individual's own home, a hospital, or other care setting to qualify for the new category of adult residential care home or community-based residence;
- (2) Providing that a type I home be allowed no more than two private paying individuals at the nursing home level or intermediate level of care; 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 Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1879, SD 2, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1879, SD 2, HD 2.

Signed by all members of the Committee.

SCRep. 1715 Finance on S.B. No. 1285

The purpose of this bill is to make public notification requirements more flexible to reduce costs, while preserving the public's access to notice.

Your Committee finds that rather than mandating the publication of notice in a newspaper of general circulation, as required under existing law, this measure gives state and county agencies more flexibility in the manner in which they provide public notice.

The State Attorney General submitted testimony in support of the concept of the bill. The Hawaii Newspaper Agency submitted comments on the bill.

Your Committee has made numerous technical, nonsubstantive amendments to the bill for purposes of style and clarity, and to correct drafting errors.

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. 1285, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1285, SD 1, HD 2.

Signed by all members of the Committee.

SCRep. 1716 Finance on S.B. No. 286

The purpose of this bill is to:

- (1) Establish a truth-in-sentencing law that:

- (a) Requires convicted violent felons to serve no less than eighty-five percent of their sentence of imprisonment before becoming eligible for parole; and
- (b) Requires a person who receives a sentence of life imprisonment with the possibility of parole to serve no less than twenty years before becoming eligible for parole;
- (2) Increase the mandatory minimum term of imprisonment for:
 - (a) Certain repeat offenders;
 - (b) Persons convicted of offenses involving the use of a firearm; and
 - (c) Persons convicted of offenses against children, the elderly, or handicapped persons;
- (3) Provide a maximum indeterminate term of imprisonment of:
 - (a) Twelve to twenty years for a Class A felony; and
 - (b) Seven to ten years for a Class B felony;
- (4) Require the Hawaii Paroling Authority to establish guidelines for the uniform determination of minimum sentences and set initial minimum lengths of parole terms, subject to the truth-in-sentencing provisions;
- (5) Establish release dates from parole and reparole for Class A, B, and C felonies; and
- (6) Make other corresponding changes to conform with the truth-in-sentencing provisions.

The Office of the Public Defender, the State Attorney General, Prosecutors, and Police Chiefs of the City and County of Honolulu and the Counties of Hawaii, Kauai, and Maui, the Office of the Mayor of the City and County of Honolulu, the Department of the Prosecuting Attorney of the City and County of Honolulu, the Honolulu Police Department, the Community Coalition for Neighborhood Safety, and a concerned citizen provided comments on this measure.

Your Committee has amended this bill by:

- (1) Making certain nonviolent felons subject to the truth-in-sentencing provisions effective July 1, 2000;
- (2) Requiring the Department of Public Safety to review the possibility of constructing a fifteen hundred bed medium security correctional facility in the County of Hawaii and issue requests for proposals for that purpose; 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 Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 286, SD 2, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 286, SD 2, HD 2.

Signed by all members of the Committee except Representatives Abinsay and Ward.

SCRep. 1717 Finance on S.B. No. 375

The purpose of this bill is to:

- (1) Provide additional funding for solid waste management activities by increasing the amount of the solid waste disposal surcharge from 25 cents to 35 cents per ton of solid waste disposed at solid waste disposal facilities;
- (2) Provide necessary controls over inert fill sites by clarifying the definitions of "inert fill material" and "solid waste"; and
- (3) Establish civil and criminal penalties for the illegal dumping of solid waste.

The Department of Health, the Sierra Club, Hawaii Chapter, the Hawaii Food Industry Association, and Waste Management of Hawaii, Inc., testified in support of this measure. The Tax Foundation of Hawaii commented on the bill.

Your Committee has amended this bill by:

- (1) Deleting the criminal penalty provisions; 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 S.B. No. 375, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 375, HD 2.

Signed by all members of the Committee except Representatives Abinsay, White and Ward.

SCRep. 1718 Finance on S.B. No. 871

The purpose of this bill is to improve the economic health of the State by expediting and facilitating the approval process within each state agency for county building permit applications requiring state agency approval.

Signs, Inc., submitted testimony in support of this measure.

Your Committee has amended this bill by:

- (1) Inserting the substance of H.B. No. 667, SD 1, which:
 - (a) Requires the Department of Business, Economic Development, and Tourism (DBEDT), in cooperation with the Department of Transportation and the State Procurement Office, to work with the City and County of Honolulu (City) and the private industry to review the possibility of developing a people mover system in Honolulu with private funds; and
 - (b) Appropriates funds for the purposes of developing a people mover system; and
- (2) Making technical, nonsubstantive amendments for 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. 871, SD 2, HD 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 871, SD 2, HD 3.

Signed by all members of the Committee except Representatives Abinsay, White and Ward.

SCRep. 1719 Finance on S.B. No. 1632

The purpose of this bill is to consolidate all of the State's housing functions within a single entity to be known as the Housing and Community Development Corporation of Hawaii (Corporation).

The Corporation would be administratively attached to the Department of Human Services and would assume the functions of the Hawaii Housing Authority, the Housing Finance and Development Corporation, the Rental Housing Trust Fund Commission, and homeless programs.

The Hawaii Housing Authority, the Hawaii Community Development Authority, American Association of Retired Persons, and the Affordable Housing and Homeless Alliance submitted supportive testimony.

Comments were received from the Office of the Governor, the Housing Finance and Development Corporation, the Department of Housing and Community Development of the City and County of Honolulu, Catholic Charities of the Diocese of Honolulu, and an individual.

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

- (1) Deleting provisions requiring quarterly deposits of unencumbered and unexpended funds from the Dwelling Unit Revolving Fund and the Housing Revolving Fund into the Special Needs Housing Account;
- (2) Changing back the county approval period for housing development projects from 60 to 45 days;
- (3) Clarifying that bonds may be additionally secured by other property of the corporation;
- (4) Clarifying that the Corporation may invest in property and securities in which the Director of Finance may legally invest as provided in section 36-21, Hawaii Revised Statutes, except that funds held outside the state treasury may not be invested for terms exceeding 35 years;
- (5) Incorporating existing statutory language requiring the Corporation to adopt administrative rules;
- (6) Deleting the Mental Health and Substance Abuse Special Fund;
- (7) Clarifying that the terms of the members appointed to the Rental Housing Trust Fund Commission terminate no later than June 30, 1998;
- (8) Clarifying that section 10 of the bill takes effect on June 30, 1997, to prevent potential problems with the dropdead date addressed in Act 279, Session Laws of Hawaii 1992; and
- (9) Making numerous 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 S.B. No. 1632, SD 2, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1632, SD 2, HD 2.

Signed by all members of the Committee except Representatives Abinsay, White and Ward.

SCRep. 1720 Finance on S.B. No. 1951

The purpose of this bill is to:

- (1) Encourage business opportunities in the State by repealing the sunset date of the General Excise Tax (GET) exemption for stock and commodities exchanges, which is set to expire on June 30, 2000; and
- (2) Establish an income tax credit for costs incurred in the production of motion picture or television films in the State.

The Department of Business, Economic Development, and Tourism, the Department of Commerce and Consumer Affairs, the County of Hawaii Department of Research and Development, the County of Maui Office of Economic Development, the County of Kauai Office of Economic Development, the Hawaii Bar Association, and members of the public testified in support of the bill. The Department of Taxation and the Hawaii Film Authority, Inc., testified in support of the intent of the bill. The Tax Foundation of Hawaii commented on the measure.

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

- (1) Deleting the repeal of the sunset date for stock exchange tax credits;
- (2) Creating a GET exemption for service and maintenance of aircraft or for the construction of an aircraft service and maintenance facility in the State; and
- (3) Changing the effective date to take effect on July 1, 1997; provided that the income tax credit provision applies to taxable years beginning after December 31, 1996.

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. 1951, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1951, HD 2.

Signed by all members of the Committee except Representatives Abinsay, White and Ward.

SCRep. 1721 Finance on S.B. No. 831

The purpose of this bill is to clarify campaign spending and contribution laws.

The Department of the Attorney General submitted testimony in support of the intent of this measure but provided comments to the specific provisions which allow the Campaign Spending Commission (Commission) the authority to hire its own counsel. The Commission, the Democratic Party of Hawaii, and Common Cause Hawaii submitted comments on this measure.

Your Committee has amended this measure by:

- (1) Providing a cap of \$100,000 for the administration of the programs under the Hawaii Election Campaign Fund; 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 S.B. No. 831, SD 2, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 831, SD 2, HD 2.

Signed by all members of the Committee except Representatives Abinsay and Ward.
(Representatives Fox and Meyer voted no.)

SCRep. 1722 Finance on S.B. No. 1032

The purpose of this bill is to set standards of basic competency for marriage and family therapists by establishing a marriage and family therapist licensing program within the Department of Commerce and Consumer Affairs (DCCA).

The Hawaii Association of Marriage and Family Therapists, Spiritual Life Center, Samaritan Counseling Center of Hawaii, Hawaii Counseling and Education Center, Inc., Comprehensive Counseling Services, P.A.R.E.N.T.S., Upcountry Counseling Center, ADHD Resource Center of Hawaii, Inc., American Association of Retired Persons, Hawaii School Counselor Association, Olivet Baptist Church, Aiea United Methodist Church, Sisters of St. Joseph of Carondelet, St. Michael and All Angels' Episcopal Church, Holy Trinity Church, Keolumana United Methodist Church, Catholic Charities of the Diocese of Honolulu, and numerous individuals submitted testimony in support of this measure. DCCA and the Hawaii Psychological Association provided comments 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. 1032, SD 2, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1032, SD 2, HD 2.

Signed by all members of the Committee except Representatives Abinsay, White and Ward.

SCRep. 1723 Finance on S.B. No. 1082

The purpose of this bill is to reduce the emissions of air pollution sources throughout the State by:

- (1) Requiring the Director of Health (Director) to review and evaluate the operations and adequacy of air pollution control equipment for all major sources in Campbell Industrial Park and Kahe Point by July 1, 2017;
- (2) Authorizing the Director to recognize and accommodate emission offsets by private agreements between permit holders so that permit holders may use the emission credits of other permit holders; and
- (3) Enabling the Director to issue simultaneous permits to parties of contractual emissions trading agreements.

The Sierra Club, Hawaii Chapter, submitted testimony in support of this measure. The Department of Health submitted testimony in support of the intent of this measure. Comments were submitted by Ogden Energy Group, Inc., Hawaiian Electric Company, Hawaii Electric Company, Maui Electric Company, and the Tax Foundation of Hawaii.

Your Committee has amended this bill by:

- (1) Authorizing the Director to adopt:
 - (a) Administrative rules based on reasonably available control technology (RACT) and other standards for the control of criteria air pollutants from existing, new, or modified sources; and
 - (b) RACT standards as established by the Administrator of the U.S. Environmental Protection Agency;
- (2) Appropriating funds from the Environmental Response Revolving Fund to conduct non-oil response actions under the Environmental Response Law;
- (3) Changing the effective date of the bill to reflect the appropriation sections; and
- (4) Making technical, nonsubstantive amendments for 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 S.B. No. 1082, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1082, SD 1, HD 2.

Signed by all members of the Committee except Representatives Abinsay, White and Ward.

SCRep. 1724 Finance on S.B. No. 1683

The purpose of this bill is to establish a Hawaiian language college at the University of Hawaii at Hilo that will provide a quality education primarily through the medium of the Hawaiian language.

The Office of Hawaiian Affairs and several individuals submitted testimony in support of the bill. The University of Hawaii, the Department of Budget and Finance, and an individual submitted comments on the bill.

Your Committee has amended the bill by inserting the statement that the bill not be construed to be a mandate pursuant to section 304-7.5, Hawaii Revised Statutes. Section 304-7.5 specifies a formula for determining general fund budget appropriations for the University of Hawaii.

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. 1683, SD 1, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1683, SD 1, HD 2.

Signed by all members of the Committee except Representative Goodenow.

SCRep. 1725 Finance on S.B. No. 1874

The purpose of this bill, as received by your Committee, is to facilitate the transition of public assistance recipients from dependence to self-sufficiency by:

- (1) Establishing a transitional benefits program, the "Bridge to Hope" Program, for single parents of children under age fourteen who are recipients of public assistance; and
- (2) Authorizing the Department of Human Services (DHS), with the assistance of the Department of Labor and Industrial Relations (DLIR), to develop initiatives to eliminate barriers to work and enhance work readiness.

DHS submitted testimony in support of the intent of this measure.

Your Committee has amended this bill by deleting its substance and inserting the substance of S.B. No. 1874, SD 2. As amended, this bill:

- (1) Deletes all references to the Bridge to Hope Program;
- (2) Requires DHS, with the assistance of DLIR and the Department of Business, Economic Development (DBEDT), and Tourism, to develop initiatives to create new job opportunities to:
 - (a) Increase employment among public assistance recipients and the long-term unemployed; and
 - (b) Reduce poverty and deprivation among children in the State;

- (3) Establishes requirements in which development and implementation of these initiatives are to executed; and
- (4) Specifies the deadlines in which DHS, DLIR, and DBEDT are to implement, finalize, and report to the Legislature regarding the development of the systems, processes, programs, and plans under this bill.

Additional technical, nonsubstantive amendments were made 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. 1874, SD 2, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1874, SD 2, HD 2.

Signed by all members of the Committee except Representative Goodenow.

SCRep. 1726 Finance on S.B. No. 1089

The purpose of this bill is to encourage more effective participation of private landowners in endangered species recovery by providing the assurances and incentives they need to undertake voluntary conservation efforts.

The Nature Conservancy of Hawaii and an individual testified in support of this measure. The Department of Land and Natural Resources, Kamehameha Schools Bernice Pauahi Bishop Estate, the Sierra Club, Hawai'i Chapter, the Hawaii Audubon Society, the Hawaii Hunting Association, the Pig Hunters of Hawaii, the Big Island Bird Hunters, and an individual provided comments on this measure.

Your Committee has amended this measure 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. 1089, SD 2, HD 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1089, SD 2, HD 2.

Signed by all members of the Committee except Representative White.

SCRep. 1727 Public Safety and Military Affairs on H.C.R. No. 174

The purpose of this concurrent resolution is to request Hawaii's Congressional Delegation to:

- (1) Propose legislation providing options for and assistance to Filipino Amerasians, including but not limited to humanitarian assistance and emigration to the United States and financial assistance to nongovernmental organizations in the Philippines through USAID (United States Agency For International Development) grants;
- (2) Support legislation to extend the preferential treatment in the admission of Amerasian children to those children of American Servicemembers born in the Philippines; and
- (3) Urge the President of the United States to communicate with the President of the Republic of the Philippines regarding this issue and to provide relief through Executive Order.

Testimony in support of this concurrent resolution was submitted by the Oahu Filipino Community Council and the Filipino Coalition for Solidarity.

Your Committee finds that one of the enduring legacies of the American military presence in the Philippines is the large number of children of United States military men and Filipino women. These Filipino Amerasians, numbering at least thirty thousand according to a Pearl S. Buck Foundation estimate in the early 1980's, face extreme poverty, sexual abuse, discrimination, and exploitation in their communities. Your Committee also finds that, although Amerasian children of Vietnamese, Korean, and Thai descent have been the beneficiaries of special legislation through Public Law 97-359 to ease their emigration to the United States, Filipino Amerasians were not included. Thus, your Committee supports action to extend the same rights to Filipino Amerasians.

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 concurs with the intent and purpose of H.C.R. No. 174 and recommends its adoption.

Signed by all members of the Committee except Representative Tom.

SCRep. 1728 Public Safety and Military Affairs on H.R. No. 114

The purpose of this resolution is to request Hawaii's Congressional Delegation to:

- (1) Propose legislation providing options for and assistance to Filipino Amerasians, including but not limited to humanitarian assistance and emigration to the United States and financial assistance to nongovernmental organizations in the Philippines through USAID (United States Agency For International Development) grants;
- (2) Support legislation to extend the preferential treatment in the admission of Amerasian children to those children of American Servicemembers born in the Philippines; and

- (3) Urge the President of the United States to communicate with the President of the Republic of the Philippines regarding this issue and to provide relief through Executive Order.

Testimony in support of this resolution was submitted by the Oahu Filipino Community Council and the Filipino Coalition for Solidarity.

Your Committee finds that one of the enduring legacies of the American military presence in the Philippines is the large number of children of United States military men and Filipino women. These Filipino Amerasians, numbering at least thirty thousand according to a Pearl S. Buck Foundation estimate in the early 1980's, face extreme poverty, sexual abuse, discrimination, and exploitation in their communities. Your Committee also finds that, although Amerasian children of Vietnamese, Korean, and Thai descent have been the beneficiaries of special legislation through Public Law 97-359 to ease their emigration to the United States, Filipino Amerasians were not included. Thus, your Committee supports action to extend the same rights to Filipino Amerasians.

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 concurs with the intent and purpose of H.R. No. 114 and recommends its adoption.

Signed by all members of the Committee except Representative Tom.

SCRep. 1729 Legislative Management on H.C.R. No. 18

The purpose of this concurrent resolution is to provide parity and nondiscrimination in the coverage of health care by requesting the Legislative Auditor to assess the costs and effects of mandating coverage for mental illness and substance abuse in health care insurance plans.

The Commission on Persons with Disabilities, the Hawaii Psychological Association, the Hawaii Government Employees Association, the Hawaii Nurses' Association, the National Association of Social Workers, the Mental Health Community Coalition, the Psychiatric Medical Association, the Oahu Alliance for the Mentally Ill, the Hawaii Medical Service Association, and several individuals supported 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. 18, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Say and Ward.

SCRep. 1730 Legislative Management on H.C.R. No. 19

The purpose of this concurrent resolution is to request the Legislative Auditor to study the social and financial impacts of requiring health insurers to offer coverage for post-mastectomy breast reconstruction surgery.

The Hawaii State Commission of the Status of Women and the Hawaii Medical Service Association supported this measure.

Based on the recommendation of the Hawaii State Commission of the Status of Women, your Committee has amended this measure by requesting the Auditor to consider the following in its study:

- (1) The impact of reconstructive surgery on the patient's quality of life, in addition to the economic impact and level of disease detection and recurrence; and
- (2) A survey asking breast cancer patients if they would have pursued full reconstructive surgery post- mastectomy if the option had been covered by insurance and if they would consider it in the future if coverage is available.

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. 19, HD 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 19, HD 2.

Signed by all members of the Committee except Representatives Say and Ward.

SCRep. 1731 Legislative Management on H.C.R. No. 49

The purpose of this concurrent resolution is to request the Auditor to perform a sunset review of the regulation of occupational therapy practitioners.

The Department of Commerce and Consumer Affairs, the Commission on Persons with Disabilities, the American Association of Retired Persons, the Hawaii PHYSIATRY Group, the Kapiolani Medical Center for Women and Children, the Occupational Therapy Association of Hawaii, and several individuals supported this measure. Several individuals supported the intent 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 its adoption.

Signed by all members of the Committee except Representatives Say and Ward.

SCRep. 1732 Legislative Management on H.C.R. No. 165

The purpose of this concurrent resolution is to request the Legislative Auditor to study whether all real estate appraisers should be licensed or certified, and whether all appraisals for federally and nonfederally related transactions should be conducted in conformance with the Uniform Standards of Professional Appraisals Practice (USPAP).

Specifically, this measure requests the Legislative Auditor to:

- (1) Analyze the probable effects of:
 - (A) The proposed regulatory measure of H.B. No. 566, to require licensure or certification of all real estate appraisers; and
 - (B) Conformance with the USPAP in all appraisals;
- (2) Assess whether the proposed regulatory measure is consistent with the policies set forth in section 26H-2, Hawaii Revised Statutes;
- (3) Assess alternative forms of regulation; and
- (4) Include a study of the impact of this measure on all appraisers, financial institutions, the real estate market, and consumers.

The Department of Commerce and Consumer Affairs and several individuals supported this measure. The Estate of James Campbell supported the intent of this measure. Kamehameha Schools Bernice Pauahi Bishop Estate submitted testimony in opposition.

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. 165 and recommends its adoption.

Signed by all members of the Committee except Representatives Say, P. Oshiro and Ward.

SCRep. 1733 Legislative Management on H.C.R. No. 215

The purpose of this concurrent resolution is to establish an interim Joint Legislative Committee on Land Use Planning (Committee) to review the existing state land use planning system, examine ways to improve the system, and make recommendations to implement proposed changes.

The Department of Land Utilization of the City and County of Honolulu, Group 70 International, the Land Use Research Foundation, the Hawaii Chapter of the American Planning Association, and an individual supported this measure. The Office of Planning, the Department of Planning of the City and County of Honolulu, and an individual supported this measure while recommending amendments.

The Land Use Commission and the Sierra Club, Hawaii Chapter, submitted comments.

Your Committee has amended this measure by:

- (1) Stating that in recognition of the need to revamp the land use planning system, state and county planning agencies have been meeting for the past several months to discuss proposed changes and to work toward achieving consensus on recommended changes;
- (2) Requesting the Committee to examine the joint recommendations of state and county planning agencies; and
- (3) Addressing the issue of noncompliance with the law with regard to the land use planning system.

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. 215, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 215, HD 1.

Signed by all members of the Committee except Representative Say.

SCRep. 1734 Legislative Management on H.C.R. No. 271

The purpose of this concurrent resolution is to request the Legislative Reference Bureau (LRB) to study the operations of the Agribusiness Development Corporation (ADC) to assess the effectiveness of its operations.

ADC submitted testimony supporting this measure.

Your Committee has amended this measure by:

- (1) Requesting LRB to also determine the most appropriate agency to which ADC should be administratively attached; 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 Legislative Management that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 271, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 271, HD 1.

Signed by all members of the Committee except Representative Say.

SCRep. 1735 Legislative Management on H.R. No. 193

The purpose of this resolution is to request the Legislative Reference Bureau (LRB) to study the operations of the Agribusiness Development Corporation (ADC) to assess the effectiveness of its operations.

ADC submitted testimony supporting this measure.

Your Committee has amended this measure by:

- (1) Requesting LRB to also determine the most appropriate agency to which ADC should be administratively attached; 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 Legislative Management that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 193, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 193, HD 1.

Signed by all members of the Committee except Representative Say.

SCRep. 1736 Judiciary on H.C.R. No. 76

The purpose of this concurrent resolution is to support the implementation of expedited automatic border clearance, the extension of the Visa Waiver Program, and the elimination of Visa requirements wherever possible.

The Lieutenant Governor and the Department of Transportation testified in support of this measure. The Department of Business, Economic Development, and Tourism commented on the measure.

Your Committee has amended this concurrent resolution by deleting the reference to Taiwan with respect to the Visa Waiver Program.

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. 76, HD 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 76, HD 2.

Signed by all members of the Committee except Representatives Tom, Cachola, Jones, Menor and Yoshinaga.

SCRep. 1737 Judiciary on H.C.R. No. 164

The purpose of this concurrent resolution is to request the Judiciary to study ways to simplify proof of prior criminal convictions.

The Attorney General and the Prosecuting Attorney for the City and County of Honolulu testified in support of this measure. The Judiciary supported the intent of the concurrent resolution.

Your Committee has amended this concurrent resolution by replacing the agency responsible for the study from the Judiciary to the Law Enforcement Coalition.

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. 164, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 164, HD 1.

Signed by all members of the Committee except Representatives Tom, Cachola, Jones, Menor and Yoshinaga.

SCRep. 1738 Finance on H.C.R. No. 274

The purpose of this concurrent resolution is to request the Legislative Reference Bureau to update its survey of government programs in the State that are mandated by the federal government.

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 H.C.R. No. 274 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1739 Finance on H.R. No. 195

The purpose of this resolution is to request the Legislative Reference Bureau to update its survey of government programs in the State that are mandated by the federal government.

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 H.R. No. 195 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1740 Finance on H.C.R. No. 226

The purpose of this concurrent resolution is to assist in efforts to reform state government by requesting the Governor to:

- (1) Continue the comprehensive restructuring of state government;
- (2) Consider accelerating the reorganization of state government by developing and using a comprehensive strategy in the reorganization review of the executive branch of state government;
- (3) Complete the analysis and design of restructuring the administrative and business services of the executive branch;
- (4) Begin analysis of restructuring the environmental services and the children and family services; and
- (5) Submit an interim and a final report on the progress and recommendations of the actions taken.

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 H.C.R. No. 226 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1741 Finance on H.R. No. 134

The purpose of this resolution is to assist in efforts to reform state government by requesting the Governor to:

- (1) Continue the comprehensive restructuring of state government;
- (2) Consider accelerating the reorganization of state government by developing and using a comprehensive strategy in the reorganization review of the executive branch of state government;
- (3) Complete the analysis and design of restructuring the administrative and business services of the executive branch;
- (4) Begin analysis of restructuring the environmental services and the children and family services; and
- (5) Submit an interim and a final report on the progress and recommendations of the actions taken.

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 H.R. No. 134 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1742 Finance on H.C.R. No. 211

The purpose of this concurrent resolution is to request the Governor to convene a task force to conduct a comprehensive review of the scope, implementation, efficiency, and effectiveness of chapter 89, Hawaii Revised Statutes (HRS), and to seek consensus on necessary or appropriate changes.

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 H.C.R. No. 211, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1743 Finance on H.R. No. 146

The purpose of this resolution is to request the Governor to convene a task force to conduct a comprehensive review of the scope, implementation, efficiency, and effectiveness of chapter 89, Hawaii Revised Statutes (HRS), and to seek consensus on necessary or appropriate changes.

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 H.R. No. 146, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1744 Finance on H.C.R. No. 168

The purpose of this concurrent resolution is to request the Employees' Retirement System (ERS) to conduct a study to determine the costs of including Conservation and Resources Enforcement Officers in Class A of the Employees' Retirement System, as proposed in H.B. No. 1545, Regular Session of 1997.

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 H.C.R. No. 168, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1745 Finance on H.R. No. 108

The purpose of this resolution is to request the Employees' Retirement System (ERS) to conduct a study to determine the costs of including Conservation and Resource Enforcement Officers in Class A of the Employees' Retirement System, as proposed in H.B. No. 1545, Regular Session of 1997.

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 H.R. No. 108, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1746 Finance on H.C.R. No. 41

The purpose of this concurrent resolution is to request the Auditor to conduct a financial audit of small boat harbors in the counties of Maui, Hawaii, and Oahu particularly those of Lahaina, Honokohau and Ala Wai.

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 H.C.R. No. 41, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1747 Finance on H.C.R. No. 147

The purpose of this concurrent resolution is to request the Department of Land and Natural Resources (DLNR) and the Department of Parks and Recreation of the City and County of Honolulu to expedite the conveyance of Kalihi Valley Park to the State.

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 H.C.R. No. 147 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1748 Finance on H.R. No. 93

The purpose of this resolution is to request the Department of Land and Natural Resources (DLNR) and the Department of Parks and Recreation of the City and County of Honolulu to expedite the conveyance of Kalihi Valley Park to the State.

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 H.R. No. 93 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1749 Finance on H.C.R. No. 257

The purpose of this concurrent resolution is to determine how the commercial forest industry and the Hilo-Hamakua community can work together to help determine future options for the community.

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 H.C.R. No. 257, HD 2 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1750 Finance on H.R. No. 184

The purpose of this resolution is to determine how the commercial forest industry and the Hilo-Hamakua community can work together to help determine future options for the community.

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 H.R. No. 184, HD 2 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1751 Finance on H.C.R. No. 153

The purpose of this concurrent resolution is to request the Office of the Auditor to conduct an audit of the management of all state-run small boat harbors and boat ramps.

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 H.C.R. No. 153, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1752 Finance on H.C.R. No. 196

The purpose of this concurrent resolution is to request that the Department of Land and Natural Resources work in concert with the City and County of Honolulu and concerned civic organizations to develop a master plan for Maunalua Bay to utilize and foster the recreational aspects and protect the ecology and historic significance of the bay.

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 H.C.R. No. 196, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1753 Finance on H.C.R. No. 186

The purpose of this concurrent resolution is to request the Department of Land and Natural Resources (DLNR) to establish a community-based, cooperative effort to restore and maintain one or more of the remaining fishponds in Pearl Harbor.

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 H.C.R. No. 186, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1754 Finance on H.R. No. 121

The purpose of this resolution is to request the Department of Land and Natural Resources (DLNR) to establish a community-based, cooperative effort to restore and maintain one or more of the remaining fishponds in Pearl Harbor.

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 H.R. No. 121, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1755 Finance on H.C.R. No. 166

The purpose of this concurrent resolution is for the Legislature to express its intent to support ship operations at the University of Hawaii by declaring its intent to appropriate \$600,000 per year beginning July 1, 1999 for marine operations, student research cruises, marine instrument development and other seagoing activities, contingent upon the award of the operation of the new oceanographic SWATH or SLICE ship to the University of Hawaii.

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 H.C.R. No. 166 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1756 Finance on H.R. No. 106

The purpose of this resolution is for the Legislature to express its intent to support ship operations at the University of Hawaii by declaring its intent to appropriate \$600,000 per year beginning July 1, 1999 for marine operations, student research cruises, marine instrument development and other seagoing activities, contingent upon the award of the operation of the new oceanographic SWATH or SLICE ship to the University of Hawaii.

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 H.R. No. 106 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1757 Finance on H.C.R. No. 72

The purpose of this concurrent resolution is to request the Agribusiness Development Corporation (ADC) to promptly develop and implement, pursuant to its statutory responsibilities, a comprehensive rural transition plan that promotes new and diversified agriculture and increases rural employment and development in the State.

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 H.C.R. No. 72 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1758 Finance on H.C.R. No. 40

The purpose of this concurrent resolution is to request the Department of Business, Economic Development and Tourism (DBEDT) to work with local industries, the Hawaii Visitors and Convention Bureau, the Department of Agriculture (DOA), and other appropriate agencies to:

- (1) Showcase Hawaii-made products;

- (2) Develop a marketing plan to promote Hawaii-made or Hawaii-grown products; and
- (3) Submit a report of its progress and recommendations to the Legislature prior to the 1998 Regular Session.

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 H.C.R. No. 40 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1759 Finance on H.C.R. No. 265

The purpose of this concurrent resolution is to request the President of the University of Hawaii to conduct a study of ways that the University of Hawaii can promote the development of agriculture on the Big Island.

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 H.C.R. No. 265, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1760 Finance on H.R. No. 190

The purpose of this resolution is to request the President of the University of Hawaii to conduct a study of ways that the University of Hawaii can promote the development of agriculture on the Big Island.

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 H.R. No. 190, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1761 Finance on H.C.R. No. 6

The purpose of this concurrent resolution is to request the Director of Transportation to include an agricultural inspection facility in the design of cargo facilities at all airports.

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 H.C.R. No. 6 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1762 Finance on H.C.R. No. 286

The purpose of this concurrent resolution is to expedite traffic flow for the Waianae Coast community.

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 H.C.R. No. 286, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1763 Finance on H.R. No. 203

The purpose of this resolution is to expedite traffic flow for the Waianae Coast community.

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 H.R. No. 203, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1764 Finance on H.C.R. No. 227

The purpose of this concurrent resolution is to request the University of Hawaii to enter into a turn-key agreement for the design and construction of a new facility for the Maui Community College-Molokai Educational Center in Kaunakakai, Molokai.

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 H.C.R. No. 227 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1765 Finance on H.R. No. 155

The purpose of this resolution is to request the University of Hawaii to enter into a turn-key agreement for the design and construction of a new facility for the Maui Community College-Molokai Educational Center in Kaunakakai, Molokai.

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 H.R. No. 155 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1766 Finance on H.C.R. No. 9

The purpose of this concurrent resolution is to request the University of Hawaii to review, reassess, and strengthen its vocational and technical training programs in the community college system.

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 H.C.R. No. 9, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1767 Finance on H.R. No. 6

The purpose of this resolution is to request the University of Hawaii to review, reassess, and strengthen its vocational and technical training programs in the community college system.

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 H.R. No. 6, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1768 Finance on H.C.R. No. 52

The purpose of this concurrent resolution is to request the Department of Accounting and General Services, in coordination with the University of Hawaii-Hilo, to conduct a feasibility study for a multi-purpose sports and recreation complex on the University of Hawaii-Hilo campus.

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 H.C.R. No. 52, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1769 Finance on H.R. No. 45

The purpose of this resolution is to request the Department of Accounting and General Services, in coordination with the University of Hawaii-Hilo, to conduct a feasibility study for a multi-purpose sports and recreation complex on the University of Hawaii-Hilo campus.

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 H.R. No. 45, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1770 Finance on H.C.R. No. 66

The purpose of this concurrent resolution is to request a study to determine whether the outsourcing of library services is cost-effective from public resources.

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 H.C.R. No. 66, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1771 Finance on H.C.R. No. 93

The purpose of this concurrent resolution is to encourage each school community to develop its own approach to a values and ethics program.

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 H.C.R. No. 93, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1772 Finance on H.C.R. No. 241

The purpose of this concurrent resolution is to request that the Director of Finance consult with the Superintendent of Education to consider funding for athletic coaches' salaries, equipment and supplies, and transportation for athletic teams as a standard workload increase when designing and budgeting new schools.

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 H.C.R. No. 241 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1773 Finance on H.R. No. 172

The purpose of this resolution is to request that the Director of Finance consult with the Superintendent of Education to consider funding for athletic coaches' salaries, equipment and supplies, and transportation for athletic teams as a standard workload increase when designing and budgeting new schools.

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 H.R. No. 172 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1774 Finance on H.C.R. No. 262

The purpose of this concurrent resolution is to request the Department of Education to make available to all parents of preschool-age children a checklist of skills, knowledge, attitudes, and behaviors that children should have upon entry to kindergarten.

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 H.C.R. No. 262, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1775 Finance on H.R. No. 187

The purpose of this resolution is to request the Department of Education to make available to all parents of preschool-age children a checklist of skills, knowledge, attitudes, and behaviors that children should have upon entry to kindergarten.

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 H.R. No. 187, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1776 Finance on H.C.R. No. 251

The purpose of this concurrent resolution is to request the Department of Education to establish joint partnerships with private Hawaiian canoeing associations to organize interscholastic Hawaiian canoeing teams in the public secondary schools in Hawaii.

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 H.C.R. No. 251, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1777 Finance on H.R. No. 178

The purpose of this resolution is to request the Department of Education to establish joint partnerships with private Hawaiian canoeing associations to organize interscholastic Hawaiian canoeing teams in the public secondary schools in Hawaii.

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 H.R. No. 178, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1778 Finance on H.C.R. No. 250

The purpose of this concurrent resolution is to request the Auditor to conduct a management and financial audit of the Big Island pilot project on mental health services.

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 H.C.R. No. 250, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1779 Finance on H.C.R. No. 281

The purpose of this concurrent resolution is to request the Department of Education, in conjunction with Aha Kauleo Kaiapuni Hawaii, to develop a long-range financial and operational plan to ensure the development of the Hawaiian Language Immersion Program.

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 H.C.R. No. 281 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1780 Finance on H.C.R. No. 278

The purpose of this concurrent resolution is to request the Department of Education to carry out a pilot program and to take specific actions designed to enable Hawaiians to manage their own education at four Hawaiian language schools.

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 H.C.R. No. 278, HD 2 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1781 Finance on H.R. No. 199

The purpose of this resolution is to request the Department of Education to carry out a pilot program and to take specific actions designed to enable Hawaiians to manage their own education at four Hawaiian language schools.

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 H.R. No. 199, HD 2 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1782 Finance on H.C.R. No. 129

The purpose of this concurrent resolution is to urge the Hawaii congressional delegation and the United States Congress to support the federal historic homeownership tax credit.

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 H.C.R. No. 129 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1783 Finance on H.R. No. 7

The purpose of this resolution is to urge the Hawaii congressional delegation and the United States Congress to support the federal historic homeownership tax credit.

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 H.R. No. 7 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1784 Finance on H.C.R. No. 95

The purpose of this concurrent resolution is to urge the Governor to carefully study and assess the impact of all new federal legislation for its possible adverse consequences to immigrants in Hawaii with a view toward protecting their current levels of receiving health and human services and to assure that they can continue to be productive members of the community.

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 H.C.R. No. 95, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1785 Finance on H.C.R. No. 34

The purpose of this concurrent resolution is to respectfully urge the Office of Youth Services, Office of the Governor, Department of Education, Young Men's Christian Association (YMCA), Young Women's Christian Association (YWCA), Boys and Girls Club of Honolulu and the Department of Parks and Recreation to join in a concerted state and national effort to provide more human services for youth, such as youth centers to the Laie and Waialua regions.

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 H.C.R. No. 34, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1786 Finance on H.R. No. 33

The purpose of this resolution is to respectfully urge the Office of Youth Services, Office of the Governor, Department of Education, Young Men's Christian Association (YMCA), Young Women's Christian Association (YWCA), Boys and Girls Club of Honolulu and the Department of Parks and Recreation to join in a concerted state and national effort to provide more human services for youth, such as youth centers to the Laie and Waialua regions.

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 H.R. No. 33, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1787 Finance on H.C.R. No. 27

The purpose of this concurrent resolution is to request the Office of Youth Services to develop a program that pairs college students with delinquent minors in Hawaii to track their progress and serve as mentors and role models.

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 H.C.R. No. 27, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1788 Finance on H.C.R. No. 145

The purpose of this concurrent resolution is to request the Auditor to audit the Hawaii Health Quest project and make recommendations to immediately reduce the project's increasing costs, to stabilize those costs, or both, without an increase in funding.

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 H.C.R. No. 145, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1789 Finance on H.R. No. 91

The purpose of this resolution is to request the Auditor to audit the Hawaii Health Quest project and make recommendations to immediately reduce the project's increasing costs, to stabilize those costs, or both, without an increase in funding.

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 H.R. No. 91, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1790 Finance on H.C.R. No. 16

The purpose of this concurrent resolution is to respectfully urge the Department of Health to contract for the provision of Advanced Care Life support ambulance services to the Hana District of Maui.

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 H.C.R. No. 16, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1791 Finance on H.R. No. 16

The purpose of this resolution is to respectfully urge the Department of Health to contract for the provision of Advanced Care Life Support ambulance services to the Hana District of Maui.

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 H.R. No. 16, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1792 Finance on H.C.R. No. 125

The purpose of this concurrent resolution is to request the Department of Health to establish and maintain child and adolescent mental health services that are accessible, community-based, and sensitive to the needs and socio-economic profile of Hawaii's communities by:

- (1) Retaining staff and services;
- (2) Filling the branch chief position; and
- (3) Filling all positions on the organizational chart at the Kalihi Palama Family Guidance Center.

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 H.C.R. No. 125, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1793 Finance on H.R. No. 79

The purpose of this resolution is to request the Department of Health to establish and maintain child and adolescent mental health services that are accessible, community-based, and sensitive to the needs and socio-economic profile of Hawaii's communities by:

- (1) Retaining staff and services;

- (2) Filling the branch chief position; and
- (3) Filling all positions on the organizational chart at the Kalihi-Palama Family Guidance Center.

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 H.R. No. 79, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1794 Finance on H.C.R. No. 178

The purpose of this concurrent resolution is to urge the Department of Health (DOH) to continue the promotion of nutrition education for the native Hawaiian population.

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 H.C.R. No. 178 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1795 Finance on H.C.R. No. 206

The purpose of this concurrent resolution is to request the Housing Finance and Development Corporation to review issues and identify options to enable the residents of the Waimanalo Homes project to remain living there.

Your Committee has amended this measure by requiring the Hawaii Housing Authority (HHA), Housing Finance and Development Corporation, Office of Hawaiian Affairs, and the U.S. Department of Housing and Urban Development (HUD) to research the following additional issues:

- (1) That residents show that they can purchase the units;
- (2) That residents provide HHA with the results of a vote of the resident body regarding how many want to purchase the units and how many do not;
- (3) That residents provide HHA with the results of a vote of the resident body regarding how many want modernization of the units and how many do not; and
- (4) Whether HUD will permit the Waimanalo Housing project to de-program for modernization.

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 H.C.R. No. 206, HD 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 206, HD 2.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1796 Finance on H.R. No. 142

The purpose of this resolution is to request the Housing Finance and Development Corporation to review issues and identify options to enable the residents of the Waimanalo Homes project to remain living there.

Your Committee has amended this measure by requiring the Hawaii Housing Authority (HHA), Housing Finance and Development Corporation, Office of Hawaiian Affairs, and the U.S. Department of Housing and Urban Development (HUD) to research the following additional issues:

- (1) That residents show that they can purchase the units;
- (2) That residents provide HHA with the results of a vote of the resident body regarding how many want to purchase the units and how many do not;
- (3) That residents provide HHA with the results of a vote of the resident body regarding how many want modernization of the units and how many do not; and
- (4) Whether HUD will permit the Waimanalo Housing project to de-program for modernization.

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 H.R. No. 142, HD 1, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 142, HD 2.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1797 Finance on H.C.R. No. 279

The purpose of this concurrent resolution is to strengthen the ability of members of the community to respond to life threatening situations in Kauai by requesting the Department of Education (DOE) to establish a pilot Cardiopulmonary Resuscitation (CPR) Training Program as part of the 10th grade health curriculum on Kauai.

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 H.C.R. No. 279 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1798 Finance on H.R. No. 200

The purpose of this resolution is to strengthen the ability of members of the community to respond to life threatening situations in Kauai by requesting the Department of Education (DOE) to establish a pilot Cardiopulmonary Resuscitation (CPR) Training Program as part of the 10th grade health curriculum on Kauai.

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 H.R. No. 200 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1799 Finance on H.C.R. No. 252

The purpose of this concurrent resolution is to welcome the prospect of the "America's Smithsonian" exhibition scheduling Honolulu as a host city, offers it support for such a move to the extent that it can, and invites other public agencies in Hawaii to do the same.

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 H.C.R. No. 252, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1800 Finance on H.R. No. 179

The purpose of this resolution is to welcome the prospect of the "America's Smithsonian" exhibition scheduling Honolulu as a host city, offers its support for such a move to the extent that it can, and invites other public agencies in Hawaii to do the same.

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 H.R. No. 179, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1801 Finance on H.C.R. No. 78

The purpose of this concurrent resolution is to request the Department of Business, Economic Development, and Tourism (DBEDT), in consultation with other appropriate visitor industry and scientific research agencies and organizations, to develop and implement a techno-tourism policy aimed at making Hawaii the Asia-Pacific region's preeminent center for international science and technology conferences.

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 H.C.R. No. 78, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1802 Finance on H.C.R. No. 70

The purpose of this concurrent resolution is to request the Department of Business, Economic Development, and Tourism to develop, in coordination with the Hawaii Tourism Marketing Council, the Hawaii Visitors and Convention Bureau (HVCB), and other interested parties, a comprehensive, long-term strategic plan of action for the State's travel and tourism industry.

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 H.C.R. No. 70, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1803 Finance on H.C.R. No. 11

The purpose of this concurrent resolution is to request the United States Congress to enact legislation requiring out-of-state mail order sellers to collect and submit use taxes on goods delivered in those states that impose them.

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 H.C.R. No. 11 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1804 Finance on H.R. No. 8

The purpose of this resolution is to request the United States Congress to enact legislation requiring out-of-state mail order sellers to collect and submit use taxes on goods delivered in those states that impose them.

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 H.R. No. 8 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1805 Finance on H.C.R. No. 71

The purpose of this concurrent resolution is to request the Department of Taxation (DOTAX) to study ways of providing tax incentives to businesses for supporting the employment of Hawaii workers.

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 H.C.R. No. 71 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1806 Finance on H.C.R. No. 144

The purpose of this concurrent resolution is to request:

- (1) An evaluation of the current use of the functional plan to ascertain the value, need, and worthiness to continue updates of the state functional plans of the respective state agencies; and
- (2) The affected state agencies to submit the findings and recommendations to the Legislature prior to the 1998 Regular Session to continue or modify the functional plan process.

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 H.C.R. No. 144 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1807 Finance on H.R. No. 90

The purpose of this resolution is to request:

- (1) An evaluation of the current use of the functional plan to ascertain the value, need, and worthiness to continue updates of the state functional plans of the respective state agencies; and
- (2) The affected state agencies to submit the findings and recommendations to the Legislature prior to the 1998 Regular Session to continue or modify the functional plan process.

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 H.R. No. 90 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1808 Finance on H.C.R. No. 3

The purpose of this concurrent resolution is to request the Director of Business, Economic Development, and Tourism (DBEDT) to conduct a study of activities related to economic development at the University of Hawaii.

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 H.C.R. No. 3, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1809 Finance on H.C.R. No. 276

The purpose of this concurrent resolution is to request the Office of Planning of the Department of Business, Economic Development, and Tourism to facilitate discussions and seek consensus among all interested parties with respect to the issues arising out of, and related collectively to, Public Access Shoreline Hawaii, et al. v. Hawaii County Planning Commission, 903 P.2d 1246 (1995) (PASH).

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 H.C.R. No. 276, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1810 Finance on H.R. No. 197

The purpose of this resolution is to request the Office of Planning of the Department of Business, Economic Development, and Tourism to facilitate discussions and seek consensus among all interested parties with respect to the issues arising out of, and related collectively to, Public Access Shoreline Hawaii, et al. v. Hawaii County Planning Commission, 903 P.2d 1246 (1995) (PASH).

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 H.R. No. 197, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1811 Finance on H.C.R. No. 65

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 for the possible application to campaigns for public offices in Hawaii.

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 H.C.R. No. 65, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1812 Finance on H.C.R. No. 235

The purpose of this concurrent resolution is to request the Department of Public Safety (DPS) to issue identification cards to those who have completed a training program on service of process with the Sheriff's Office.

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 H.C.R. No. 235, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1813 Finance on H.R. No. 165

The purpose of this resolution is to request the Department of Public Safety (DPS) to issue identification cards to those who have completed a training program on service of process with the Sheriff's Office.

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 H.R. No. 165, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1814 Finance on H.C.R. No. 107

The purpose of this concurrent resolution, is to urge the United States Congress to proceed with the finding of the new carrier known as CVN-77.

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 H.C.R. No. 107, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1815 Finance on H.R. No. 62

The purpose of this resolution is to urge the United States Congress to proceed with the finding of the new carrier known as CVN-77.

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 H.R. No. 62, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1816 Finance on H.C.R. No. 280

The purpose of this concurrent resolution is to request that the Department of Accounting and General Services require the inclusion of disaster mitigation measures in the planning, design, and construction phases of all state-funded buildings designated as hurricane shelters.

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 H.C.R. No. 280 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1817 Finance on H.C.R. No. 249

The purpose of this concurrent resolution is to deter the sale of cigarettes to civilian markets at military and Coast Guard facilities in Alaska and Hawaii by urging all military and Coast Guard facilities to purchase cigarettes only from wholesalers or dealers located within those respective states.

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 H.C.R. No. 249 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.
(Representative Meyer voted no.)

SCRep. 1818 Finance on H.R. No. 177

The purpose of this resolution is to deter the sale of cigarettes to civilian markets at military and Coast Guard facilities in Alaska and Hawaii by urging all military and Coast Guard facilities to purchase cigarettes only from wholesalers or dealers located within those respective states.

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 H.R. No. 177 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.
(Representative Meyer voted no.)

SCRep. 1819 Finance on H.C.R. No. 210

The purpose of this concurrent resolution is to support and urge implementation of the Hazard Mitigation Plan developed in response to the Waianae district flooding.

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 H.C.R. No. 210 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1820 Finance on H.C.R. No. 264

The purpose of this concurrent resolution is to request the Department of Business, Economic Development, and Tourism (DBEDT), the East-West Center, the University of Hawaii (UH), and business/private sectors to work toward hosting an Pacific Conference on Marine Science and Technology in the year 2000.

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 H.C.R. No. 264, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1821 Finance on H.R. No. 189

The purpose of this resolution is to request the Department of Business, Economic Development, and Tourism (DBEDT), the East-West Center, the University of Hawaii (UH), and business/private sectors to work toward hosting a Pacific Conference on Marine Science and Technology in the year 2000.

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 H.R. No. 189, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1822 Finance on H.C.R. No. 256

The purpose of this concurrent resolution is to request the Department of Business, Economic Development, and Tourism (DBEDT) to follow up on the study requested by SCR 282 HD2.

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 H.C.R. No. 256, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.
(Representatives Marumoto and Meyer voted no.)

SCRep. 1823 Finance on H.R. No. 183

The purpose of this concurrent resolution is to request the Department of Business, Economic Development, and Tourism (DBEDT) to follow up on the study requested by SCR 282 HD2.

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 H.R. No. 183, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.
(Representatives Marumoto and Meyer voted no.)

SCRep. 1824 Finance on H.C.R. No. 105

The purpose of this concurrent resolution is to request the Department of Labor and Industrial Relations to report on progress in using the Employment and Training Fund.

Your Committee has amended this concurrent resolution by:

- (1) Deleting its purpose and substituting a request to conduct an audit of the Employment and Training Fund; and
- (2) Changing the title to "REQUESTING THE AUDITOR TO CONDUCT AND AUDIT OF THE EMPLOYMENT AND TRAINING FUND."

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 H.C.R. No. 105, HD 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 105, HD 2.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1825 Finance on H.R. No. 60

The purpose of this resolution is to request the Department of Labor and Industrial Relations to report on progress in using the Employment and Training Fund.

Your Committee has amended this concurrent resolution by:

- (1) Deleting its purpose and substituting a request to conduct an audit of the Employment and Training Fund; and
- (2) Changing the title to "REQUESTING THE AUDITOR TO CONDUCT AND AUDIT OF THE EMPLOYMENT AND TRAINING FUND."

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 H.C.R. No. 60, HD 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 60, HD 2.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1826 Finance on H.C.R. No. 259

The purpose of this concurrent resolution is to request the Department of Land and Natural Resources to work with hunting organizations throughout the State, as well as other users of forest lands, to discuss the feasibility of establishing a Hunting Area Reserves Commission.

Your Committee has amended this concurrent resolution by:

- (1) Changing the name of the Hunting Area Reserves Commission to the Hunting Area Reserves Council; and
- (2) Changing the title to: "REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES TO WORK WITH HUNTING ORGANIZATIONS TO DISCUSS THE FEASIBILITY OF ESTABLISHING A HUNTING AREA RESERVES COUNCIL."

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 H.C.R. No. 259, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 259, HD 1.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1827 Finance on H.R. No. 186

The purpose of this resolution is to request the Department of Land and Natural Resources to work with hunting organizations throughout the State, as well as other users of forest lands, to discuss the feasibility of establishing a Hunting Area Reserves Commission.

Your Committee has amended this resolution by:

- (1) Changing the name of the Hunting Area Reserves Commission to the Hunting Area Reserves Council; and
- (2) Changing the title to: "REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES TO WORK WITH HUNTING ORGANIZATIONS TO DISCUSS THE FEASIBILITY OF ESTABLISHING A HUNTING AREA RESERVES COUNCIL."

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 H.R. No. 186, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 186, HD 1.

Signed by all members of the Committee except Representatives Chang, Hamakawa, Kanoho and Ward.

SCRep. 1828 Legislative Management on H.C.R. No. 248

The purpose of this concurrent resolution is to request the Legislative Auditor to study the existing process for the renegotiation of leases and the effects on the process if H.B. No. 567 or S.B. No. 1077, relating to real property leases, is enacted.

Among other things, H.B. No. 567 and S.B. No. 1077 provide that the fair market value for lease renegotiations shall be determined on a per acre basis pursuant to appraisals performed in conformance with the Uniform Standards of Professional Appraisal Practice not more than 90 days before the renegotiation of the lease.

Several individuals submitted testimony in support of this measure. Kamehameha Schools Bernice Pauahi Bishop Estate submitted testimony in opposition.

Although your Committee, in questioning the testifiers, was unable to determine any difference between current practice and that being proposed in related bills, lease renegotiations have been such a serious and longstanding problem that its review by the Auditor may help attain a better understanding of this issue and hopefully lead toward some resolution.

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. 248, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Say, P. Oshiro and Ward.

SCRep. 1829 Legislative Management on H.C.R. No. 208

The purpose of this concurrent resolution is to support Ke Ala Hoku to improve the quality of life in the State by:

- (1) Requesting the Legislature to adopt the benchmarking process of Ke Ala Hoku;
- (2) Urging sectors of the State to recognize the value of Ke Ala Hoku and the benchmarking process, and to integrate the work and priorities of Ke Ala Hoku in their initiatives; and
- (3) Requesting the Ke Ala Hoku Statewide Steering Committee to submit a status report to the Legislature on the benchmarked indicators and the actions taken in response to this measure.

The Hawaii Community Services Council, the Aloha United Way, and several individuals supported this measure.

Following discussion and thoughtful deliberation, your Committee has amended this measure by:

- (1) Requesting that the Department of Business, Economic Development, and Tourism report to the Legislature on the status of the Hawaii State Plan and the consideration being given, if any, for its update and revision;
- (2) Requesting the Department of Business, Economic Development, and Tourism to report on the viability of incorporating the Ke Ala Hoku benchmarking process in any future revision of the Hawaii State Plan, and if incorporation is viable, the context or framework by which it is to be incorporated;
- (3) Requesting the Department of Business, Economic Development, and Tourism, in collaboration with the Department of Business and Finance, the Department of Human Resources Development, and the Ke Ala Hoku Statewide Steering Committee, to review the feasibility and benefits of incorporating both the state and financial plan into a cohesive document in which the Ke Ala Hoku benchmarking process is to be utilized and from which departments and individual managers at all levels may be appraised based on the attainment of realistic and measurable goals;
- (4) Requesting the Department of Business, Economic Development, and Tourism to submit its report to the Legislature by January 5, 1998, on the results of its review, including implementation plans, if any, or if deemed not to be viable, the reasons for the determination;
- (5) Amending the title to reflect the amendments made as follows: "REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO ADVISE THE LEGISLATURE ON THE STATUS OF THE HAWAII STATE PLAN AND THE VIABILITY OF INCORPORATING THE KE ALA HOKU PROCESS IN A COHESIVE STATE FUNCTIONAL AND FINANCIAL PLAN"; and
- (6) Making technical, nonsubstantive amendments 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. 208, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 208, HD 1.

Signed by all members of the Committee except Representative Say.

SCRep. 1830 Legislative Management on H.R. No. 144

The purpose of this resolution is to support Ke Ala Hoku to improve the quality of life in the State by:

- (1) Requesting the Legislature to adopt the benchmarking process of Ke Ala Hoku;
- (2) Urging sectors of the State to recognize the value of Ke Ala Hoku and the benchmarking process, and to integrate the work and priorities of Ke Ala Hoku in their initiatives; and
- (3) Requesting the Ke Ala Hoku Statewide Steering Committee to submit a status report to the Legislature on the benchmarked indicators and the actions taken in response to this measure.

The Hawaii Community Services Council, the Aloha United Way, and several individuals supported this measure.

Following discussion and thoughtful deliberation, your Committee has amended this measure by:

- (1) Requesting that the Department of Business, Economic Development, and Tourism report to the Legislature on the status of the Hawaii State Plan and the consideration being given, if any, for its update and revision;
- (2) Requesting the Department of Business, Economic Development, and Tourism to report on the viability of incorporating the Ke Ala Hoku benchmarking process in any future revision of the Hawaii State Plan, and if incorporation is viable, the context or framework by which it is to be incorporated;
- (3) Requesting the Department of Business, Economic Development, and Tourism, in collaboration with the Department of Business and Finance, the Department of Human Resources Development, and the Ke Ala Hoku Statewide Steering Committee, to review the feasibility and benefits of incorporating both the state and financial plan into a cohesive document in which the Ke Ala Hoku benchmarking process is to be utilized and from which departments and individual managers at all levels may be appraised based on the attainment of realistic and measurable goals;
- (4) Requesting the Department of Business, Economic Development, and Tourism to submit its report to the Legislature by January 5, 1998, on the results of its review, including implementation plans, if any, or if deemed not to be viable, the reasons for the determination;
- (5) Amending the title to reflect the amendments made as follows: "REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO ADVISE THE LEGISLATURE ON THE STATUS OF THE HAWAII STATE PLAN AND THE VIABILITY OF INCORPORATING THE KE ALA HOKU PROCESS IN A COHESIVE STATE FUNCTIONAL AND FINANCIAL PLAN"; and
- (6) Making technical, nonsubstantive amendments 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.R. No. 144, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 144, HD 1.

Signed by all members of the Committee except Representative Say.

SCRep. 1831 Water and Land Use and Energy and Environmental Protection on H.C.R. No. 119

The purpose of this concurrent resolution is to ensure the natural quiet and experience of national parks by supporting the passage of a congressional bill known as the National Parks Overflights Act of 1997. The proposed congressional bill would regulate flights over national parks in Hawaii and elsewhere in the nation.

The Department of Transportation, Citizens Against Noise, the Sierra Club, Hawaii Chapter's Maui Group, the Sierra Club Legal Defense Fund, Sause Brothers Ocean Towing Company, and an interested individual testified in support of this measure. Another interested individual testified in opposition until additional information is obtained on related legislation. The Maui Chamber of Commerce submitted comments, and Blue Hawaiian Helicopters suggested amendments.

Your Committees have amended this measure by:

- (1) Noting that the objectives of the bill are consistent with similar legislation authored or co-sponsored by Hawaii's congressional delegation;
- (2) Urging Congress to consider the efforts that have gone into the development of voluntary agreements worked out between the National Park Service and private industry to resolve the overflight problem; and
- (3) Stating that the impact of the proposed legislation can be greatly enhanced if all affected parties are willing to put their best efforts into working together in a spirit of collaboration to seek ways for all visitors to enjoy our national parks.

As affirmed by the records of votes of the members of your Committees on Water and Land Use and Energy and Environmental Protection that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 119, as amended herein, and recommend its adoption in the form attached hereto as H.C.R. No. 119, HD 1.

Signed by all members of the Committees except Representatives Tarnas and Meyer.

SCRep. 1832 Water and Land Use and Energy and Environmental Protection on H.R. No. 73

The purpose of this resolution is to ensure the natural quiet and experience of national parks by supporting the passage of a congressional bill known as the National Parks Overflights Act of 1997. The proposed congressional bill would regulate flights over national parks in Hawaii and elsewhere in the nation.

The Department of Transportation, Citizens Against Noise, the Sierra Club, Hawaii Chapter's Maui Group, the Sierra Club Legal Defense Fund, Sause Brothers Ocean Towing Company, and an interested individual testified in support of this measure. Another interested individual testified in opposition until additional information is obtained on related legislation. The Maui Chamber of Commerce submitted comments, and Blue Hawaiian Helicopters suggested amendments.

Your Committees have amended this measure by:

- (1) Noting that the objectives of the bill are consistent with similar legislation authored or co-sponsored by Hawaii's congressional delegation;
- (2) Urging Congress to consider the efforts that have gone into the development of voluntary agreements worked out between the National Park Service and private industry to resolve the overflight problem; and
- (3) Stating that the impact of the proposed legislation can be greatly enhanced if all affected parties are willing to put their best efforts into working together in a spirit of collaboration to seek ways for all visitors to enjoy our national parks.

As affirmed by the records of votes of the members of your Committees on Water and Land Use and Energy and Environmental Protection that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 73, as amended herein, and recommend its adoption in the form attached hereto as H.R. No. 73, HD 1.

Signed by all members of the Committees except Representatives Tarnas and Meyer.

SCRep. 1833 Energy and Environmental Protection on H.C.R. No. 39

The purpose of this concurrent resolution is to request Hawaii's congressional delegation and the United States Ambassador to the United Nations to sponsor appropriate legislation designating Hawaii as a unique ecosystem.

BOATS/Hawaii Inc. testified in opposition to this measure.

Upon further consideration, your Committee has amended this measure by deleting its substantive contents and incorporating the substance of H.B. No. 1210, HD 2 and H.B. No. 2232, HD 2. As amended, this measure requests the Director of Health to appoint a task force to make an assessment of the air quality at Campbell Industrial Park and Kahe Point and the air quality impacts of emission sources in these locations. The task force would be requested to raise the necessary funds to retain an independent consultant who would assist in conducting the assessment. In addition, the task force would submit a report to the 1998 Legislature. As a result of these amendments, your Committee has replaced the title of this concurrent resolution to read:

"REQUESTING THE DIRECTOR OF HEALTH TO APPOINT A TASK FORCE TO ASSESS AIR QUALITY AT CAMPBELL INDUSTRIAL PARK AND THE AIR QUALITY IMPACTS OF EMISSION SOURCES IN THIS LOCATION."

Finally, it is the intent of your Committee to give the task force the discretion to include, as an advisory member, a representative from an environmental group or other organization, such as the American Lung Association, with experience in air quality issues.

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 concurs with the intent and purpose of H.C.R. No. 39, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 39, HD 1.

Signed by all members of the Committee except Representative Tarnas.

SCRep. 1834 Energy and Environmental Protection on H.R. No. 38

The purpose of this resolution is to request Hawaii's congressional delegation and the United States Ambassador to the United Nations to sponsor appropriate legislation designating Hawaii as a unique ecosystem.

BOATS/Hawaii Inc. testified in opposition to this measure.

Upon further consideration, your Committee has amended this measure by deleting its substantive contents and incorporating the substance of H.B. No. 1210, HD 2 and H.B. No. 2232, HD 2. As amended, this measure requests the Director of Health to appoint a task force to make an assessment of the air quality at Campbell Industrial Park and Kahe Point and the air quality impacts of emission sources in these locations. The task force would be requested to raise the necessary funds to retain an independent consultant who would assist in conducting the assessment. In addition, the task force would submit a report to the 1998 Legislature. As a result of these amendments, your Committee has replaced the title of this resolution to read:

"REQUESTING THE DIRECTOR OF HEALTH TO APPOINT A TASK FORCE TO ASSESS AIR QUALITY AT CAMPBELL INDUSTRIAL PARK AND THE AIR QUALITY IMPACTS OF EMISSION SOURCES IN THIS LOCATION."

Finally, it is the intent of your Committee to give the task force the discretion to include, as an advisory member, a representative from an environmental group or other organization, such as the American Lung Association, with experience in air quality issues.

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 concurs with the intent and purpose of H.R. No. 38, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 38, HD 1.

Signed by all members of the Committee except Representative Tarnas.

SCRep. 1835 Ocean Recreation and Marine Resources on S.C.R. No. 10

The purpose of this concurrent resolution is to urge the Department of Land and Natural Resources and the Department of Transportation to establish a cooperative agreement with the Pua Ka'ilima 'O Kawaihae Community Association to Maintain (caregive) the site known as Pua Ka'ilima 'O Kawaihae or "LST Landing/Coral Flats."

Testimony in support of this measure was received from the Department of Land and Natural Resources and the Department of Transportation.

Your Committee finds that the Pua Ka'ilima 'O Kawaihae Community Association is doing a tremendous and inspiring job of organizing the development of the site at Kawaihae as a public recreational, educational and cultural area. Your Committee also finds that the Department of Transportation has expressed willingness to establish a cooperative agreement on the land use and maintenance, and the Department of Land and Natural Resources expressed great interest in establishing a separate cooperative agreement with the group to develop and implement educational projects.

Towards this end, your Committee has amended this measure by inserting the language of HCR42 HD1 in order to urge these two Departments to enter into two separate cooperative agreements with the Pua Ka'ilima 'O Kawaihae Community Association.

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 S.C.R. No. 10, as amended herein, and recommends that it be referred to the Committee on Transportation, in the form attached hereto as S.C.R. No. 10, HD 1.

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

SCRep. 1836 Human Services and Housing on S.C.R. No. 26

The purpose of this concurrent resolution is to urge the state and private agencies to make a concerted effort to provide services such as youth centers for the youth in the Waiialua and Laie regions.

Testimony was offered and received from the Office of Youth Services (OYS), the Office of the Governor, and several individual citizens, revealing definite support for this measure. There was unanimous agreement that youth services in these subject areas of Oahu are needed to help stem delinquency and idleness.

Your Committee, recognizing the need for increased involvement by the State in the prevention and intervention of delinquent behaviors among the State's youth, agrees with the intent and substance of this measure. However, because your Committee is desirous of assuring that this measure receives the State's full attention, amends the Senate concurrent resolution to provide for a leadership role on the part of the Office of Youth Services. Further, the OYS will be responsible for preparing and submitting a report to the legislature before the next legislative session.

Therefore, after careful consideration, your Committee amends this measure by making changes so that this concurrent resolution will read as does House Concurrent Resolution No. 34, HD 1, and:

- 1) Include the Department of Parks and Recreation in the group of entities being urged to join in the concerted state effort.
- 2) Calling for the Office of Youth Services to take the primary lead in convening and reporting on the progress of the group of entities included in the resolution.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 26, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as S.C.R. No. 26, HD 1.

Signed by all members of the Committee except Representative Stegmaier.

SCRep. 1837 Human Services and Housing on H.R. No. 191

The purpose of this resolution is to request the Department of Human Services (DHS) to retain and operate the Open Doors program as a program separate and distinct from other child care programs.

The Family Services Center submitted testimony in support of this measure. Your Committee received testimony in support of the intent of this measure from DHS.

Your Committee finds that the Open Doors program provides an opportunity for parents to find and retain work while ensuring that their children are receiving quality and affordable early childhood education and care. Your Committee acknowledges that jobs are a major factor in welfare reform, and that the Open Doors program, which allows parents to work while child care is offered, can help to facilitate their movement from welfare to work.

Due to the relationship of the Open Doors program to welfare, your Committee is concerned that the Open Doors program will be integrated into welfare reform, which is not the intent of this program.

With this concern in mind, your Committee has amended this measure by:

- (1) Requesting DHS to retain the Open Doors program as a separate and distinct program and not combined with any other DHS welfare program;

- (2) Changing the title of the resolution to read: "REQUESTING THE DEPARTMENT OF HUMAN SERVICES TO RETAIN AND OPERATE THE OPEN DOORS PROGRAM AS A PROGRAM SEPARATE AND DISTINCT FROM WELFARE PROGRAMS"; 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 Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 191, as amended herein, and recommends that it be referred to the Committee on Education, in the form attached hereto as H.R. No. 191, HD 1.

Signed by all members of the Committee except Representative Stegmaier.

SCRep. 1838 Human Services and Housing on H.R. No. 80

The purpose of this resolution is to request the Department of Human Services (DHS) to ease requirements for public assistance for documented victims of domestic violence.

The Hawaii State Commission on the Status of Women and concerned individuals submitted testimony in support of the intent of this measure. Your Committee received opposing testimony from DHS.

Your Committee finds that when domestic violence impels a victim to flee, welfare requirements become an unreasonable obstacle to health and safety. In addition, your Committee finds that information is lacking in this area, and that this problem needs to be documented.

Your Committee has amended this measure by:

- (1) Amending the purpose of this resolution to request DHS to research issues involving welfare recipients who are forced to stay in abusive relationships because of welfare requirements;
- (2) Changing the title of this resolution to read: "REQUESTING THE DEPARTMENT OF HUMAN SERVICES TO RESEARCH ISSUES INVOLVING FOR WELFARE RECIPIENTS WHO ARE FORCED TO STAY IN ABUSIVE RELATIONSHIPS BECAUSE OF WELFARE REQUIREMENTS";
- (3) Deleting the provision that DHS adopt rules to amend the law, including the definition of "documented domestic violence";
- (4) Requiring DHS to submit a report of its findings and recommendations to the Legislature prior to the Regular Session of 1998; and
- (5) 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 and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 80, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 80, HD 1.

Signed by all members of the Committee except Representative Stegmaier.

SCRep. 1839 Human Services and Housing and Health on H.R. No. 77

The purpose of this resolution, as received by your Committees, is to urge the Department of Human Services (DHS) to begin development of a Medicaid long-term care demonstration project.

DHS, the State Planning Council on Developmental Disabilities, AlohaCare, and a concerned individual submitted supportive testimony.

Your Committees find that DHS has and will continue to review possible working models to develop a Medicaid long-term demonstration project which would "bundle" together all nursing facility, acute medical, and home and community-based services in such a manner as to provide comprehensive, quality, and cost-effective care to persons on the Medicaid program in Hawaii.

To avoid the duplication of efforts of DHS, your Committees find that the substance of this resolution can be deleted and replaced with the pressing issue of welfare reform, specifically welfare-to-work. Your Committees find that there are not enough public-service jobs to hire welfare recipients, and that the private sector must be looked upon to help alleviate this problem.

Upon careful consideration, your Committees have amended this resolution by deleting the title and substance and inserting new material, the purpose of which is to urge the House of Representatives to establish a working group, in collaboration with DHS, to research and facilitate the development of welfare-to-work programs in the visitors and food service industries.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Health that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 77, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 77, HD 1.

Signed by all members of the Committees except Representative Stegmaier.

SCRep. 1840 Human Services and Housing on S.C.R. No. 203

The purpose of this concurrent resolution, as received by your Committee, is to request the Department of Transportation (DOT), in consultation with the Hawaii Housing Authority (HHA), to examine the problem of the homeless seeking shelter at the Honolulu International Airport (HIA) and its impact on the State of Hawaii.

Testimony was offered and received from the Hawaii Housing Authority (HHA), the Department of Transportation (DOT), the Executive Director of the Waikiki Health Center, the Airlines Committee of Hawaii, and four individual representatives of the Care-A-Van program, revealing definite support for this measure. There was solid agreement on the part of all that the homeless situation existing at the Honolulu International Airport (HIA) is one that requires careful, but prompt, attention. The needs of the homeless frequenting HIA were seen to revolve around having alternative sites for them to go, where essential mental health and other necessary services would be made available. At the same time, the needs of the State, airport workers, and the traveling public focus on personal safety, sanitary facilities, and unobstructed/convenient transportation.

The Committee, recognizing the need to maintain a first-rate international and inter-island airport facility, passes this measure out upon, however, making several important amendments.

Therefore, after careful consideration, your Committee amends this measure by:

- 1) Emphasizing the need for a considered and organized plan to mitigate the undesirable impact of homeless persons at HIA;
- 2) Deleting the "as many as seventy-five homeless persons", and replacing with "between one-hundred and fifty to two-hundred homeless persons" in the sentence on line 29, page 1 of the concurrent resolution;
- 3) Asking that the Hawaii Housing Authority take the lead in organizing and facilitating the creation of a plan, in cooperation with the Department of Transportation, the Department of Health, the Department of Business, Economic Development and Tourism, and the Attorney General's Office, and also to include private, non-profit organizations such as the Institute for Human Services, the Kalihi-Palama Health Center, the Mental Health Association of Hawaii, the Waikiki Health Center, and the Legal Aid Society;
- 4) Including that the parties involved in creating the plan look into regulations necessary to accomplish the desired goal and for methods of effective enforcement of those regulations;
- 5) Also, investigating possible sources of funding of the plan and its recommendations, including, but not limited to, airport funds and other State and private sources; and
- 6) By making other technical, non-substantive changes for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 203, SD 1, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as S.C.R. No. 203, SD 1, HD 1.

Signed by all members of the Committee except Representative Stegmaier.
(Representative Whalen voted no.)

SCRep. 1841 Transportation on S.C.R. No. 10

The purpose of Senate Concurrent Resolution No. 10 HD1, as received by your Committee on Transportation, is to urge the Department of Transportation (DOT) and the Department of Land and Natural Resources (DLNR) to establish cooperative agreements with the Pua Ka'ilima 'O Kawaihae Community Association to maintain the site known as Pua Ka'ilima 'O Kawaihae or LST Landing/Coral Flats, and to develop and implement educational projects at that site.

Your Committee finds that the Pua Ka'ilima 'O Kawaihae Community Association is already doing an excellent job in organizing public recreational, educational, and cultural activities at this site, and seeks an agreement to develop and maintain it at no cost to the State. The DLNR expressed interest in establishing a second agreement with the community association to develop and implement educational projects.

Testimony in support of this measure was heard from the DOT, which controls the harbor, and which expressed the necessity of terminating the agreement should the site be required for expanded maritime use. The DLNR also supports this Senate Concurrent Resolution, but defers to the DOT regarding dedication of the requested area for recreational use.

Testimonies in support of this measure were also heard from the Pua Ka Ilima O Kawaihae Community Association, the Mana Christian Ohana, Hawaii Preparatory Academy, Parker School, Waimea Community Montessori School, Piinana Leo O Waimea, Waimea Country School, Hualalai Development Company, Puako Community Association, the Kamuela Branch of the First Hawaiian Bank, and several residents who emphasized the importance of the development of this site for recreational, cultural, and educational activities.

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 S.C.R. No. 10, HD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Hiraki, Nakasone, Yonamine and Marumoto.

SCRep. 1842 Transportation on S.C.R. No. 164

The purpose of this concurrent resolution is to request that the Department of Transportation and the City and County of Honolulu's Department of Transportation Services, in consultation with the Federal Highway Administration, begin new discussion on a rapid transit plan for the City and County of Honolulu and report their findings to the Legislature prior to the 1998 Session.

Testimony in support of this measure was received from the Department of Transportation, City and County of Honolulu's Department of Transportation Services, Leeward Oahu Transportation Management Association, Chamber of Commerce of Hawaii's Land Use and Transportation Committee, Pacific Resource Partnership, and an interested individual.

Your Committee finds agreement that a rapid transit system should be considered in the future development of Oahu. Your Committee also finds that discussion of rapid transit is consistent with the adopted Oahu Regional Transportation Plan.

After careful consideration, your Committee has amended this measure by:

1. Allowing both transportation agencies to seek consultation with the Federal Transit Administration, in addition to the Federal Highway Administration; and
2. Making technical, nonsubstantive revisions for the purposes of style and clarity.

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 S.C.R. No. 164, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 164, HD 1.

Signed by all members of the Committee except Representatives Hiraki, Nakasone, Yonamine and Marumoto.

SCRep. 1843 Ocean Recreation and Marine Resources on S.C.R. No. 90

The purpose of this concurrent resolution is to acknowledge that fibropapilloma is a serious threat to the life of the protected Hawaiian green sea turtle, and requests the Department of Land and Natural Resources (DLNR) to submit a report on the progress of the Sea Turtle Recovery Plan and research into the cause and cure of this disease.

Testimony was received by your Committee from the DLNR.

Your Committee understands that the DLNR shares the legislature's concern about the importance of protecting the health of Hawaii's green sea turtles, but does not have the capability to carry out research into the problem of fibropapilloma. DLNR is providing some logistical support to the National Marine Fisheries Service, which is the lead agency doing work on the Sea Turtle Recovery Plan and coordinating research into this disease of the sea turtle. Cognizant of this, your Committee believes that DLNR should take this opportunity to educate the legislature about the recovery plan and the status of research into the fibropapilloma problem.

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 S.C.R. No. 90, SD 2 and recommends its adoption.

Signed by all members of the Committee except Representatives Morihara and Thielen.

SCRep. 1844 Consumer Protection and Commerce on S.C.R. No. 275

The purpose of this concurrent resolution is to request Olelo to undertake a comprehensive review of its current status and future goals, including a timetable for projected changes.

Testimony in support of this measure was received from the Department of Education. Comments were submitted by the President of the Board of Directors for Olelo: The Corporation for Community Television.

Your Committee believes that a comprehensive review of Olelo's current status and future plans would assist in determining the most appropriate level and type of public, education, and government television access for the State.

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 S.C.R. No. 275 and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola, Case, Garcia, Tom and Yoshinaga.

SCRep. 1845 Economic Development and Business Concerns on S.C.R. No. 184

The purpose of this concurrent resolution is to establish a Commission on Hawaii in the Twenty-First Century (Commission) to study the effects and changes produced by scientific and technological achievements and social changes with respect to the economic, political, cultural, and social systems and the environment of Hawaii and the world in order to assess the future of Hawaii.

In addition, this concurrent resolution requests the Commission to submit a report of its findings, activities, and any recommendations for legislative and administrative actions to the Legislature prior to the 1998 Regular Session.

Testimony in support of this concurrent resolution was submitted by the Hawaii Research Center for Futures Studies of the Social Science Research Institute of the University of Hawaii at Manoa.

Your Committee recognizes that establishing the Commission is necessary to anticipate future changes and the impact it will have on the State, including its economy, government, culture, and environment.

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 S.C.R. No. 184 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Abinsay, Cachola, Ito and Takai.

SCRep. 1846 Consumer Protection and Commerce on S.C.R. No. 33

The purpose of this concurrent resolution is to request the Office of the Auditor to perform a sunrise review of the regulation of tow truck operators as provided for in H.B. No. 148, SD 1, which was introduced during the 1997 Regular Session.

In addition, this concurrent resolution also requests the State Auditor to submit the findings and recommendations to the Legislature.

Testimony in support of this measure was submitted by the Hawaii Automotive Repair & Gasoline Dealers Association.

Your Committee has amended this concurrent resolution to:

- (1) Request the State Auditor to submit the findings and recommendations to the Legislature prior to the 1998 Regular Session, rather than the 1997 Regular Session; and
- (2) Make technical, nonsubstantive revisions for the purpose of clarity.

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 S.C.R. No. 33, SD 1, as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as S.C.R. No. 33, SD 1, HD 1.

Signed by all members of the Committee except Representatives Cachola, Case, Garcia, Tom and Yoshinaga.

SCRep. 1847 Consumer Protection and Commerce on S.C.R. No. 128

The purpose of this concurrent resolution is to request the State Auditor to conduct a study to:

- (1) Determine whether continued regulation of massage schools by the Department of Education (DOE) or some other state agency is appropriate; and
- (2) Consider whether repeal or transfer of massage school licensure will affect:
 - (a) Eligibility and participation by massage students in federal student aid programs, and other grant and loan programs; and
 - (b) Massage school accreditation by private accrediting agencies.

In addition, this concurrent resolution also requests the State Auditor to submit a report of its findings and recommendations to the Legislature prior to the 1998 Regular Session.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, the Board of Massage Therapy, and the DOE.

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 S.C.R. No. 128, SD 1, and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Cachola, Case, Garcia, Tom and Yoshinaga.

SCRep. 1848 Hawaiian Affairs on S.C.R. No. 22

The purpose of this concurrent resolution is to urge the Office of Hawaiian Affairs (OHA) to:

- (1) Review its fiscal policies and budget assignments relating to Native Hawaiian health services;
- (2) Commence meetings for discussion of Native Hawaiian health problems; and
- (3) Fund the Native Hawaiian Health Care Systems in an amount equal to the mandated federal cutbacks or amounts for each island system, as determined by the social, economic, and population demographics of each island.

This measure also requests OHA to consider funding the local matching fund requirement of one local dollar for every five federal dollars, for each of the Native Hawaiian Health Care Systems' federal allocations.

OHA, the Association of Hawaiian Civic Clubs, Papa Ola Lokahi, and Ke Ola Mamo testified in support of this measure. (O'Ha) The Peoples of the Hawai'i(an) Society's (Interim) Provisional Government provided comments on this measure.

Your Committee supports efforts to better the health conditions of all Hawaiians and encourages OHA to include all interested members and organizations of the Hawaiian community in achieving the goals of this concurrent resolution.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 22, SD 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Kawanakoa.

SCRep. 1849 Hawaiian Affairs on S.C.R. No. 11

The purpose of this concurrent resolution is to request the Office of Hawaiian Affairs to facilitate and convene, with the assistance of the Association of Hawaiian Civic Clubs, a task force comprised of experts to develop a plan of action to protect, improve, and expand traditional food resources and production.

Testimony in support of this measure was received from the University of Hawaii, the Association of Hawaiian Civic Clubs, and Papa Ola Lokahi. (O'Ha) The Peoples of the Hawai'i(an) Society's (Interim) Provisional Government submitted comments on this measure.

Your Committee believes that there has been a surge of interest in Hawaii's traditional foods and their impact on health. The formation of a task force is an important step in beginning the process of perpetuating traditional foods with appropriate public and private policies. Your Committee urges the participation of all interested members and organizations of the Hawaiian community in achieving the goals of this concurrent resolution.

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

- (1) Clarifying that the leadership to bring experts together, and to facilitate discussions for developing an action plan exists within the Association of Hawaiian Civic Clubs and elsewhere in the Hawaiian community;
- (2) Clarifying that other interested members of the Hawaiian community are encouraged to assist the Office of Hawaiian Affairs in developing a plan of action; 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 Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 11, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as S.C.R. No. 11, HD 1.

Signed by all members of the Committee except Representative Kawanakoa.

SCRep. 1850 Tourism on S.C.R. No. 178

The purpose of this resolution is to request the U.S. Department of Transportation, in its negotiations with Japan and other Pacific Rim nations, to pursue greater openness in aviation policies, and to request the governor and Hawaii's congressional delegation to ensure due consideration of input from the State of Hawaii in federal aviation policies and regulations.

Your Committee received testimony in support of this resolution.

Your Committee finds that Hawaii's dependence on air transportation requires greater efforts on the part of the state to voice its concerns at the federal level. Such action would be most useful during this time, in which U.S. Department of Transportation officials are in the process of negotiating radical revisions to the 1952 bilateral aviation agreement with their counterparts in the Japanese government.

The current U.S. proposal of "open skies" would abolish restrictions on flights between Japan and the United States, eliminating one of the greatest obstacles to air travel to Hawaii from Japan. The economic impact of such a policy would be a key factor in the Hawaii's continuing efforts to stimulate an economic recovery.

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 S.C.R. No. 178, SD 1 and recommends that it be referred to the Committee on Transportation.

Signed by all members of the Committee except Representatives Jones and White.

SCRep. 1851 Tourism on S.C.R. No. 248

The purpose of this resolution is to request that the Legislative Reference Bureau study alternative funding options for tourism marketing and promotion, and recommend ways of improving accountability and measurement of performance targets.

Your Committee received testimony in support of this resolution.

Your Committee finds that tourism remains the single biggest component of the state economy and thus, all visitor promotion and marketing efforts by the state should continue to be closely examined, to ensure maximum cost-effectiveness. The increase in worldwide competition for visitors comes at an inopportune time for Hawaii, which continues to suffer economic malaise and lacks the financial resources to fund additional promotions to stimulate its economic recovery.

Establishment of a dedicated source of revenue to fund visitor promotion would improve efficiency, by allowing the visitor promotion contractor to commit funds for campaigns with a greater lead time and securing a larger amount of funds from other sources, dramatically increasing the impact of the promotion.

Such a sharp change in visitor promotion policy, however, necessitates careful study of funding options to ensure maximum accountability for the use of public funds and enhancement of the prospects for an economic recovery.

Your Committee revised this resolution by:

1. Providing that the Legislative Reference Bureau seek the assistance of the Department of Business, Economic Development, and Tourism, and the Department of Taxation in conducting the study;
2. Providing that the examination of the option of changes to tax rates as a dedicated source of revenue for visitor funding include a tax analysis by the Department of Taxation, based on projections of tax collections over the next ten or more years, and on the economic and macroeconomic projections of the Department of Business, Economic Development, and Tourism for the next ten or more years;
3. Adding the Director of Taxation to the recipients of certified copies; and
4. 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 S.C.R. No. 248, SD 1, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as S.C.R. No. 248, SD 1, HD 1.

Signed by all members of the Committee except Representatives Jones and White.

SCRep. 1852 Tourism on S.C.R. No. 249

The purpose of this resolution is to request the Department of Business, Economic Development, and Tourism to conduct a comprehensive study of Hawaii's sports tourism industry and to formulate a plan for future expansion of the industry.

Your Committee received testimony in support of this resolution.

Your Committee finds that established sporting events, such as the NFL Pro Bowl, the Aloha Bowl, the Ironman Triathlon, the Hawaii International Billfish Tournament, the Hawaii Winter Baseball League, the Honolulu Marathon, and the major Hawaii-based professional golf tournaments, promote Hawaii as a visitor destination and provide support for efforts to develop Hawaii as a venue for sporting events and related activities.

In addition, the upcoming Olympic games in Nagano, Japan in 1998 and Sydney Australia in 2000 provide Hawaii with a unique opportunity to serve as the host to numerous pre- and post-event activities, which will bring in large numbers of athletes and support personnel, and generate a considerable amount of media coverage.

In order to ensure the best results from sports tourism efforts, the state should carefully examine its sports tourism program and develop a plan for future expansion of the sports industry 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 S.C.R. No. 249, SD 1 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Jones and White.

SCRep. 1853 Health on S.C.R. No. 9

The purpose of this concurrent resolution is to take the initial steps toward mandating health insurance coverage for diagnostic tests for prostate cancer by requesting the Auditor to conduct a review to determine the social and financial effects of requiring health insurers to cover these types of tests.

Your Committee received no written testimony on the measure.

Because prostate cancer is most curable when it is detected in the early stages before it has spread to other parts of the body, your Committee recognizes the importance of early detection and treatment of prostate cancer. Therefore, your Committee agrees that it is appropriate to conduct a review of the requirement that health insurers cover diagnostic tests.

Concerns were raised by your Committee members, however, that the language of the resolution is unclear as to what specific diagnostic tests should be covered.

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 S.C.R. No. 9, SD 1, and recommends that it be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representative Whalen.

SCRep. 1854 Health on S.C.R. No. 55

The purpose of this concurrent resolution is to take the initial steps toward mandating that insurance coverage for mental illness be equal to coverage provided for all other medical illnesses by requesting the Auditor to conduct an assessment to determine the social and financial effects of mandating such insurance coverage.

Your Committee received written testimony in support of the measure from the Commission on Persons with Disabilities, the Equal Insurance Coalition, United Self-Help, the Hawaii Psychological Association, the Mental Health Community Coalition, HMSA, and a concerned individual.

Your Committee agrees that equal coverage for mental illness and substance abuse in health care insurance plans is important. However, your Committee believes that a thorough cost-benefit analysis should be conducted before any changes are made to existing health insurance coverage levels.

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 S.C.R. No. 55, SD 1, and recommends that it be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representative Whalen.

SCRep. 1855 Health on S.C.R. No. 113

The purpose of this concurrent resolution is to request the counties to impose only a simple permit requirement in order to obtain permission to inter family members in family burial plots under state law.

The measure also requests that the County of Hawaii repeal or rescind any ordinances, rules, or procedures that may exceed this simple permit requirement.

Your Committee received no written testimony on the measure.

Your Committee supports the intent of this concurrent resolution and believes it provides a vehicle to further improve cooperation between the State and counties on the implementation of Act 145, Session Laws of Hawaii 1996.

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 S.C.R. No. 113, SD 1, and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Whalen.

SCRep. 1856 Health on S.C.R. No. 131

The purpose of this concurrent resolution is to better serve those persons diagnosed as having both a mental illness and a substance abuse problem (dual diagnosis) by requesting the Department of Health to consider and implement the recommendations of the Big Island Subarea Health Planning Council's Mental Health and Substance Abuse Committee.

These recommendations include:

- (1) Developing collaborative programs involving both the Adult Mental Health Division (AMHD) and the Alcohol and Drug Abuse Division that serve individuals with dual diagnosis on the Big Island;
- (2) Cross-training for staff of programs in both divisions;
- (3) Providing day treatment programs for persons with dual diagnosis on the Big Island;
- (4) Making safe, secure, and supportive living opportunities.

Your Committee received written testimony in support of the measure from the Department of Health, the Mental Health Association in Hawaii, and the State Health Planning and Development Agency.

Your Committee finds that there is a large population of individuals diagnosed as having both a mental illness and a substance abuse problem on the Big Island. Your Committee also recognizes the importance of tailoring treatment to this difficult-to-serve population. Therefore, your Committee feels that requesting the Department of Health to consider the recommendations of the Big Island Subarea Health Planning Council's Mental Health and Substance Abuse Committee is appropriate.

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 S.C.R. No. 131, SD 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Whalen.

SCRep. 1857 Health on S.C.R. No. 166

The purpose of this concurrent resolution is to request the State Auditor (Auditor) to update Report No. 93-27, "Study of Proposed Mandatory Health Insurance for Contraceptive Services," which was issued by the Auditor in December, 1993.

In addition, this concurrent resolution also requests that the Auditor:

- (1) In updating Report No. 93-27, give special consideration to the mandatory coverage of other than oral contraceptive services and the costs of such services, as provided for in S.B. No. 1061, which was introduced during the 1997 Regular Session; and
- (2) Submit findings and recommendations to the Legislature prior to the 1998 Regular Session.

Your Committee received testimony commenting on the measure from the Hawaii Medical Insurance Association.

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 S.C.R. No. 166, SD 1, and recommends that it be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representative Whalen.

SCRep. 1858 Health on S.C.R. No. 233

The purpose of this concurrent resolution is to request the Legislative Reference Bureau (LRB) to study the impact of provider reimbursement assignment practices of health insurers, health/dental plans, and health maintenance organizations on dental costs and competition among dental care providers.

The Hawaii Medical Services Association submitted testimony in support of this measure. The LRB and the Department of Commerce and Consumer Affairs submitted comments.

Your Committee feels that this measure represents a balanced overview of the competing positions and is a necessary first step toward an objective study by the LRB. Your Committee is aware of the serious concerns that the LRB has about its ability to respond to this concurrent resolution.

The LRB is being requested to study nine different issues relating to dental provider reimbursement practices. Two of them deal with statutory analysis, and are within the LRB's field of competence. The other seven deal with market and economic analysis. The LRB believes that these issues would be best handled by an agency familiar with insurance industry practices.

Although sensitive to the LRB's concerns, your Committee believes that the LRB is capable of conducting this study with the assistance of an agency familiar with insurance industry practices. Therefore, your Committee has amended this measure by:

- (1) Requesting the Insurance Commissioner to participate in the study by:
 - (A) Offering full support and cooperation to the LRB; and
 - (B) Assisting the LRB by providing information and data;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 Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 233, SD 1, as amended herein, and recommends that it be referred to the Committee on Consumer Protection and Commerce, in the form attached hereto as S.C.R. No. 233, SD 1, HD 1.

Signed by all members of the Committee except Representative Whalen.

SCRep. 1859 Health on S.C.R. No. 274

The purpose of this concurrent resolution is to request the Department of Health (DOH) to seek input from affected communities regarding alternatives for providing clinically appropriate mental health intervention services to East Honolulu residents who have been relying on the Life Skills Program at Diamond Head Community Mental Health Center.

In addition, this concurrent resolution also requests DOH to report findings and recommendations to the Legislature prior to the 1998 Regular Session.

Testimony in support of this measure was received from the Mental Health Association in Hawaii and the Oahu Alliance for the Mentally Ill. The DOH submitted testimony commenting on the measure.

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 S.C.R. No. 274 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Whalen.

SCRep. 1860 Water and Land Use on S.C.R. No. 212

The purpose of this concurrent resolution is to authorize the Department of Land and Natural Resources (DLNR) to enter into and execute land exchange negotiations with Kamehameha Schools/Bishop Estate (KS/BE) for the purpose of obtaining approximately one hundred fifty acres of KS/BE lands located within a parcel of state land on the island of Hawaii; provided that any exchange is done in accordance with section 171-50, Hawaii Revised Statutes.

The DLNR testified that it is willing to proceed with negotiations with KS/BE. KS/BE supported this measure and requested that certain conditions be placed on the exchange.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 212 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Garcia, Goodenow and Yoshinaga.

SCRep. 1861 Finance on S.C.R. No. 11

The purpose of this concurrent resolution is to request the Office of Hawaiian Affairs, with the assistance of the Association of Hawaiian Civic Clubs and other interested members of the Hawaiian community, to facilitate and convene a task force with representation from certain specific interest groups to develop an action plan to protect, improve, and expand native Hawaiian traditional food resources and production.

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. 11, HD 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Say, Chang, Kahikina, Kanoho, Nakasone and Meyer.

SCRep. 1862 Finance on S.C.R. No. 26

The purpose of this concurrent resolution is to urge the state and private agencies to make a concerted effort to provide services, such as youth centers, for the youth in the Waialua and Laie regions.

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. 26, HD 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Say, Chang, Kahikina, Kanoho and Meyer.

SCRep. 1863 Finance on S.C.R. No. 163

The purpose of this concurrent resolution is to urge Hawaii's congressional delegation to work with the Commander-in-Chief of the United States Pacific Command to consider a system of dividing projects into smaller parts for awarding federal construction projects in Hawaii.

This measure is intended to assist Hawaii's construction industry by allowing more local contractors to bid on federal construction projects. In light of the stagnant economic conditions faced by the state, your Committee fully supports 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 concurs with the intent and purpose of S.C.R. No. 163 and recommends its adoption.

Signed by all members of the Committee except Representatives Say, Chang, Kahikina and Kanoho.

SCRep. 1864 Finance on S.C.R. No. 184

The purpose of this concurrent resolution is to resolve that the Speaker of the House of Representatives and the Senate President appoint the members of the Commission on Hawaii in the Twenty-First Century to study the effects and changes produced by scientific and technological achievements and social changes in order to assess the future of Hawaii.

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. 184 and recommends its adoption.

Signed by all members of the Committee except Representatives Say, Chang, Kahikina and Kanoho.

SCRep. 1865 Finance on S.C.R. No. 194

The purpose of this concurrent resolution is to request the counties to confer with tax experts to investigate and use the Tax Increment Financing Act, enacted in 1985, to assist the economies of each of their communities.

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. 194 and recommends its adoption.

Signed by all members of the Committee except Representatives Say, Chang, Kahikina, Kanoho, Nakasone, White, Marumoto and Meyer.

SCRep. 1866 Finance on S.C.R. No. 198

The purpose of this concurrent resolution is to request the Governor's Office of Volunteer Services to submit a report on the effects of providing immunity from liability to government and nonprofit volunteers.

Your Committee has amended this measure by replacing its contents with House Concurrent Resolution No. 24, with nonsubstantive, technical amendments. This measure was heard earlier by the House Committee on Judiciary.

As amended, this measure:

- (1) Requests the United States Congress to prepare and submit to the several states an amendment to the Constitution of the United States to add a new article as follows:

Neither the Supreme Court nor any inferior court of the United States shall have the power to instruct or order a state or a political subdivision thereof, or an official of such a state or political subdivision, to levy or increase taxes;

- (2) Proposes that the legislatures of each the several states comprising the United States that have not yet made similar requests:

(A) Apply to the United States Congress requesting enactment of an appropriate amendment to the United States Constitution; and

(B) Apply to the United States Congress to propose such an amendment to the United States Constitution; and

- (3) Makes 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 concurs with the intent and purpose of S.C.R. No. 198, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 198, HD 1.

Signed by all members of the Committee except Representatives Say, Chang, Kahikina and Kanoho.

SCRep. 1867 Finance on S.C.R. No. 203

The purpose of this concurrent resolution is to request the Hawaii Housing Authority, in cooperation with the Department of Transportation, the Department of Health, the Department of Business, Economic Development and Tourism, the Department of the Attorney General, and private, non-profit organizations, to examine the plight of homeless persons at the Honolulu International Airport and to develop a plan to mitigate the impact of the situation.

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. 203, SD 1, HD 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Say, Chang, Kahikina, Kanoho and Meyer.

SCRep. 1868 Finance on S.C.R. No. 242

The purpose of this concurrent resolution is to urge Hawaii's Congressional Delegation to support and enact measures to redirect the revenue from the 1993, 4.3 cent federal motor fuels tax increase into the Highway Trust Fund, and remove the Highway Trust Fund from the unified budget, before Congress completes the fiscal year 1998 budget resolution.

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. 242 and recommends its adoption.

Signed by all members of the Committee except Representatives Say, Chang, Kahikina and Kanoho.

SCRep. 1869 Judiciary and Consumer Protection and Commerce on S.C.R. No. 256

The purpose of this concurrent resolution is to request the Hawaii State Bar Association to study the tort system and the impacts of providing statutory immunity under certain circumstances.

The Consumer Lawyers of Hawaii testified in support of this matter. The Hawaii State Bar Association, the University of Hawaii, the Insurers Council, and the National Federation of Independent Business commented on the measure.

Your Committees find that it is important that a wide cross-section of the business community participate in this study. As such, your Committees have amended this concurrent resolution by:

- (1) Clarifying that participants in the study include representatives of Hawaii's business community organizations; 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 Judiciary and Consumer Protection and Commerce that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 256, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 256, HD 1.

Signed by all members of the Committees except Representatives Cachola, Hiraki, Menor, Tom, Aiona and Whalen.

SCRep. 1870 Judiciary and Consumer Protection and Commerce on S.C.R. No. 116

The purpose of this concurrent resolution is to request the Judiciary to study and implement a procedure for the certification of legal specialists within the State.

The Judiciary testified in support of the concurrent resolution. The Hawaii Bar Association commented on the measure.

Your Committees have amended this measure to ensure that this concurrent resolution requests a study of a procedure to implement the certification of legal specialists by:

- (1) Amending the title to read "REQUESTING THE JUDICIARY TO STUDY AN IMPLEMENTATION PROCEDURE FOR THE CERTIFICATION OF LEGAL SPECIALISTS WITHIN THE STATE OF HAWAII";
- (2) Clarifying that the Judiciary study an implementation procedure as opposed to conducting a study and implementing a procedure for the certification of legal specialists; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity and style.

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 concur with the intent and purpose of S.C.R. No. 116, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 116, HD 1.

Signed by all members of the Committees except Representatives Cachola, Hiraki, Menor, Tom, Aiona and Whalen.

SCRep. 1871 Finance on H.R. No. 77

The purpose of this concurrent resolution is to request the convening of a working group, comprised of members of the Hawaii House of Representatives, to create a working group in cooperation with the Department of Human Services to research the development of welfare-to-work programs in the visitors industry.

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 H.R. No. 77, HD 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Say, Chang, Kahikina, Kanoho, Nakasone and Meyer.

SCRep. 1872 Finance on H.R. No. 191

The purpose of this resolution is to request the Department of Human Services to retain the integrity of the Open Doors program by:

- (1) Retaining and operating the Open Doors program separately and distinctly from other child care programs;
- (2) Retaining the current staff and grant them permanent civil service status;
- (3) Establishing a separate line item for the program;
- (4) Monitoring and evaluating the program; and
- (5) Reporting annually to the Legislature the results of the monitoring and evaluation.

The Open Doors program as currently constituted has been so effective that it is regarded nationally as a model child care program. Your Committee fully supports the intent of this measure to retain the Open Doors program in its present state.

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 H.R. No. 191, HD 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Say, Chang, Kahikina, Kanoho, Nakasone, White, Marumoto and Meyer.

SCRep. 1873 Human Services and Housing and Health on S.C.R. No. 52

The purpose of this concurrent resolution is to request the Department of Human Services (DHS) to establish guidelines for the Med-QUEST program.

The Commission on Persons with Disabilities, the Mental Health Association in Hawaii, the Oahu Alliance for the Mentally Ill, and two concerned individuals submitted testimony in support of this measure. DHS submitted submitted testimony in opposition of this measure.

Your Committees believe that the public, particularly QUEST recipients, should be informed of any changes to QUEST as far in advance as possible of the effective date of rule changes. Your Committees are also aware that DHS is required to follow the administrative rulemaking process, which can take up to six months to implement. If DHS were required to provide six-months notice to recipients, providers, neighborhood boards, and other community organizations of the proposed changes, the implementation period for any administrative rule change could take up to one year.

Your Committees further believe that DHS should seek as wide an input from affected parties as possible in the drafting of rule changes to QUEST. Your Committees wish to stress the importance of having consumers on the advisory committee as equal partners. The impact of rule changes is best articulated by consumers themselves.

Being sensitive to DHS's concerns and the importance of consumers being able to serve on the advisory committee, your Committees have amended this measure by:

- (1) Deleting reference to the six-month prior notice and replacing it with notice given with as much time as possible;
- (2) Stressing that affected consumers should serve on the advisory committee;
- (3) Deleting reference to the Democratic Party's adoption of a policy for the inclusion of recipients in the amendment of Med-QUEST rules; and
- (4) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Health that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 52, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as S.C.R. No. 52, HD 1.

Signed by all members of the Committees except Representative Whalen.

SCRep. 1874 Human Services and Housing on S.C.R. No. 251

The purpose of this concurrent resolution is to strongly urge Hawaii's Congressional Delegation to support efforts to provide assistance to legal, non-citizen immigrants in the Federal Supplemental Security Income Program.

Testimony was offered and received from the Department of Human Services (DHS), the STRENGTH Coalition, and a volunteer member of the Hawaii chapter of American Friends Service, which revealed definite, strong support for this measure. There was unanimous agreement that providing assistance to legal, non-citizen immigrants would be a tremendous aid to a significant portion of Hawaii's population.

Your Committee, recognizing the need for the above referenced assistance and benefits for this significant population, agrees with the intent and substance of this measure and therefore passes it out unamended.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 251, SD 1 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Whalen.

SCRep. 1875 Education on S.C.R. No. 124

The purpose of this concurrent resolution is to urge the Department of Education to develop and implement a policy and program to prevent school violence against teachers and students.

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

Your Committee believes that a safe environment is a condition that must be met before any kind of effective educational experience can occur. Quality education can only be provided in safe schools.

While student violence is not prevalent at all schools, it occurs with such frequency that substantial efforts must be made to control it. Today, a small percentage of undisciplined students can disrupt classroom learning and cause a school's climate to deteriorate so that all students in the classroom and the school are affected.

Your Committee agrees with the intent of this measure and has amended it by:

- (1) Revising the title to conform to the substance of the BE IT RESOLVED clause; 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 Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 124, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 124, HD 1.

Signed by all members of the Committee except Representatives Morihara, Tarnas, Yonamine and McDermott.

SCRep. 1876 Education on S.C.R. No. 270

The purpose of this concurrent resolution is to request the Auditor to conduct a management and financial audit of the Department of Education to determine the effectiveness of the lump sum budget approach in school/community-based management schools.

The Hawaii State Teachers Association submitted testimony in support of the intent of the measure. The Department of Education submitted comments.

Your Committee agrees with the general intent of the measure, which is to audit the Department of Education. However, the audit should be more narrowly conceived. In recent years, the Legislature has passed various pieces of legislation designed to decentralize Hawaii's public school system. Decentralization efforts should now be reviewed. So rather than address the entirety of public education, the audit should focus on decentralization efforts.

The concurrent resolution has been amended by deleting its substance and replacing it with the substance of S.C.R. No. 8, HD 1, which was heard and approved by your Committee earlier this session. This measure was revised to request a financial audit in addition to a management 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 S.C.R. No. 270, SD 1, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 270, SD 1, HD 1.

Signed by all members of the Committee except Representatives Morihara, Santiago, Tarnas, Yonamine and McDermott.

SCRep. 1877 Education on S.C.R. No. 171

The purpose of this concurrent resolution is to request the Auditor to conduct a management and financial audit of the Hawaii State Library System.

Ten private individuals submitted testimony in support of this concurrent resolution. The Chairperson of the Board of Education submitted testimony in opposition to this concurrent resolution.

Upon careful consideration, your Committee has amended this concurrent resolution by replacing its contents with H.C.R. No. 66, HD 1, and has made the following revisions to this measure:

- (1) Requested a financial and management audit rather than a financial and management study;
- (2) Added a WHEREAS clause describing allegations that the public library system did not provide critical information to Baker & Taylor Books, and added a BE IT FURTHER RESOLVED clause that the audit study this matter;
- (3) Added a WHEREAS clause describing allegations that the per book cost under the Baker & Taylor contract is higher than that experienced under the previous "in-house" system, and added a BE IT FURTHER RESOLVED clause that the audit study this matter;
- (4) Added a BE IT FURTHER RESOLVED clause that the audit include a review of various specific management practices; and
- (5) Added a BE IT FURTHER RESOLVED clause that the audit cover a three-year period.

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 concurrence with the intent and purpose of S.C.R. No. 171, SD 1, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 171, SD 1, HD 1.

Signed by all members of the Committee except Representatives Morihara, Tarnas, Yonamine and McDermott.

SCRep. 1878 Education on S.C.R. No. 182

The purpose of this concurrent resolution is to urge the Board of Education to review its policy for working with Hawaii's deaf, hard-of-hearing, and deaf-blind community members.

Specifically, this concurrent resolution urges the Board of Education to review and consider the educational bill of rights referred to in the concurrent resolution when making decisions on deaf, hard-of-hearing, and deaf-blind children's education. This concurrent resolution also requests the Board of Education to report to the Legislature on actions taken to address this issue twenty days prior to the convening of the regular session of 1998.

Your Committee received testimony in support of this concurrent resolution from the Department of Education, the Hawaii State Coordinating Council on Deafness, and the Commission on Persons with Disabilities. The Commission expressed a preference for the original wording of the concurrent resolution that actually incorporates as policy an educational bill of rights for deaf, hard-of-hearing, or deaf-blind children.

Your Committee finds that it is essential that children who are deaf, hard-of-hearing, and deaf-blind are educated in a manner in which their unique communication mode is utilized and developed, and that their school environment is communication accessible. Your Committee believes that this can be better done by amending this concurrent resolution to actually incorporate the educational bill of rights as policy and to urge the Board of Education to adopt the bill of rights.

Accordingly, your Committee has amended this concurrent resolution by:

(1) Amending its title to read:

"URGING THE BOARD OF EDUCATION TO ADOPT A POLICY RELATING TO AN EDUCATIONAL BILL OF RIGHTS FOR HAWAII'S DEAF, HARD-OF-HEARING, AND DEAF-BLIND CHILDREN.";

(2) Including four items in an educational bill of rights in the concurrent resolution in the third Whereas clause; and

(3) Urging the Board of Education to adopt an educational bill of rights that includes the four items as stated in the concurrent resolution, rather than to just review its policy for working with deaf, hard-of-hearing, and deaf-blind children.

Your Committee believes that this concurrent resolution, as amended, takes a significant step towards ensuring that these children are able to maximize their educational program to become independent citizens in society.

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 S.C.R. No. 182, SD 1, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 182, SD 1, HD 1.

Signed by all members of the Committee except Representatives Morihara, Tarnas, Yonamine and McDermott.

SCRep. 1879 Judiciary on S.C.R. No. 2

The purpose of this concurrent resolution is to request the Legislative Reference Bureau (LRB) to conduct a study and make recommendations on an appropriate salary structure for all state justices and judges, including pay supplements by increments for length of continuous creditable service in the State Judiciary.

In addition, this measure also requests the LRB to submit a report of its findings and recommendations to the Legislature prior to the 1998 Regular Session.

Testimony in support of this measure was submitted by the Judiciary and the Hawaii State Bar Association. The Hawaii Government Employees Association submitted testimony in support of the intent of the measure.

Your Committee recognizes that the relationship between judicial compensation and judicial retention has a significant bearing on the public's confidence in maintaining highly qualified applicant pools, ensuring lengthy judicial tenures, and maintaining judicial independence. This measure would facilitate efforts to recommend fair and reasonable salary levels for judges and justices and provide an objective mechanism for salary adjustments for the State's Judicial Branch.

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 S.C.R. No. 2, SD 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Tom, Case, Hiraki, Menor, Yoshinaga and Thielen.

SCRep. 1880 Judiciary on S.C.R. No. 152

The purpose of this concurrent resolution is to request the Hawaii State Law Enforcement Coalition, in consultation with the Judiciary and the Hawaii Supreme Court's Standing Committee on Rules of Evidence, to study ways to simplify proof of prior criminal convictions in both District and Circuit Courts.

The Judiciary, the Department of the Attorney General, and the Department of the Prosecuting Attorney of the City and County of Honolulu submitted testimony in support of this measure.

Your Committee finds that a statewide, uniform system of proof of prior convictions would save money, protect the innocent, and increase the possibility of those with prior convictions receiving the sentences they deserve.

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 S.C.R. No. 152, SD 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Tom, Case, Hiraki, Menor, Yoshinaga and Thielen.

SCRep. 1881 Judiciary on S.C.R. No. 165

The purpose of this concurrent resolution is to request the Governor to establish the Waipahu Centennial Celebration Advisory Commission (Commission) by Executive Order in order to protect the Commission from civil liability.

Three individuals testified in support of this measure.

Your Committee recognizes Waipahu as one of the oldest and largest viable communities in the State and supports the Commission's efforts in planning Waipahu's one hundred year anniversary celebration.

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 S.C.R. No. 165 and recommends its adoption.

Signed by all members of the Committee except Representatives Tom, Case, Hiraki, Menor, Pendleton and Whalen.

SCRep. 1882 Judiciary on S.C.R. No. 257

The purpose of this concurrent resolution is to request the President of the United States and the United States Senate to work diligently and appropriately to award the State of Hawaii a full and equal measure of judicial representation on the United States Ninth Circuit Court of Appeals by appointing and confirming a qualified resident of the State of Hawaii to any presently existing, vacant Ninth Circuit judgeship.

Testimony in support of this measure was received from the Judiciary and the Hawaii State Bar Association.

Your Committee notes that Hawaii is one of only two states that is currently without representation on the United States Ninth Circuit Court of Appeals. Knowledge of Hawaii's unique mix of ethnic groups and political and judicial history would lend a broader perspective to decision-making in the federal courts and could be particularly important to Hawaii litigants in land use cases that are adjudicated in federal courts, pursuant to Hawaii law.

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 S.C.R. No. 257 and recommends its adoption.

Signed by all members of the Committee except Representatives Tom, Case, Hiraki, Menor, Yoshinaga and Thielen.

SCRep. 1883 Education on S.C.R. No. 43

The purpose of this concurrent resolution is to request the Department of Education to ensure that state and federal funds for special education and related services are not co-opted through site-based management and fiscal flexibility.

Your Committee received testimony in favor of this measure from the Department of Education and the Hawaii State Teachers Association.

Your Committee finds that the Department of Education can take additional measures to protect the educational rights of children with disabilities in the State. Federal law entitles children with disabilities to special education and related services provided at public expense, under public supervision and direction, and at no cost to a parent, except for incidental fees. However, your Committee finds that the educational needs of children with disabilities in Hawaii remain underfunded and unfulfilled. Moreover, intentional and unintentional violations of federal laws could expose the State to numerous lawsuits, including class action suits. By ensuring that funds for special education and other services are not co-opted because of such educational initiatives as lump-sum budgeting and school/community-based management, the Department of Education can help to guarantee the educational rights of children with disabilities.

While your Committee finds that this concurrent resolution could be worded more clearly, your Committee nevertheless agrees with its overall intent, namely, that special education funds should be reserved for and expended on children with disabilities.

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 S.C.R. No. 43 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Morihara, Tarnas, Yonamine and McDermott.

SCRep. 1884 Education on S.C.R. No. 99

The purpose of this concurrent resolution is to request the Department of Education to establish a school-to-work transition center at Ka'u High and Pahala Elementary School on the island of Hawaii.

Your Committee finds that:

- (1) Ka'u is the largest district in the County of Hawaii and the most remote from centers of employment and public service. Ka'u includes the communities of Pahala, Naalehu-Waiohinu, and Hawaiian Ocean View, which are economically depressed in terms of family income, unemployment, number of families on public assistance, and lack of job opportunities due to the steady decline of sugar in the State and the recent closure of Ka'u Sugar;
- (2) The remoteness of Ka'u makes it difficult to commute to employment centers in Hilo, Kona, or South Kohala. Those people who leave Ka'u to find employment may not have the necessary skills to compete for available jobs. Those people who do commute find that the amount of time they can spend with their families declines dramatically; and

- (3) Ka'u's largest economic product is marijuana, and the availability of drugs in the community is a major risk factor. On the other hand, significant protective factors are the effort made to maintain extended family support systems, and a willingness on the part of a substantial number of adults to volunteer time and resources for youth activities, when organized to do so.

Your Committee finds that the school-to-work transition center program administered by the Department of Education, assists students in making realistic career and employment decisions. The transition centers are designed to address early career planning needs. The centers accomplish this by empowering youth with the knowledge, attitudes, and skills necessary to successfully make the transition from adolescence to adulthood, and by assisting students with special needs who may have barriers to achieving career or job-related goals.

Your Committee finds that the establishment of a school-to-work transition center Ka'u High and Pahala Elementary School would be a good policy and program decision in light of:

- (1) Declining indicators relating to the welfare of adolescents and youths in the County of Hawaii;
- (2) The geographic isolation of Ka'u and lack of economic opportunities in the district;
- (3) The availability of marijuana and presence of other drug-related risk factors in Ka'u; and
- (4) The willingness of many Ka'u adults to volunteer time and resources for organized youth activities.

Your Committee received testimony from the Department of Education promising to work with Ka'u High and Pahala Elementary School to develop a program at the school that will deliver school-to-work support and benefits to students.

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 S.C.R. No. 99 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Morihara, Tarnas, Yonamine and McDermott.

SCRep. 1885 Education on S.C.R. No. 277

The purpose of this concurrent resolution, as received by your Committee, is to:

- (1) Request the Department of Education (DOE) to comply with the findings and recommendations on office clerical staffing contained in "The 1990 School and District Office Clerical Staffing Study", pending the availability of funds; and
- (2) Request DOE, the Hawaii Government Employees Association, and the Hawaii School Office Services Association to work together to develop a plan to provide future clerical staffing to all schools; and
- (3) Require DOE to submit a report on the status of its actions to comply with the office clerical staffing recommendations to the Legislature no later than twenty days prior to the convening of the 1998 Regular Session.

Your Committee received testimony in support of this measure from the Department of Education, the Hawaii Government Employees Association, the Hawaii School Office Services Association, and from numerous individuals employed in clerical positions within the school system. The testimony indicated that, as the functions of the DOE have been decentralized, the transfer of responsibilities and workload at the school level have increased.

Your Committee finds that "The 1990 School and District Office Clerical Staffing Study" was undertaken to review and update the 1985 school clerical staffing standards to reflect clerical staffing needs based on the schools' current services and increased workload. Your Committee agrees with the intent of this concurrent resolution to encourage the DOE to comply with the findings of this study.

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 S.C.R. No. 277, SD 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Morihara, Santiago, Tarnas, Yonamine and McDermott.

SCRep. 1886 Legislative Management on S.C.R. No. 109

The purpose of this concurrent resolution is to request the Auditor to undertake an audit of the State's management of Mauna Kea and the Mauna Kea Science Reserve on the island of Hawaii.

The Sierra Club, Hawaii Chapter, and two individuals testified in support of this measure. The University of Hawaii's (UH) Institute for Astronomy indicated that it would cooperate with a proposed audit, and the Department of Land and Natural Resources (DLNR) had no objections to an audit.

Since 1965, several telescopes have been constructed on Mauna Kea as a result of a permit issued by DLNR to UH. In 1982, both DLNR and UH adopted the major planning and implementation documents for the management of the Mauna Kea Science Reserve. Recently, however, allegations have surfaced of noncompliance with various plans, violations of

agreements, and widely differing interpretations of permitted uses, including such issues as what constitutes a single telescope.

In determining the degree to which the State has fulfilled its obligation to preserve this natural resource, the Auditor shall also consider the economic and global scientific benefits that have and will continue to be realized. Should noncompliance or violations of plans and agreements be found, the Auditor shall indicate to the extent possible, the mitigation or corrective measures to allow for both resource preservation and scientific-economic benefits.

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 S.C.R. No. 109 and recommends its adoption.

Signed by all members of the Committee except Representatives Say, Souki, Okamura, White and Ward.

SCRep. 1887 Legislative Management on S.C.R. No. 128

The purpose of this concurrent resolution is to request the State Auditor to conduct a study to:

- (1) Determine whether continued regulation of massage schools by the Department of Education or some other state agency is appropriate; and
- (2) Consider whether repeal or transfer of massage school licensure will affect:
 - (a) Eligibility and participation by massage students in federal student aid programs and other grant and loan programs; and
 - (b) Massage school accreditation by private accrediting agencies.

In addition, this concurrent resolution requests the State Auditor to submit a report of its findings and recommendations to the Legislature prior to the 1998 Regular Session.

The Department of Commerce and Consumer Affairs and the Board of Massage Therapy submitted testimony 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 S.C.R. No. 128, SD 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Say, Souki, Okamura, White and Ward.

SCRep. 1888 Finance on S.B. No. 1881

The purpose of this bill is to create a three-year Waianae Coast Community Benchmarking Pilot Project to further benchmarking efforts for developing the economy and improving the quality of life on the Waianae Coast.

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. 1881, SD 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Say, Chang, Kahikina, Kanoho, Nakasone, White, Marumoto and Meyer.

SCRep. 1889 Legislative Management on S.C.R. No. 166

The purpose of this concurrent resolution is to request the State Auditor (Auditor) to update Report No. 93-27 (Report), "Study of Proposed Mandatory Health Insurance for Contraceptive Services," which was issued by the Auditor in December 1993.

In addition, this concurrent resolution also requests that the Auditor:

- (1) In updating the Report, give special consideration to the mandatory coverage of other than oral contraceptive services and the costs of such services as provided for in S.B. No. 1061, which was introduced during the 1997 Regular Session; and
- (2) Submit findings and recommendations to the Legislature prior to the 1998 Regular Session.

Testimony in support of this measure was received from Ka Lahui Hawaii. Comments were submitted by the Hawaii Medical Service Association.

Your Committee believes that mandated coverage of contraceptive devices could significantly decrease health care costs since medical services related to pregnancies represent the highest cost category in the health care insurance industry. Increased usage of effective contraceptive methods or devices will lower the large number (fifty-six percent) of unplanned and unwanted pregnancies. This would eventually result in reducing the added social costs associated with unwanted children.

Upon being referred this measure after the Second Crossover deadline of concurrent resolutions, your Committee is precluded from rendering needed amendments to this concurrent resolution.

The December 1993 Auditor's Report concluded that the impact of mandated contraceptive devices could not be fully assessed because of insufficient data and the vagueness of the legislative proposal. To overcome this problem, which may also be present in S.B. No. 1061 (1977) and this concurrent resolution, your Committee hereby clarifies and requests the Auditor to include but not be limited to the cost effectiveness of the following:

- (1) Oral contraceptives (the Pill);
- (2) Intrauterine devices (IUD);
- (3) Injectable contraceptives (Depo-Provera); and
- (4) Implanted time release capsules (Norplant).

Although S.B. No. 1061 includes the word "options," it is the intent of your Committee that the Auditor, consistent with this concurrent resolution, interpret the bill as mandating coverage for contraceptive devices and not making this coverage optional.

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 S.C.R. No. 166, SD 1 and recommends its adoption.

Signed by all members of the Committee except Representatives Say, Souki, Okamura, White and Ward.

SCRep. 1890 Education on S.C.R. No. 78

The purpose of this concurrent resolution is to request the Department of Education to review all public school parking situations in order to determine fair and reasonable methods for accommodating on-campus parking demands.

Your Committee is concerned that parking demands at many public schools are not being met, and demands may increase in the future. Present school parking designs were based on possibly outmoded educational specifications and land use ordinances. New, creative, and innovative standards are needed to address the parking issue.

Your Committee received assurances from the Department of Education that in its attempt to solve the parking problem the Department does not intend to reduce present numbers of parking stalls at individual campuses. Rather, the Department intends to focus on increasing the number of stalls and the accompanying costs.

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 S.C.R. No. 78, SD 1 and recommends that it be referred to the Committee on Finance.

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