

TWENTY-FIRST DAY

Friday, February 20, 1998

The House of Representatives of the Nineteenth Legislature of the State of Hawaii, Regular Session of 1998, convened at 12:14 o'clock p.m., with the Vice Speaker presiding.

The invocation was delivered by Reverend John T. Norris of the First Christian Church, after which the Roll was called showing all members present.

By unanimous consent, reading and approval of the Journal of the House of Representatives of the Twentieth Day was deferred.

GOVERNOR'S MESSAGE

The following message from the Governor (Gov. Msg. No. 171) was received and announced by the Clerk and was placed on file:

Gov. Msg. No. 171, transmitting copies of the Kaneohe Bay Regional Council Evaluation Report prepared by the Office of Planning, Coastal Zone Management Program. Pursuant to Act 317, Session Laws of 1993, the Office of Planning in 1997 convened a Kaneohe Bay Task Force to evaluate the status and effectiveness of the Kaneohe Bay Regional Council in facilitating implementation of the Kaneohe Bay Master Plan, and in accomplishing its other duties and responsibilities as stipulated in the Act. This report presents the results of the evaluation of the Council conducted by the 1997 Kaneohe Bay Task Force.

INTRODUCTIONS

The following introductions were made to the members of the House:

Representative Ward introduced a group of fifth grade students from Wailupe Elementary School. They were accompanied by their teacher, Ms. Angela Church; and parents, Mrs. Cindy Fernandes, Mr. Miles Muramatsu and Mrs. Karen Teruya.

Representative Tom then rose and acknowledged and asked Mr. Miles Muramatsu, a co-worker of his at Paradise Lounge, and his daughter Megan, who were with the students from Wailupe Elementary School, to stand to be recognized.

Representative Okamura introduced a former colleague, Annelie Amaral.

ORDER OF THE DAY

DEFERRED RESOLUTIONS

The following concurrent resolutions (H.C.R. Nos. 35 and 36) were referred to committee by the Speaker:

<u>H.C.R.</u> <u>Nos.</u>	<u>Referred to:</u>
35	Committee on Health
36	Committee on Labor and Public Employment, then to the Committee on Finance

COMMITTEE REASSIGNMENT

The following House Bill (H.B. No. 1512) was re-referred to committee by the Speaker:

<u>H.B.</u> <u>No.</u>	<u>Re-referred to:</u>
1512	Committee on Hawaiian Affairs, then to the Committee on Judiciary, then to the Committee on Finance

INTRODUCTION OF RESOLUTIONS
(FLOOR PRESENTATIONS)

The following resolutions (H.R. Nos. 11 and 12) were announced by the Clerk and were disposed of as follows:

H.R. No. 11, entitled: "HOUSE RESOLUTION HONORING THE LEILEHUA HIGH SCHOOL BAND, HAWAII'S MUSICAL AMBASSADORS OF ALOHA, ON THEIR INVITATION TO PARTICIPATE IN THE 150TH ANNIVERSARY CELEBRATION OF THE WASHINGTON MONUMENT AND THE ALL-AMERICAN MUSICAL FESTIVAL," was jointly offered by Representatives M. Oshiro, Ahu Isa, Aiona, Arakaki, Case, Goodenow, Ito, Menor, Morihara, Okamura, P. Oshiro and White.

On motion by Representative M. Oshiro, seconded by Representative Lee and carried, H.R. No. 11 was adopted, with Representatives Kanofo, Morihara, Nakasone, Say, Souki, Takai and Tom being excused.

At this time, Representative M. Oshiro, in honoring the Leilehua High School Band, Hawaii's musical ambassadors of Aloha, on their invitation to participate in the 150th Anniversary Celebration of the Washington Monument, and the All-American Music Festival in Orlando, Florida, introduced the following: Mr. Keith Fukumoto, Director of the Band; Mr. William Hui, Band President; Mr. Weston Fujii, Band Vice President; Ms. Shirley Lee and Ms. Lois Maeda, representatives of the Leilehua High School Band Booster organization; and members of the Band who were seated in the gallery.

H.R. No. 12, entitled: "HOUSE RESOLUTION RECOGNIZING DR. BIRUTE GALDIKAS FOR HER LIFE'S WORK IN THE PROTECTION AND ADVOCACY OF THE ENDANGERED WILD ORANGUTAN AND FOR THE ESTABLISHMENT OF THE FIRST U.S. ORANGUTAN SANCTUARY TO BE LOCATED IN PANA'EWA HAWAII," was jointly offered by Representatives Hamakawa, Herkes, Chang, Takamine, Tarnas, Thielen, Goodenow, Abinsay, Arakaki, Fox, Halford, Hiraki, Jones, Kawanakoa, Lee, Menor, Morihara, Morita, M. Oshiro, Stegmaier, Takai and Whalen.

On motion by Representative Hamakawa, seconded by Representative Tarnas and carried, H.R. No. 12 was adopted, with Representatives Kanofo, Morihara, Nakasone, Say, Souki, Takai and Tom being excused.

At this time, Representative Hamakawa introduced and commended Dr. Birute Galdikas who has worked selflessly for the protection and preservation of the endangered Orangutan and the tropical rainforest; and Dr. Nancy Briggs, Trustee of the Orangutan Foundation International's Board of Directors.

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

The House of Representatives reconvened at 12:54 o'clock p.m.

STANDING COMMITTEE REPORTS

Representative Garcia, for the Committee on Public Safety and Military Affairs, presented a report (Stand. Com. Rep. No. 286-98) recommending that H.B. No. 3416, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3416, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PRISONS," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 287-98) recommending that H.B. No. 3141 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3141, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT CONTRACTS," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 288-98) recommending that H.B. No. 2377, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2377, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TEMPORARY DISABILITY INSURANCE," passed Second Reading and was referred to the Committee on Consumer Protection and Commerce, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 289-98) recommending that H.B. No. 3257, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3257, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL HISTORY CHECKS," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 290-98) recommending that H.B. No. 2441 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2441, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 291-98) recommending that H.B. No. 3031 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3031, entitled: "A BILL FOR AN ACT RELATING TO THE CAMPAIGN SPENDING COMMISSION," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 292-98) recommending that H.B. No. 2888, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2888, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COMPENSATION OF CRIMINAL INJURIES," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 293-98) recommending that H.B. No. 2992, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2992, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative M. Oshiro.

Representative Whalen rose in "qualified support" of the bill, stating:

"The concern I have, Mr. Speaker, is that in this bill we are allowing a state agency basically to raise its own taxes through being able to set its own fees, and putting it in a revolving fund which it has control over. So, in other words, we have one body that can raise taxes and spend the taxes without accountability, and I don't believe that is a good route for us to be heading in.

"Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2992, HD 1, entitled: "A BILL FOR AN ACT RELATING TO NOTARIES PUBLIC," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 294-98) recommending that H.B. No. 2993, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2993, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CIVIL IDENTIFICATION PROGRAM," passed Second Reading and was referred to the Committee on Finance,

with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 295-98) recommending that H.B. No. 2442, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2442, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE TEEN COURT PROGRAM," was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 296-98) recommending that H.B. No. 2538, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2538, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHILD PROTECTIVE ACT," was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 297-98) recommending that H.B. No. 2561, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2561, HD 2, entitled: "A BILL FOR AN ACT PROPOSING AMENDMENTS TO THE HAWAII CONSTITUTION, RELATING TO THE BOARD OF EDUCATION," was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 298-98) recommending that H.B. No. 3029, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3029, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MEDICAL ASSISTANCE," was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 299-98) recommending that H.B. No. 2518 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2518, entitled: "A BILL FOR AN ACT RELATING TO HILO COMMUNITY SCHOOL FOR ADULTS," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 300-98) recommending that H.B. No. 3207 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3207, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 301-98) recommending that H.B. No. 3208 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3208, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO RESTORE FUNDING TO PUBLIC HIGH SCHOOL ATHLETIC PROGRAMS," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 302-98) recommending that H.B. No. 3373 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3373, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE BOARD OF EDUCATION'S PERFORMANCE STANDARDS REVIEW COMMISSION," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 303-98) recommending that H.B. No. 2685, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2685, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL-TO-WORK OPPORTUNITIES," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 304-98) recommending that H.B. No. 3212, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 3212, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative M. Oshiro.

Representative McDermott rose and asked the Clerk to cast a no vote for him on this measure, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3212, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 305-98) recommending that H.B. No. 3338, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3338, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR RESOURCE TEACHER POSITIONS FOR THE HAWAIIAN STUDIES PROGRAM," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 306-98) recommending that H.B. No. 3452, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3452, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 307-98) recommending that H.B. No. 2539, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2539, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EARLY CHILDHOOD EDUCATION AND CARE," was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representatives Hiraki, Takamine and Tarnas, for the Committees on Transportation, Water and Land Use, and Ocean Recreation and Marine Resources, presented a joint report (Stand. Com. Rep. No. 308-98) recommending that H.B. No. 2998, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of the Committees was adopted and H.B. No. 2998, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII MARITIME AUTHORITY," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Morihara, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 309-98) recommending that H.B. No. 2480, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2480, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Morihara, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 310-98) recommending that H.B. No. 3302, as amended in HD 1, pass Second Reading and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3302, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DEGREE GRANTING INSTITUTIONS," passed Second Reading and was referred to the Committees on Consumer Protection and Commerce and Judiciary, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Arakaki, for the Committee on Human Services and Housing, presented a report (Stand. Com. Rep. No. 311-98) recommending that H.B. No. 3026 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3026, entitled: "A BILL FOR AN ACT RELATING TO PERSONAL CARE SERVICES PAYMENT," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Arakaki, for the Committee on Human Services and Housing, presented a report (Stand. Com. Rep. No. 312-98) recommending that H.B. No. 2983, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2983, HD 1, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative M. Oshiro.

Representative McDermott rose and asked the Clerk to register an aye with reservations on this measure for him, and the Chair "so ordered."

Representative Ward then rose in support of the bill, stating:

"Mr. Speaker, I would like to commend the Chair who is in fact absent, but of which no one feels more strongly about this bill than he does, and I wanted to commend him because he went through such excruciating patience with us in the Committee to do this. So what you've got, colleagues, is a very refined version.

"There is only one thing missing, and that is in Section 1. It doesn't mention parents. So those of you who receive it on the other end, it's in Section 1, where we say the State of Hawaii dedicates all of its institutions, all of its legislative resources, all of its time and energy, but we've got to mention parents if we're going to talk about kids. That is the only thing missing. Otherwise, the Chair did a fantastic job in the spirit of his belief in children that cannot be surpassed by anyone of us.

"Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2983, HD 1, entitled: "A BILL FOR AN ACT PROPOSING A CONSTITUTIONAL AMENDMENT RELATING TO THE RIGHTS OF CHILDREN (ConAm)," passed Second Reading and was referred to

the Committee on Judiciary, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Arakaki, for the Committee on Human Services and Housing, presented a report (Stand. Com. Rep. No. 313-98) recommending that H.B. No. 2360, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2360, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A COMMUNICATION SKILLS INSTRUCTOR FOR BLIND AND VISUALLY IMPAIRED PERSONS," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Arakaki, for the Committee on Human Services and Housing, presented a report (Stand. Com. Rep. No. 314-98) recommending that H.B. No. 3503, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3503, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Takamine, for the Committee on Water and Land Use, presented a report (Stand. Com. Rep. No. 315-98) recommending that H.B. No. 3265, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3265, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES," passed Second Reading and was referred to the Committee on Consumer Protection and Commerce, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representatives Takamine and Tarnas, for the Committees on Water and Land Use and Ocean Recreation and Marine Resources, presented a joint report (Stand. Com. Rep. No. 316-98) recommending that H.B. No. 2876, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of the Committees was adopted and H.B. No. 2876, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RESOURCE VALUE LANDS," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Hiraki, for the Committee on Transportation, presented a report (Stand. Com. Rep. No. 317-98) recommending that H.B. No. 3489, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 3489, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative M. Oshiro.

Representative McDermott rose to cast a no vote on this measure, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3489, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HARBORS," passed Second Reading and was referred to the Committee on Finance with Representative McDermott voting no, and Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 318-98) recommending that H.B. No. 3000 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3000, entitled: "A BILL FOR AN ACT RELATING TO HEALTH BENEFITS FOR PART-TIME, TEMPORARY, AND SEASONAL OR CASUAL EMPLOYEES," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 319-98) recommending that H.B. No. 2567, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2567, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DUPLICATION OF GOVERNMENTAL SERVICES," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 320-98) recommending that H.B. No. 2513, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2513, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ATTORNEY GENERAL," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Morihara, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 321-98) recommending that H.B. No. 2415, HD 1, as amended in HD 2, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2415, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HIGHER EDUCATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Morihara, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 322-98) recommending that H.B. No. 2515, HD 1, as

amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2515, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A NANOTECHNOLOGY CENTER," was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Yoshinaga, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 323-98) recommending that H.B. No. 3406, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3406, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ENVIRONMENT," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Takai, for the Committee on Culture and the Arts, presented a report (Stand. Com. Rep. No. 324-98) recommending that H.B. No. 2688, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2688, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative M. Oshiro.

Representative McDermott rose and asked the Clerk to cast a no vote for him on this measure, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2688, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE AQUARIUM," passed Second Reading and was referred to the Committee on Finance with Representative McDermott voting no, and Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Takai, for the Committee on Culture and the Arts, presented a report (Stand. Com. Rep. No. 325-98) recommending that H.B. No. 2691, HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2691, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CULTURE AND THE ARTS," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Tarnas, for the Committee on Ocean Recreation and Marine Resources, presented a report (Stand. Com. Rep. No. 326-98) recommending that H.B. No. 3457, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3457, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE

WEST HAWAII REGIONAL FISHERY MANAGEMENT AREA," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 327-98) recommending that H.B. No. 3335 be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3335, entitled: "A BILL FOR AN ACT RELATING TO THE EDUCATION OF THE CHILDREN OF HAWAII IN HAWAIIAN STUDIES," was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 328-98) recommending that H.B. No. 3210, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 3210, HD 1, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative M. Oshiro.

Representative Tarnas rose and asked the Clerk to cast a no vote for him (the Chair "so ordered"), saying:

"I just don't think that this is the way to handle our substance abuse problems within our schools.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3210, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Judiciary with Representative Tarnas voting no, and Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Herkes, for the Committee on Economic Development and Business Concerns, presented a report (Stand. Com. Rep. No. 329-98) recommending that H.B. No. 2493, HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2493, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Herkes, for the Committee on Economic Development and Business Concerns, presented a report (Stand. Com. Rep. No. 330-98) recommending that H.B. No. 2655 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2655, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Herkes, for the Committee on Economic Development and Business Concerns, presented a report (Stand. Com. Rep. No. 331-98) recommending that H.B. No. 2521, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2521, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST QUEST PROJECT," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Herkes, for the Committee on Economic Development and Business Concerns, presented a report (Stand. Com. Rep. No. 332-98) recommending that H.B. No. 2470, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2470, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SECURITIES," passed Second Reading and was referred to the Committee on Consumer Protection and Commerce, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Case, for the Committee on Hawaiian Affairs, presented a report (Stand. Com. Rep. No. 333-98) recommending that H.B. No. 3019 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3019, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION ACT, 1920, AS AMENDED," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Case, for the Committee on Hawaiian Affairs, presented a report (Stand. Com. Rep. No. 334-98) recommending that H.B. No. 3020 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3020, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION ACT OF 1920, AS AMENDED," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Case, for the Committee on Hawaiian Affairs, presented a report (Stand. Com. Rep. No. 335-98) recommending that H.B. No. 2917, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2917, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Case, for the Committee on Hawaiian Affairs, presented a report (Stand. Com. Rep. No. 336-98) recommending that H.B. No. 3291, as amended in HD 1, pass Second Reading and be referred to the Committee on Ocean Recreation and Marine Resources.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3291, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN FISH PONDS," passed Second Reading and was referred to the Committee on Ocean Recreation and Marine Resources, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Santiago, for the Committee on Health, presented a report (Stand. Com. Rep. No. 337-98) recommending that H.B. No. 2848, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2848, HD 1, entitled: "A BILL FOR AN ACT RELATING TO IMMUNIZATION," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Santiago, for the Committee on Health, presented a report (Stand. Com. Rep. No. 338-98) recommending that H.B. No. 2624, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2624, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE MENTAL HEALTH AND SUBSTANCE ABUSE SPECIAL FUND," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Santiago, for the Committee on Health, presented a report (Stand. Com. Rep. No. 339-98) recommending that H.B. No. 2862, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2862, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SERVICES FOR DEVELOPMENTAL DISABILITIES," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Santiago, for the Committee on Health, presented a report (Stand. Com. Rep. No. 340-98) recommending that H.B. No. 3468, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3468, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAII HEALTH SYSTEMS CORPORATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Santiago, for the Committee on Health, presented a report (Stand. Com. Rep. No. 341-98) recommending that H.B. No. 3164, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3164, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE PEER EDUCATION PROGRAM," was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representatives Santiago and Arakaki, for the Committees on Health and Human Services and Housing, presented a joint report (Stand. Com. Rep. No. 342-98) recommending that H.B. No. 3501, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of the Committees was adopted and H.B. No. 3501, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EARLY INTERVENTION SERVICES," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Arakaki, for the Committee on Human Services and Housing, presented a report (Stand. Com. Rep. No. 343-98) recommending that H.B. No. 2540, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2540, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WELFARE TO WORK TRANSITION ASSISTANCE," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representatives Yonamine and Menor, for the Committees on Labor and Public Employment and Consumer Protection and Commerce, presented a joint report (Stand. Com. Rep. No. 344-98) recommending that H.B. No. 2647, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of the Committees was adopted and H.B. No. 2647, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYER'S MUTUAL INSURANCE COMPANY," passed Second Reading and was referred to the Committee on Finance, with Representatives Arakaki, Kanoho, Say, Souki and Takai being excused.

Representative Hiraki, for the Committee on Transportation, presented a report (Stand. Com. Rep. No. 345-98) recommending that H.B. No. 2897 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2897, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Kanoho, Say, Souki and Takai being excused.

Representative Takamine, for the Committee on Water and Land Use, presented a report (Stand. Com. Rep. No.

346-98) recommending that H.B. No. 2411, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2411, HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Thielen rose to speak in support of the bill with reservations, stating:

"Mr. Speaker, for those members that haven't had a chance to look at this, please pull out House Bill 2411, HD 1. It's the second from the last in your stack of bills. The bill is related to zoning, and it takes a rather major approach to what presently is allowed in a residential district.

"The bill states that commercial activity by a licensed sole proprietorship shall be considered a permitted use in a residential district. The key words are 'permitted use,' because once your use is a permitted use under county zoning, it implies that you get to go ahead, no matter what. It is not conditional, not really subject to a lot of requirements or analysis. It does give the counties the ability to say that this permitted use can't have an adverse effect on the health, safety, or welfare of the residential area. That doesn't really deal with situations where you may have a sole proprietorship conducting a business in a residential area, where that person has a lot of employees and a lot of automobiles parked in that residential area.

"I am not sure, but the bill doesn't go on to another committee; it just goes from here over to the Senate. I have concerns about it because we could be creating some problems for the residential areas that aren't related to health, safety or welfare; for example, a multitude of cars on small, narrow streets. I would like us to look at this before we have a second shot at it, assuming it comes back from the Senate, and put some other protections in there, such as maybe making it a conditional use so the counties have the ability to look at it a little bit more fully."

"Thank you."

Representative Meyer then rose and stated:

"Mr. Speaker, I would just ask that the Clerk register a 'no' vote for me," and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2411, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ZONING," passed Second Reading and was placed on the calendar for Third Reading with Representative Meyer voting no, and Representatives Kanoho, Say, Souki and Takai being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 347-98) recommending that S.B. No. 1310, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and S.B. No. 1310, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL INJURIES COMPENSATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Kanoho, Say, Souki and Takai being excused.

SUSPENSION OF RULES

On motion by Representative M. Oshiro, seconded by Representative Marumoto and carried, the rules were suspended for the purpose of considering bills on Third Reading on the basis of a modified consent calendar. (Representatives Kanoho, Say, Souki and Takai were excused.

At 1:01 o'clock p.m., Representative Kawanakoa asked for a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 1:03 o'clock p.m.

THIRD READING**H.B. No. 3130, HD 1:**

Representative Okamura moved that H.B. No. 3130, HD 1, pass Third Reading, seconded by Representative M. Oshiro.

Representative Kawanakoa offered the following amendment to H.B. No. 3130, HD 1:

"SECTION 1. House Bill 3130 H.D.1 is amended by amending line 12 on page 1 to read:

'SECTION 3. [This Act shall take effect upon its approval.] In connection with said election, the office of Elections shall provide voters with a description stating, in the words of the Hawaii Supreme Court, that "ballots cast' within the meaning of Article XVII, section 2 of the Hawaii Constitution, includes blank ballots and over votes; in other words, blank ballots and over votes shall be treated as no votes on the question of whether a constitutional convention should be convened.'

'SECTION 4. This Act shall take effect upon its approval.'"

Representative Kawanakoa moved that the amendment be adopted, seconded by Representative Pendleton.

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

"Mr. Speaker, the purpose of this amendment is to ensure that we don't end up in the same mess that we are in right now. It is very clear.

"As you know, Mr. Speaker, last election a majority of the votes cast as 'yes' outnumbered the votes cast as 'no' for the question on calling for a constitutional convention.

"Therefore, my estimation is that the people of Hawaii believe that they have spoken and have clearly said that they wanted a constitutional convention.

"The powerful special interest groups that don't want any changes to government that is benefitting them, petitioned the Hawaii Supreme Court to overrule the people's mandate by arguing that the blank votes and the spoiled votes should be cast and counted as 'no' votes, Mr. Speaker. The court agreed on technical grounds and the people's will was thwarted.

"This decision was appealed to the Federal Court and Judge Ezra ruled that under the Hawaii State Supreme Court's ruling and their decision, the vote was unfair -- greatly unfair -- because the people didn't know that the

blank and spoiled votes would be considered as 'no' votes.

"So here we are today, passing this measure calling for a constitutional convention, which I am in complete support of, but I am concerned because we want to set the record straight so we don't end up in the same mess again.

"This amendment simply calls for a clarification so that our Elections Officer will include or otherwise inform the public and ensure that they know that when they don't vote, if they give a blank vote, or they over vote, or they spoil their ballots, that these will be considered 'no' votes, and with that the people would be able to clearly vote their conscience and understand the ramifications of being silent. You notice this in Hawaii: If you're not sure, you don't want to talk 'stink', you just don't say anything. So a lot of people may have just remained silent, because they didn't know it was going to be counted as a 'no' vote. So we are going to pass this measure and many of our constituents, many of the people of Hawaii, will still be in the dark. They still won't know in their mind that their silence will be counted as a 'no' vote on whether or not to have a constitutional convention.

"I think it is incumbent upon us to set a fair question before the people of Hawaii on such an important matter. I would encourage all of my colleagues to do the democratic thing; vote 'yes' for this amendment. Give the people a fair shot, a fair understanding, of what they are voting on.

"Thank you, Mr. Speaker."

Representative Tom then rose to speak in opposition to the amendment, stating:

"Mr. Speaker, I got several reasons that I am speaking in opposition.

"I agree with the good Representative that we, too, don't want to end up in the mess that we ended up in 1996. We want to make sure that we pass a constitutional amendment bill right away so that the people will have this opportunity to vote again in 1998 on the question of whether they want a constitutional convention. Let the people decide; we agree.

"I looked at the amendment and I looked at the case -- the Supreme Court case. I went back to the case and I read it over and over again, over and over again, and you know what? I thought I was dreaming, because I couldn't find in there what is quoted in this amendment in its entirety. I don't know why. I said: Something must be wrong. I agree that when they quoted the Supreme Court, it said: 'Ballots cast within the meaning of Article XVII, Section 2 of the Hawaii Constitution, includes blank ballots and over votes.' Yes, it did say that. Then I read on their quote, and it said: 'in other words, blank ballots and over votes shall be treated as no votes on the question of whether a constitutional convention should be convened.' I kept reading, and I kept reading, and all I saw after the first part was, it said: 'This interpretation, unlike that offered by their defendants, gives effect to the plain language in Article XVII, Section 2.' I couldn't find where it says: 'In other words, blank ballots and over votes shall be treated as no votes' blah, blah, blah. And it's not there, and it's quoted from the Supreme Court.

"Mr. Speaker, I apologize. I apologize because I think that it's unforgivable. It's deceptive to quote something from anybody that ain't there. That is wrong --

Democratic or Republican. It's not there in the quote. Who are we trying to fool?

"In addition, I think this kind of amendment, although done in good intent, sets bad precedent. You know, it's so easy to throw stones at things, but then, do we have to do this in every amendment that we pass out of here, that we have to put all kinds of instructions to the Elections Office?"

"You know, the good Representative stated earlier that we don't want to be in a mess again, like we did in 1996. I submit to the members of this House that by putting instructions in there like this, especially instructions that is not even quoted by the Court -- not even quoted -- will create new challenges so that in 1999, when we return, we will have to do it all over again. No, as Judiciary Chair, I want to let the people know ahead that we did look into this issue, we did look into how we could explain this to the people, that the practical effect of a blank vote would be a no vote, but to state that, or to state it any way, was not what the Supreme Court said. And so that might create another challenge.

"I think the solution, members, is education. Education, discussion, collaboration, education. Since the Supreme Court came out, since Ezra's decision came out in the Federal Court, there has been a lot of talk about the meaning of a yes vote, a no vote, a blank vote, by people. . .

At this point, Representative Okamura rose and yielded his time to Representative Tom.

Representative Tom thanked the Chair and continued, saying:

"And I think that is the kind of education we need in order to make sure that the people, when they go to the ballot box, will understand the impact of their vote, but not to put things like this in a bill that could create more problems. Therefore, Mr. Speaker and members, I ask you to vote this amendment down.

"Thank you."

Representative Ward then rose to speak in support of the amendment, stating:

"Mr. Speaker, information is power, and we have kept our people in ignorance. A Federal judge has decided, and why we are in the state we are in is that the people did not know.

"This amendment is simply giving the people a clear idea of what they will do when they either vote no or if they spoil their ballots, that will be counted against the constitutional convention. It is a very simple directive. This says to the people: You will be told by the Elections Officer what it is that you're actually doing in the booth if you vote no or if you spoil it, or if in effect you do other than vote yes for it. That is a very clear indication of where we are.

"Mr. Speaker, we need this to open the eyes of the people. There is a confusion that the Federal judge has already spoken of. I think we can do the least in educating our people by having this amendment passed.

"Thank you."

Representative Pendleton then rose to speak in support of the amendment, stating:

"Mr. Speaker, we've heard the Judiciary Chair speak against this amendment. One of his points was

supposedly this somehow misleads the people. If you look at the language, the first double quotation in front of the words 'ballots cast,' perhaps that wasn't supposed to be there, or in the words 'ballots cast' is the direct quote. But the Chair of the Judiciary Committee has also conceded that the language within the meaning of Article XVII, Section 2 of the Hawaii Constitution, includes blank ballots and over votes. So that was a direct quotation, and we meant to track the language.

"The Chair of the Judiciary Committee further indicated that the interpretation offered in this amendment, which reads: 'In other words, blanks ballots and over votes shall be treated as no votes on the question of whether a constitutional convention should be convened,' was a correct interpretation of that language. The Chair conceded the correctness of that interpretation.

"We are here, Mr. Speaker, not to throw stones. We're not trying to amend on the floor every single bill that goes through here. We're looking at those bills that have a tremendous impact on the State of Hawaii, and we are looking at those bills which require our citizens to be particularly informed of some of the unique and complicated details. We don't want to again pose the question which we did the last time with no other further guidance.

"This amendment merely says that the Office of Elections shall provide voters with the description, and again the language is true. We tracked the language in Court and we offered there in other words, an interpretation that correctly presented to the voters what the Supreme Court meant there. And the Judiciary Chair has conceded that we are not misrepresenting the effect of no votes, that we have correctly represented the effect of a 'no' vote.

"Education is important. I wholeheartedly endorse what our Judiciary Chair has said. We need to educate the public through all avenues as legislators in our own district. But why not right there on the ballot? What kind of argument can we make against educating them there one last time on the ballot, or with the ballot, or however the Office of Elections wants to provide the information there when they receive their ballots?

"And so I think this is an amendment which helps make sure that we don't have to go through this whole process again.

"Thank you, Mr. Speaker."

Representative Moses then rose to speak in support of the amendment, stating:

"Mr. Speaker, our distinguished Judiciary Chair spoke that it was unfair, unfair to put this information on the ballot. I am sure the Judiciary Chair might also consider very unfair that we've cheated the people of Hawaii out of their vote. They voted. They voted correctly. They cast a vote according to the explicit language of the Constitution of the State.

"The language of the Constitution says: 'Blank votes will be considered when you consider an amendment to the Constitution.' It clearly does not say the blank votes will count as no votes when you're considering whether or not to put something on the ballot. It is not our fault that the Judiciary misinterpreted the law, but it is our duty to make sure it doesn't happen again since we wrote the law.

"Thank you, Mr. Speaker."

Representative Tom then rose and stated:

"Mr. Speaker, I want to make it very clear what I meant and what I said so I'm not misinterpreted.

"The Supreme Court decided that ballots cast includes blank votes and over votes. The Court did not decide that blank ballots and over votes are treated as no votes. Blank ballots are not the same thing as no votes. By definition, a ballot is not the same thing as a vote.

"And, Mr. Speaker, if we were to pass the amendment as it is, I can tell you right now that because this amendment misquoted and put in words that the Court did not say -- a blatant act of deception -- that this bill would again be declared unconstitutional and we'd have to start from square one.

"Thank you, Mr. Speaker."

Representative Kawanakoa then rose and stated:

"Mr. Speaker, I'm an attorney; I know the Chair of Judiciary is an attorney, and I take sincere umbrage with the fact that he would argue that I purposely tried to deceive this honorable body or the people of Hawaii. And he uses a legal, technical argument, just as the constitutional convention. The mandate of the people, the word of the people was overruled by a technicality. The Court found a way to find a legal technicality to otherwise rule in favor of who was petitioning. . . who was the petitioner, I ask, questioning whether or not we should have a constitutional convention?

"I believe the Minority Whip has clearly and adequately stated that the Judiciary Chair has conceded that the intent of the Court, and I guess the overall meaning of the Court in practical terms, so that the people of Hawaii can understand that when you leave your vote blank, or you spoil your ballot, that will be considered a no vote.

"Now, if you want to get into the technicalities that it actually means a ballot cast and that you need a majority ayes over the number of ballots cast, therefore, it is technically different, I think you're arguing semantics and legal technicalities that the people of Hawaii don't care about anymore. They want their voices heard, and we're not doing that if we don't pass this amendment.

"I can see that this is turning into a Republican vs. Democratic. The Republicans come up with an amendment, we can't have it, let's find another legal technical argument, and he is arguing about a quotation, an end quotation mark, whether it was placed in the right position. I would love to go through all of our statutes and all the bills that our Chair of the Judiciary has passed and find if there is any technical mistakes with what he has done in the past years as a legislator. . .

At this point, Representative M. Oshiro rose on a point of order and stated:

"The current speaker should focus on the measure at hand, which is the amendment."

Representative Kawanakoa continued his remarks, saying:

"Mr. Speaker, I apologize. I apologize to the Majority Floor Leader. I have made some of my remarks somewhat personal, but it's because I took umbrage with the fact that I had purposely tried to deceive my colleagues or the people of Hawaii.

"Thank you, Mr. Speaker."

Representative Yamane then rose to speak against the amendment, stating:

"It seems from the previous speakers there is a question as to interpretation, there is a question as to if this is a correct quote. The bill itself calls for what the people called for, and I believe voting on this amendment in the end might cause more problems. The bill is fairly simple. The bill calls for a constitutional convention. If the former speakers want to vote against it, that's their prerogative. I would just rather leave the bill as is, pass it out, and get it to the people.

"Thank you, Mr. Speaker."

Representative Halford then rose to speak in support of the amendment, stating:

"This amendment is a constructive solution to a problem that we've had before. It's the only solution that I've heard proposed to this body, and I think if there are problems with it, it can be solved on the other side, if there is a technical problem with it.

"However, I want to defend this as a constructive solution, and as far as I know the only constructive solution I've heard brought to the table regarding the problem we had in 1996.

"Thank you."

The motion to adopt the amendment was put to vote by the Chair and failed to carry by voice vote. (Representatives Kanohe, Say, Souki and Takai were excused.)

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

"Just to ensure that there is no misunderstanding, I am in strong support of this particular provision which provides the voters of Hawaii with the opportunity to vote in favor of a constitutional convention or against a constitutional convention, if they so see fit.

"And let's start the education today because it's going to take a lot more time, a lot more energy. Please, I hope the people of Hawaii know that if they do not vote or if they spoil their ballots, on this particular measure, if it ends up at the elections, that that will be considered a 'no' vote. That will have the effect of having cast a 'no' vote.

"Thank you, Mr. Speaker."

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

"Mr. Speaker, the purpose of this bill is to present to the electorate at the 1998 General Election the question of whether or not there shall be a convention to propose a revision of our amendments to the State Constitution.

"You know, we all know that every year we're not getting any younger as the years tick by, we've got to go to the doctors. You know, we've got to go to the doctor to get a physical checkup to make sure that we're still healthy. But how many times do we tell ourselves, I feel fine, I don't need an examination. We all know, deep down inside, that it is better to be safe than sorry, but we don't do it, do we? Not all of us.

"Those opposed to a constitutional convention may also feel the same way. They feel that things are fine, there is no need for an examination of the Constitution. Like

those who avoid physicals, they may be even afraid of the unknown.

"Mr. Speaker, what are they afraid of? What are the opponents of an amendment afraid of? What is wrong with trusting the people? What is wrong with letting the people decide? This is what we, as lawmakers, do. We do the peoples' business.

"I understand that there is a concern that the special interests may control or come up in the convention, but you know this is a concern in every election. I'm sure this concern was raised in 1978 when the last constitutional convention was held. But a lot of good things came out of that convention: the Intermediate Court of Appeals, Native Hawaiian Gathering Rights, the Office of Hawaiian Affairs, the Water Code, environmental protection, and I am sure that if the voters decide, hey, we need another one, I know that more things will follow.

"So, Mr. Speaker, this bill does not say we should have a constitutional convention. What this bill does is, it says: let the people decide and that is what we're doing. So I speak in strong support and ask the members to do likewise, to vote in strong support.

"Thank you, Mr. Speaker.

The motion was put to vote by the Chair and carried, and H.B. No. 3130, HD 1, entitled: "A BILL FOR AN ACT RELATING TO A CONSTITUTIONAL CONVENTION," passed Third Reading by a vote of 47 ayes, with Representatives Kanoho, Say, Souki and Takai being excused.

H.B. No. 2900:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2900, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII BOARD OF REGENTS," passed Third Reading by a vote of 47 ayes, with Representatives Kanoho, Say, Souki and Takai being excused.

H.B. No. 611, HD 1:

Representative Okamura moved that H.B. No. 611, HD 1, pass Third Reading, seconded by Representative M. Oshiro.

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

Representative Tarnas' remarks are as follows:

"Today, Mr. Speaker, I speak in strong support for this bill which establishes a permanent day of recognition in Hawai'i for the oceans. I encourage my colleagues here in the House, to vote in support of this measure, so we can be reminded every year about why the ocean is so important to Hawai'i. Not only are we physically surrounded by the ocean, but the culture, traditions and lifestyles of our beautiful islands are heavily influenced by the oceans. Our economy is also dependent upon the ocean for many industries, including shipping, fishing, ocean recreation, marine research and technology, and many others.

"This symbolic step we are taking is a call to all of us in public policy-making positions to pass legislation and implement programs that protect our marine resources, and sustain them for use, not only by our own community, but also by future generations.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and H.B. No. 611, HD 1, entitled: "A BILL FOR AN ACT RELATING TO OCEAN RESOURCES," passed Third Reading by a vote of 47 ayes, with Representatives Kanoho, Say, Souki and Takai being excused.

The Chair directed the Clerk to note that H.B. Nos. 3130, 2900 and 611 had passed Third Reading at 1:27 o'clock p.m.

ANNOUNCEMENTS

Representative Yoshinaga: "Immediately following this session, all members of the Energy and Environmental Protection Committee are requested to return to our Conference Room 312 to continue decision making. There is a five o'clock deadline so the Chair is concerned. We've got a number of bills to decide on, so if we could reconvene immediately following session or as soon as you can get there."

Representative Marumoto: "There will be a Republican caucus immediately following this session."

Representative McDermott: "Mr. Speaker, I would just like to thank everybody for their support and prayers. Thank you."

At 1:28 o'clock p.m., the House of Representatives stood in recess until 8:00 o'clock p.m. tonight.

NIGHT SESSION

The House of Representatives reconvened at 8:10 o'clock p.m.

The Speaker assumed the rostrum.

STANDING COMMITTEE REPORTS

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 348-98) recommending that H.B. No. 2760 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2760, entitled: "A BILL FOR AN ACT RELATING TO SALARY PERIODS," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 349-98) recommending that H.B. No. 2761 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2761, entitled: "A BILL FOR AN ACT RELATING TO SALARY PAYMENTS TO NEW EMPLOYEES," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 350-98) recommending that H.B. No. 3200 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3200, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES HEALTH FUND," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 351-98) recommending that H.B. No. 2657, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2657, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES HEALTH FUND," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 352-98) recommending that H.B. No. 3313, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3313, HD 1, entitled: "A BILL FOR AN ACT RELATING TO POLICE OFFICERS," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 353-98) recommending that H.B. No. 2551, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2551, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 354-98) recommending that H.B. No. 2566, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2566, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE GOVERNMENT," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 355-98) recommending that H.B. No. 3199, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3199, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PRIVATIZATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 356-98) recommending that H.B. No. 3100, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3100, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EXPLOSIVES," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Menor, Takamine and Ward being excused.

Representative Morihara, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 357-98) recommending that H.B. No. 2230, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2230, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII-HILO," was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 358-98) recommending that H.B. No. 3616 be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3616, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL SAFETY," was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 359-98) recommending that H.B. No. 2562, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2562, HD 2, be referred to the Committee on Finance, seconded by Representative M. Oshiro.

Representative Halford then rose in opposition to the bill, stating:

"I'm not in favor of an appointed Board and I would ask for a 'no' vote on that," and the Chair "so ordered."

Representative Pendleton rose and asked for a ruling on a potential conflict, and the Chair ruled "no conflict."

Representative Pendleton then asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

Representative Moses then rose and requested a "no" vote be cast for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2562, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," was referred to the Committee on Finance with Representatives Halford, Moses and Pendleton voting no and Representatives Menor, Takamine and Ward being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 360-98) recommending that H.B. No. 3361, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3361, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHILD PROTECTION," was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 361-98) recommending that H.B. No. 2430, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2430, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TRAFFIC ENFORCEMENT," was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 362-98) recommending that H.B. No. 3065, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 3065, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative M. Oshiro.

Representative Moses rose to speak against the bill, stating:

"This is the cigarette tax revenue bill and I'll point out to my colleagues what I did last year, that cigarettes that are sold in military exchanges and aboard ship are not by that light considered to be in Hawaii. That's federal property, and by imposing upon those facilities, that they have to put on tax stamps, except for when they are selling things outside of Hawaii, or as the bill says, outside of the United States, you're making them go through an effort to buy machines, buy stamps to put on cigarettes, then ask for a rebate.

"Now, last year we discussed the fact of the matter is that if there is a bootleg problem, arrest the bootleggers and lock them away and take away their cigarettes, but don't punish everybody that happens to use their military privileges to buy cigarettes. That's what we're doing in this bill. I'm not saying cigarette smoking is good, but it's part of the total compensation package that every military person enjoys. They are underpaid while in uniform because they are given these privileges, and those privileges are counted as their total pay. So as soon as you start taxing things that they have to buy in

exchanges, you're effectively decreasing the money that they can spend in Waikiki or elsewhere in the State. There's only a finite part of money. You take it out of one pocket or you take it out of another pocket.

"Thank you, Mr. Speaker."

Representative McDermott then rose and asked the Clerk to cast a "no" vote for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3065, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading and was referred to the Committee on Finance with Representatives McDermott and Moses voting no, and Representatives Menor, Takamine and Ward being excused.

Representative Jones, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 363-98) recommending that H.B. No. 3625, HD 1, as amended in HD 2, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3625, HD 2, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT REORGANIZATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Herkes, for the Committee on Economic Development and Business Concerns, presented a report (Stand. Com. Rep. No. 364-98) recommending that H.B. No. 2791 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2791, entitled: "A BILL FOR AN ACT RELATING TO THE BUSINESS ACTION CENTER," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Herkes, for the Committee on Economic Development and Business Concerns, presented a report (Stand. Com. Rep. No. 365-98) recommending that H.B. No. 3148 pass Second Reading and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 3148 pass Second Reading and be referred to the Committees on Consumer Protection and Commerce and Judiciary, seconded by Representative M. Oshiro.

Representative McDermott rose to speak against the bill, stating:

"Very quickly, the Consumer Advocate testified against this and all the telephone companies testified for, so I am going with the Consumer Advocate.

"Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3148, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY WIRELESS TELEPHONE SERVICE,"

passed Second Reading and was referred to the Committees on Consumer Protection and Commerce and Judiciary with Representative McDermott voting no, and Representatives Menor, Takamine and Ward being excused.

Representative Herkes, for the Committee on Economic Development and Business Concerns, presented a report (Stand. Com. Rep. No. 366-98) recommending that H.B. No. 2789, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2789, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AUTHORITY OF THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO ISSUE ECONOMIC DEVELOPMENT GRANTS," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Herkes, for the Committee on Economic Development and Business Concerns, presented a report (Stand. Com. Rep. No. 367-98) recommending that H.B. No. 3418, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3418, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FILM PRODUCTION FUNDING," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 368-98) recommending that H.B. No. 3340 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3340, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HURRICANE RELIEF FUND," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 369-98) recommending that H.B. No. 2487, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2487, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HURRICANE RELIEF FUND," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 370-98) recommending that H.B. No. 3613, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 3613, HD 1, pass

Second Reading and be referred to the Committee on Finance, seconded by Representative M. Oshiro.

Representative Whalen rose and stated:

"Mr. Speaker, I would like a 'no' vote, and the reason for it is that, again we are providing government services and applying basically a tax to the premiums that some people paid to pay for the government service. And again I stand in opposition as I feel it is wrong for us to have a hidden tax. If we are going to provide the service, we should just let the people know straight up.

"Thank you."

Representative Aiona then rose and asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

Representative Pendleton then rose and asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

Representative Halford then rose and asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

Representative Kawanakoa then rose and asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3613, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Second Reading and was referred to the Committee on Finance with Representatives Aiona, Halford, Kawanakoa, Pendleton and Whalen voting no, and Representatives Menor, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 371-98) recommending that H.B. No. 2792, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2792, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAII SMALL BUSINESS REGULATORY FLEXIBILITY ACT," was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 372-98) recommending that H.B. No. 2702, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2702, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC UTILITIES COMMISSION," was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 373-98) recommending that H.B. No. 3027, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3027, HD 1, entitled: "A BILL FOR AN ACT RELATING TO

MEDICAID OVERPAYMENT RECOVERY," was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Yoshinaga, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 374-98) recommending that H.B. No. 3407 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3407, entitled: "A BILL FOR AN ACT RELATING TO A PUBLIC-PRIVATE HAWAII STRATEGIC ENVIRONMENTAL INITIATIVE TASK FORCE," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Yoshinaga, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 375-98) recommending that H.B. No. 3414, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3414, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ENVIRONMENT," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Menor, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 376-98) recommending that H.B. No. 2844, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2844, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE SUNSET CLAUSE FOR MENTAL HEALTH AND ALCOHOL AND DRUG ABUSE TREATMENT INSURANCE BENEFITS," was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Cachola, for the Committee on Tourism, presented a report (Stand. Com. Rep. No. 377-98) recommending that H.B. No. 2554, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2554, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative M. Oshiro.

Representative Aiona then rose in support of the measure, stating:

"Mr. Speaker, we all know what a big role tourism plays in Hawaii's economy, and I think this is a good bill because it does give \$60 million in dedicated funding. It's a proposal by the Economic Revitalization Task Force, and I agree with that.

"But, Mr. Speaker, I would like to speak to your Chair of Finance and the members of the Finance Committee, when the bill does get to Finance, to please take a look at another proposal to pay for the \$60 million, and in

particular the TAT that is addressed in this bill, and in the TAT we are raising the . . .

The Chair interrupted and said:

"Representative, that is in another bill. I believe this has no relation to the TAT. This is just to the Board."

Representative Aiona continued, saying:

"In House Bill No. 2554, it does address the increase in the TAT revenues, and I just wanted to pass to the members of the Finance Committee to take a look at exempting the hotels from the GET and assessing an eleven percent TAT on the hotels, and the tourism industry would agree with that. And I would just like to advise the members of Finance that there were other proposals that we took a look at in the Tourism Committee and I hope they take a look at the same proposals.

"Thank you."

Representative McDermott then rose to ask the Clerk to cast a "no" vote for him, and the Chair "so ordered."

Representative Pendleton then rose in support of the measure with reservations and asked that his remarks be entered into the Journal, and the Chair "so ordered."

Representative Pendleton's remarks are as follows:

"Mr. Speaker, I rise in support with reservations on Stand. Com. Rep. No. 377-98, H.B. No. 2554, HD 1, which is a bill relating to the Hawaii Tourism Board. I support the bill to the extent that it establishes a tourism board and a dedicated source of funding. We all know that tourism is Hawaii's lifeblood. And while we are open to diversification in our economy, we cannot ignore the fact that our economic health depends on our being able to attract a steady and dependable flow of visitors. A dedicated source of funding for state marketing is a good and important development. This was and is an excellent suggestion of the ERTF.

"I do have one reservation, however. Mr. Speaker, I am concerned with the distribution of the TAT. It would seem that the counties will not receive the dollars they otherwise would receive. I would hate for us to lower State income taxes only to force our counties to raise property taxes. This would be taking with one hand and giving with the other. County and State taxpayers are the same people. Let us never forget this important fact. If we want to truly help them, if we wish to genuinely lower their taxes and increase their take home pay, then we must ensure that our policies do not adversely impact our counties.

"I am heartened by the language of the Standing Committee Report, wherein it states that the Finance Committee should explore options to ensure that our counties are made whole. Let us do so. Let this bill be the beginning of an important and constructive discussion, not the final word, on this topic. We have other options. No one has said that the Legislature ceded its responsibilities to the ERTF. We are charged with passing the best laws we can, not to vote a party line.

"Thank you, Mr. Speaker."

Representative Halford then rose in support of the bill with reservations, and the Chair "so ordered."

Representative Marumoto then rose and stated:

"Mr. Speaker, I rise in support of the measure; however, I do have a concern that somehow or another, the counties may receive less funding because of this plan. And so I would hope that the Finance Committee would look at a way to also fund the counties in addition to the tourism marketing plan.

"Thank you."

Representative Fox then rose in support of the bill with reservations, stating:

"I speak in support of the bill, commending the Standing Committee Report because it does point out the need to consider very much keeping the counties whole. We should not be pitting the counties against the tourism industry but, rather, finding a way to support both.

"Thank you, Mr. Speaker."

Representative Kawanakoa then rose in support of the measure with reservations and asked that the remarks of Representative Fox be entered into the Journal as his own, and the Chair "so ordered." (By reference only)

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2554, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TOURISM," passed Second Reading and was referred to the Committee on Finance with Representative McDermott voting no, and Representatives Menor, Takamine and Ward being excused.

Representative Takamine, for the Committee on Water and Land Use, presented a report (Stand. Com. Rep. No. 378-98) recommending that H.B. No. 2875 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2875, entitled: "A BILL FOR AN ACT RELATING TO THE SPECIAL LAND AND DEVELOPMENT FUND," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Takamine, for the Committee on Water and Land Use, presented a report (Stand. Com. Rep. No. 379-98) recommending that H.B. No. 2787, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2787, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative M. Oshiro.

Representative Moses rose to speak against the bill, stating:

"This measure adds to the Kalaeloa district, the land designated to be an airport and the Department of Hawaiian Home Lands.

"The reason I am rising in opposition is I remain in opposition to the airport which I have told this body and the Speaker before. The commission that was appointed, the Barbers Point Redevelopment Commission, promised the people of Hawaii, not only verbally for a number of years, but finally when forced to, they took a vote and voted to never close Coral Sea Road which is the beach access to the beach at Naval Air Station, Barbers Point. The FAA has come back and said, if you, the State of Hawaii, want an airport there, you've got to close Coral

Sea Road. We're denying the people of Hawaii access to one of the best beaches in this State.

"Mr. Speaker, this bill deserves to die. It is going to Finance next. I hope the members of Finance ask the question of the Department of Transportation: Why are we pumping millions of dollars into an unneeded airport? There are already fifteen reliever airports in the State; there are only about 150 airplanes to use all fifteen of them. We don't need another airport, especially if you picture, Mr. Speaker, this is downtown Honolulu. Picture an airport less than one mile away. We're building the Second City of Kapolei less than a mile away from downtown. Right next to the high school, right next to the middle school, right next to the new State library, we are going to put an airport. It doesn't make any sense to me.

"Thank you, Mr. Speaker."

Representative Thielen then rose and asked the Clerk to cast a "no" vote for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2787, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEVELOPMENT OF THE KALAELOA COMMUNITY DEVELOPMENT DISTRICT," passed Second Reading and was referred to the Committee on Finance with Representatives Moses and Thielen voting no, and Representatives Menor, Takamine and Ward being excused.

Representative Takamine, for the Committee on Water and Land Use, presented a report (Stand. Com. Rep. No. 380-98) recommending that H.B. No. 2883, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2883, HD 1, entitled: "A BILL FOR AN ACT RELATING TO KAWAINUI MARSH," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Menor, Takamine and Ward being excused.

Representative Takamine, for the Committee on Water and Land Use, presented a report (Stand. Com. Rep. No. 381-98) recommending that H.B. No. 2877, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2877, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONSERVATION DISTRICT," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Menor, Takamine and Ward being excused.

Representatives Yonamine and Menor, for the Committees on Labor and Public Employment and Consumer Protection and Commerce, presented a joint report (Stand. Com. Rep. No. 382-98) recommending that H.B. No. 2870 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of the Committees was adopted and H.B. No. 2870, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," passed Second Reading and was referred to the Committee on Finance, with

Representatives Menor, Takamine and Ward being excused.

Representatives Yonamine and Menor, for the Committees on Labor and Public Employment and Consumer Protection and Commerce, presented a joint report (Stand. Com. Rep. No. 383-98) recommending that H.B. No. 2645, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of the Committees was adopted and H.B. No. 2645, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representatives Yonamine and Menor, for the Committees on Labor and Public Employment and Consumer Protection and Commerce, presented a joint report (Stand. Com. Rep. No. 384-98) recommending that H.B. No. 2646, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of the Committees was adopted and H.B. No. 2646, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COORDINATED CARE ORGANIZATIONS," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representatives Yonamine and Menor, for the Committees on Labor and Public Employment and Consumer Protection and Commerce, presented a joint report (Stand. Com. Rep. No. 385-98) recommending that H.B. No. 3224, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of the Committees was adopted and H.B. No. 3224, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 386-98) recommending that H.B. No. 2824, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Okamura moved that the joint report of the Committees be adopted and H.B. No. 2824, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative M. Oshiro.

Representative Pendleton rose in support of the bill with reservations and asked that his remarks be entered into the Journal, and the Chair "so ordered."

Representative Pendleton's remarks are as follows:

"Mr. Speaker, I support the bill but have a few reservations. House Bill No. 2824, HD 1, relating to insurance premium taxes has some merit. However, note that the bill requires unauthorized life insurers to pay taxes on premiums collected from Hawaii residents for life and accident and sickness insurance. If our intent is to prevent unauthorized life insurers from operating at all in

this State, then this bill does not go far enough. We ought to look at other options. But if our intent is to permit them to service our residents, then why treat them in this manner? The policy rationale is still not entirely clear to me. Other than the fact that this measure raises some estimated \$50,000 in premium taxes per year, I am not sure how this portion of this bill is beneficial to the State.

"Of course, I have not mentioned the switch from monthly to quarterly filing. This is common sense. This obviously is better for both business and the State. We ought to look for ways to minimize paperwork. This accomplishes that purpose.

"And so, Mr. Speaker, for the foregoing reasons I support H.B. No. 2824, HD 1, with reservations."

Representative McDermott then rose to ask the Clerk to cast a "no" vote for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the joint report of the Committees was adopted and H.B. No. 2824, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE PREMIUM TAXES," passed Second Reading and was referred to the Committee on Finance with Representative McDermott voting no, and Representatives Menor, Takamine and Ward being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 387-98) recommending that H.B. No. 1813, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1813, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Case, for the Committee on Hawaiian Affairs, presented a report (Stand. Com. Rep. No. 388-98) recommending that H.B. No. 1512, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1512, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PRIMARY AND GENERAL ELECTIONS OF THE OFFICE OF HAWAIIAN AFFAIRS," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Menor, Takamine and Ward being excused.

Representative Morihara, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 389-98) recommending that H.B. No. 2694, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2694, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PREPAID COLLEGE TUITION," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Yoshinaga, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 390-98) recommending that H.B. No. 3409, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3409, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ENVIRONMENT," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representatives Yoshinaga and Takamine, for the Committees on Energy and Environmental Protection and Water and Land Use, presented a joint report (Stand. Com. Rep. No. 391-98) recommending that H.B. No. 3385, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of the Committees was adopted and H.B. No. 3385, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ALA WAI CANAL WATERSHED," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representatives Yoshinaga and Tarnas, for the Committees on Energy and Environmental Protection and Ocean Recreation and Marine Resources, presented a joint report (Stand. Com. Rep. No. 392-98) recommending that H.B. No. 3455, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of the Committees was adopted and H.B. No. 3455, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST THE NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Yoshinaga, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 393-98) recommending that H.B. No. 3538, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 3538, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative M. Oshiro.

Representative Moses rose to speak against the bill, stating:

"This measure asks for a deposit basically of about ten dollars per tire. The problem is, you know, you're going to use tires for about four years, then what do you do about trying to find that receipt? I think it's unworkable and whoever collects the money is just going to keep it. I don't think people will keep those receipts.

"Thank you, Mr. Speaker."

Representative McDermott then rose in opposition to the bill, stating:

"I think it's a wonderfully-intended measure to keep our islands clean and help protect the environment, but I'm just concerned about working families trying to come up with the deposit if they don't have the tires.

"Thank you."

Representative Halford then rose and asked the Clerk to cast a "no" vote for him, and the Chair "so ordered."

Representative Goodenow then rose in support of the bill, stating:

"The cost is necessary in any case and it certainly deserves some further consideration, when we heard from industry and from environmental groups with concerns about what percentage of our tires are actually staying out of the waste stream. As this measure moves forward, I think it serves as a vehicle where we can talk with industry and make sure that whether we go with this or not, our current tire program is successful in taking care of this problem.

"Thank you."

Representative Kawanakoa then rose in opposition to the measure, stating:

"I concur with the previous speaker's concern, and we certainly have that concern with our streams and I guess our natural environment. However, I believe there may be better ways to achieve that goal.

"I wasn't privileged to sit on this Committee, but I am concerned about, I guess on page 2, line 1, subsection 3, where a refund will be issued for each tire returned by a customer if they have proof of purchase, and I take it they go back to the same retailer. So if I buy my tire from Sears and then I am returning it and buying my next tire from Penney's or Michelin, I may not be able to get a refund, so I guess I can drive my tires back over to Sears after getting them replaced and try and get a refund. It just seems to be real cumbersome; there may be better ways.

"Thank you, Mr. Speaker."

Representative Pendleton then rose in opposition to the bill and asked that his remarks be entered into the Journal, and the Chair "so ordered."

"Mr. Speaker, I rise in opposition to H.B. No. 3538, HD 1. The reason why I oppose this measure is not because I oppose recycling. To the contrary, I wish to promote recycling and other important efforts to keep our surroundings clean and our environment healthy.

"Mr. Speaker, my reservations stem from the regressive nature of this particular measure and the added paperwork it entails. If you read this bill, it is clear the receipting process could be unduly cumbersome.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3538, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL PROTECTION," passed Second Reading and was referred to the Committee on Finance with Representatives Halford, Kawanakoa, McDermott, Moses and Pendleton voting no, and Representatives Menor, Takamine and Ward being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No.

394-98) recommending that H.B. No. 3620 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3620, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL SAFETY," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 395-98) recommending that H.B. No. 2835, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2835, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative M. Oshiro.

Representative Moses rose to speak against the bill, stating:

"My opposition here is, Mr. Speaker, I think it is a good idea to rehire teachers for critical shortage areas. We passed a measure like that last year, it's effective, only ten teachers were rehired.

"Under this measure, the difference is, however we're saying: Well, they already get a lot of money because they worked hard and earned it. So now, we're no longer going to abide by the rule of equal pay for equal work. We're going to only pay them at 70 percent of their highest wages before they retired, so they will be working right next to other teachers who might be getting more. I don't think that's fair to ask those teachers to come back to work for that. If it's a matter of cost saving, why don't we look at why we have to rehire retired teachers instead of train and retain the teachers we have now.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2835, HD 1, entitled: "A BILL FOR AN ACT RELATING TO REHIRING RETIRED TEACHERS IN THE DEPARTMENT OF EDUCATION," passed Second Reading and was referred to the Committee on Finance with Representative Moses voting no, and Representatives Menor, Takamine and Ward being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 396-98) recommending that H.B. No. 3215, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3215, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SCHOOLS-WITHIN-SCHOOLS," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 397-98) recommending that H.B. No. 3484 be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3484, entitled: "A

BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE KAPAA HIGH SCHOOL STUDENT HEALTH SERVICES CENTER," was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 398-98) recommending that H.B. No. 2979, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2979, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CENTRAL AUDITORY PROCESSING DEFICITS," was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 399-98) recommending that H.B. No. 3277, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3277, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHILDREN," was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 400-98) recommending that H.B. No. 3415, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3415, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN LANGUAGE IMMERSION," was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Jones, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 401-98) recommending that H.B. No. 3403, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3403, HD 1, entitled: "A BILL FOR AN ACT RELATING TO OFFENSES AGAINST PROPERTY," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Menor, Takamine and Ward being excused.

Representative Jones, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 402-98) recommending that H.B. No. 2990, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2990, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative M. Oshiro.

Representative Morita then rose and asked the Clerk to cast a no vote for her, and asked that her remarks be inserted into the Journal, and the Chair "so ordered."

Representative Morita's remarks are as follows:

"Mr. Speaker, I rise in opposition to H.B. 2990, HD 1, entitled, 'A Bill for an Act Relating to Agriculture.' This bill would allow the State of Hawaii to acquire, improve, and operate the Waiahole Water System by authorizing the issuance of reimbursable general obligation bonds and appropriating funds for that purpose.

"In a hearing before the House Agriculture Committee, it was not clear and convincing that this source of water is critical to the continued development of diversified agriculture on the island of Oahu. Testimony was provided by Earthjustice Legal Defense Fund that during the operations of Oahu Sugar over one hundred million gallons per day was used for sugar cane irrigation. Only thirty million gallons were from the Waiahole ditch source. We have seventy million gallons of water per day, which need to be accounted for prior to allowing for the continued diversion of water from Windward Oahu.

"In testimony, it was also indicated that many large Leeward landowners, who have granted short-term agricultural leases, hold permits to draw ground water (one can make the assumption from the seventy million gallons per day from the demise of Oahu Sugar). Rather than putting the burden on Windward taro farmers and advocates of stream restoration, we need to question the commitment of large Leeward landowners to the future of diversified agriculture on Oahu.

"Another important point that was discussed was the cost of agricultural water to Leeward farmers. It was discussed in the hearing that the proposed rate would be \$.35 per thousand gallons. A point was made that other farmers throughout the State pay anywhere from \$.60 to \$.90 per thousand gallons. Are we inadvertently subsidizing this group of Leeward farmers and adversely impacting other farmers, especially Neighbor Island farmers?

"Discussion to purchase the Waiahole ditch system is premature. The Commission on Water Resource Management contested case hearing and subsequent appeals need to play out its course. The decision of CWRM is in accordance with Article XII, Section 2 of the Hawaii State Constitution. Action by the Legislature is subverting this process and made in a vacuum without full knowledge of all the issues.

"We must remember, too, that agricultural activity occurs both on the Windward and Leeward sides of the Koolau."

Representative Meyer then rose and asked the Clerk to register a "no" vote for her, and asked that her remarks be inserted into the Journal, and the Chair "so ordered."

Representative Meyer's remarks are as follows:

"I am voting 'no' on H.B. 2990. The Governor's proposal to obligate the taxpayers to another \$10.2 million in General Obligation Bonds is inappropriate at this time. The ditch has been there for more than eighty years with no substantial deterioration, so why should the State bail out AmFac/JMB now when times are very difficult for the State financially?

"Despite the fact that the proposed purchase would come from General Obligation Bonds rather than from the General Fund, if the State buys the ditch, then the State will have to maintain it. And, down the line, the bond obligation will have to be paid by the taxpayers one way or another.

"Let's face it. \$10.2 million here, \$10 million there. Sooner or later it adds up to real money. . . real money that the taxpayers of Hawaii will have to pay out of their pockets!"

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

"Water is the biggest problem facing agriculture today in Hawaii. The farmers on the plains in Oahu have no assurance of a steady supply of water at a reasonable rate, and that's one of the reasons why they are not able to farm on Oahu with some kind of assurance of long-term use of the land.

"This measure will purchase the Waiahole Ditch to allow the farmers to farm, to give them assurance that water will be available on a long-term basis and at a reasonable rate, and to encourage diversified agriculture in Hawaii. So I urge the members to support this measure.

"Thank you, Mr. Speaker."

Representative Halford then rose in support of the bill with reservations, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2990, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Second Reading and was referred to the Committee on Finance with Representatives Meyer and Morita voting no, and Representatives Menor, Takamine and Ward being excused.

Representative Tarnas, for the Committee on Ocean Recreation and Marine Resources, presented a report (Stand. Com. Rep. No. 403-98) recommending that H.B. No. 2373, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2373, HD 1, entitled: "A BILL FOR AN ACT RELATING TO KANEHOE BAY REGIONAL COUNCIL," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Tarnas, for the Committee on Ocean Recreation and Marine Resources, presented a report (Stand. Com. Rep. No. 404-98) recommending that H.B. No. 2679, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2679, HD 1, entitled: "A BILL FOR AN ACT RELATING TO UNDERWATER ATTRACTIONS," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 405-98) recommending that H.B. No. 2648, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2648, HD 1, entitled: "A BILL FOR AN ACT RELATING TO

WORKERS' COMPENSATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representatives Arakaki and Santiago, for the Committees on Human Services and Housing and Health, presented a joint report (Stand. Com. Rep. No. 406-98) recommending that H.B. No. 1966, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of the Committees was adopted and H.B. No. 1966, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ADULT RESIDENTIAL CARE HOMES," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representatives Garcia and Tom, for the Committees on Public Safety and Military Affairs and Judiciary, presented a joint report (Stand. Com. Rep. No. 407-98) recommending that H.B. No. 3087, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Okamura moved that the joint report of the Committees be adopted and H.B. No. 3087, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative M. Oshiro.

Representative McDermott rose to cast a "no" vote on this measure (the Chair "so ordered"), saying:

"The bill is a reasonable measure, but I think it sets a bad precedent when we start charging people, no matter how stupid they are, for rescuing them.

"Thank you."

Representative Kawanakoa then rose in support of the bill with some reservations, stating

"What we're intending to do is for people who act wantonly and who intentionally perhaps disregard warnings that are given. But my reservation in this matter is with regard to page 5, section (b), and perhaps we need a little better clarification on the presumption clause. It seems to be inserted.

"I understand the Chair of the Public Safety Committee will be forwarding on those concerns to the Finance Committee so that we may have a better crafted measure for Third Reading. And I would just like to note those concerns.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the joint report of the Committees was adopted and H.B. No. 3087, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SEARCH AND RESCUE COSTS," passed Second Reading and was referred to the Committee on Finance with Representative McDermott voting no, and Representatives Menor, Takamine and Ward being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 408-98) recommending that H.B. No. 2433, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the

Committee was adopted and H.B. No. 2433, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL HEALTH SERVICES," was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 409-98) recommending that H.B. No. 2541, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2541, HD 1, entitled: "A BILL FOR AN ACT RELATING TO A COMPREHENSIVE STUDENT SUPPORT SYSTEM," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 410-98) recommending that H.B. No. 3213, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3213, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 411-98) recommending that H.B. No. 3524 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3524, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE PREMIUM TAXES," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 412-98) recommending that H.B. No. 3106, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3106, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 413-98) recommending that H.B. No. 3437, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3437, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FUNDING THE HAWAII HURRICANE FUND," passed Second Reading and was referred to the Committee on

Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 414-98) recommending that H.B. No. 2971, HD 1, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2971, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WASTEWATER," was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 415-98) recommending that H.B. No. 427, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 427, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 416-98) recommending that H.B. No. 2830 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of the Committees was adopted and H.B. No. 2830, entitled: "A BILL FOR AN ACT RELATING TO THE INSURANCE CODE," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 417-98) recommending that H.B. No. 2499, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of the Committees was adopted and H.B. No. 2499, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FOREIGN CAPITAL DEPOSITORIES," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 418-98) recommending that H.B. No. 2486, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of the Committees was adopted and H.B. No. 2486, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MARRIAGE AND FAMILY THERAPISTS," was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Takamine, for the Committee on Water and Land Use, presented a report (Stand. Com. Rep. No. 419-98) recommending that H.B. No. 3127, as amended in HD 1, pass Second Reading and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 3127, HD 1, pass Second Reading and be referred to the Committees on Consumer Protection and Commerce and Judiciary, seconded by Representative M. Oshiro.

Representative Thielen rose and asked the Clerk to cast a "no" vote for her on this measure (the Chair "so ordered"), stating:

"And, Mr. Speaker, I've just got a couple of brief comments, if I may.

"Mr. Speaker, this bill really is a Big Island bill which they could deal with on that island much better through the county zoning process. What it signals now to the telecommunications industry is all telecommunication towers are not permitted. Actually, they are permitted. They go through a special use permit process on Oahu, Maui and Kauai, and the process works very well.

"I don't think we need to send out a big message saying: You're going to have to go through more hoops or you're not going to be allowed to build. It's really not needed, Mr. Speaker. It can be dealt with at the county level. Maui got its act together, Oahu's got its act together, Kauai's got its act together, and the Big Island county should.

"Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3127, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," passed Second Reading and was referred to the Committees on Consumer Protection and Commerce and Judiciary with Representative Thielen voting no, and Representatives Menor, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 420-98) recommending that H.B. No. 2557, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2557, HD 1, entitled: "A BILL FOR AN ACT RELATING TO REGULATORY PROCESSES," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Garcia, for the Committee on Public Safety and Military Affairs, presented a report (Stand. Com. Rep. No. 421-98) recommending that H.B. No. 2572, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2572, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DISASTER RELIEF," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Garcia, for the Committee on Public Safety and Military Affairs, presented a report (Stand. Com. Rep. No. 422-98) recommending that H.B. No. 2972, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2972, HD 1, entitled: "A BILL FOR AN ACT RELATING TO YOUTH CORRECTIONAL FACILITIES," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Garcia, for the Committee on Public Safety and Military Affairs, presented a report (Stand. Com. Rep. No. 423-98) recommending that H.B. No. 3022, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 3022, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative M. Oshiro.

Representative Pendleton rose in support of the bill and asked that his remarks be entered into the Journal, and the Chair "so ordered."

Representative Pendleton's remarks are as follows:

"Mr. Speaker, I rise in support of this measure, House Bill 3022, HD 1. I am speaking in favor at this time because I believe we have developed a working relationship with the Office of Youth Services at this point and wish to continue to work with the Office, but I reserve the right to ultimately vote no when this bill comes out of Finance, depending on the final form. I am here to protect the concerns of my constituents and will do all I can to make sure that this bill -- if it must pass at all -- will be in a form which strives to take into account their expressed concerns on the matter.

"This bill will extend the exemption of the Office of Youth Services from State and County requirements relating to the planning, land use, and construction for the renovation or expansion of existing facilities or construction of new facilities on grounds of the Hawaii Youth Correctional Facility. Because it deals with a matter very sensitive to my district, and in many ways very complicated, I will address a number of points. I should say, preliminarily, that I am philosophically opposed to any bill which gives a waiver. I sent out a letter to my community to that effect and a local press release on this issue as well.

"We should follow State and County rules. That is what they are there for. We should always maximize public input. We should always follow the permitting process we have in place and put community concerns at the heart of our decisions. Having said that, let me expound upon this bill and the events that led up to the present form.

"First, I wish to extend my sincere gratitude to Chairman Nestor Garcia for his genuine and sincere help. He took time out of his busy schedule to meet with constituents of my district. He listened and was truly interested in what they had to say. For that I thank him. Additionally, he gave us time to meet as a community. We gathered to confer and to discuss the ramifications of the bill. He deferred decision making, thereby affording us several days to meet with DAGS and with other members of the community.

"My Olomana constituents are particularly concerned that the construction of a vocational and maintenance facility at the site of the old piggery/barn is too close to their backyards. This site was selected by the Office of Youth Services because of the close proximity to the sewer connection. Unfortunately, it happens to be right in the backyards of my constituents' homes. You can literally see this facility in the yards of residents, just a few hundred feet away. There have been escapes in years past from the site, though I believe that the brand new secure facility presently has a perfect record. Let us hope it stays that way.

"The desire of the residential area was to create a buffer between the correctional facility and homes. Accordingly, my constituents met with Office of Youth Services to convey this sentiment.

"My second point is that when we met we were given a number of options. There were four such options. We were driven around the property in vans and shown different venues for the proposed vocational facility. The sites further from the highway were obviously more aesthetically appealing. However, they were more expensive. This is because further back or mauka on the property you are, then the further you are from the sewer line. The difference between the sites adjacent to the highway and those up near Hill Top is hundreds of thousands of dollars. This was truly a tough decision. The community got together and selected a site further back from the highway. For the sake of all Kailua residents, they wanted this new building to be as far away from the highway as practicable. This leads me to my third point.

"Third, the bill was amended to provide that the piggery/barn area shall not be expanded or developed for any purpose. This was language specifically requested by my constituents. And I am delighted to have participated in the discussions which effected this language and which is desired by my Olomana residents. Again, Representative Garcia, the Chair of Public Safety, went out of his way to listen to residents of Hawaii concerning the correctional facility. This clearly indicates his commitment to public safety and to ensure that our prison maintenance and expansion program does not advance at the cost of our residential neighborhoods.

"The other language of this bill which my constituents are pleased about has to do with the water tank. If there is to be a new one, or an additional one, it is to be in full compliance with any State or County rules or laws or procedures. This is a good provision. Again, I am generally opposed to waivers. The State should apply by the established procedures. This is not only common sense, but it is a homerule issue as well.

"The part of the bill which causes me concern, Mr. Speaker, is the part which mandates that the new maintenance facility and vocational training center shall be located in the pump house pasture and shall have a non-reflective roof and appropriate landscaping. The non-reflective roof and appropriate landscaping are obviously welcome. But the concern is with the location. This is very close to the highway and in an otherwise beautiful pasture -- a vestige of agrarian Kailua. This is makai of where the community would ideally like for this building to be situated. But the cost was the concern.

"In all fairness to the Chair of Public Safety, he had to deal with the added cost factor of the sites which were further back from the highway. The concern is that being next to the highway might not be aesthetically optimal, but the Chair felt that it would not be fiscally possible to have it further mauka on the property, given the several

hundred thousand dollar price tag such as a location would have. The location cost has to do with the distance from the sewer line. Remember that further back on the property, then the more expensive. The further away from the highway, then the more costly the whole project becomes.

"I hope to see this bill -- H.B. 3022, HD 1 -- through the process into a form which meets the needs of all of my Kailua residents. I am also hopeful to see this bill address the fiscal concerns it raises. This is not an easy task, but it is a necessary one. I will watch this bill closely as it moves through Finance and pledge to be a tireless advocate for my community on this issue.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3022, HD 1, entitled: "A BILL FOR AN ACT RELATING TO YOUTH FACILITY," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Garcia, for the Committee on Public Safety and Military Affairs, presented a report (Stand. Com. Rep. No. 424-98) recommending that H.B. No. 3033, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3033, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONS," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Garcia, for the Committee on Public Safety and Military Affairs, presented a report (Stand. Com. Rep. No. 425-98) recommending that H.B. No. 3400, HD 1, as amended in HD 2, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3400, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Jones, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 426-98) recommending that H.B. No. 2534, as amended in HD 1, pass Second Reading and be referred to the Committee on Water and Land Use.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2534, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," passed Second Reading and was referred to the Committee on Water and Land Use, with Representatives Menor, Takamine and Ward being excused.

Representative Yoshinaga, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 427-98) recommending that H.B. No. 718, HD 1, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the

Committee was adopted and H.B. No. 718, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR LIVESTOCK WASTE MANAGEMENT," was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Yoshinaga, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 428-98) recommending that H.B. No. 2788 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2788, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE CLEAN HAWAII CENTER," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Yoshinaga, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 429-98) recommending that H.B. No. 1245, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1245, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ENVIRONMENT," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Menor, Takamine and Ward being excused.

Representative Yoshinaga, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 430-98) recommending that H.B. No. 2847, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2847, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SOLID WASTE MANAGEMENT," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Menor, Takamine and Ward being excused.

Representative Yoshinaga, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 431-98) recommending that H.B. No. 2884, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2884, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONSERVATION OF THREATENED AND ENDANGERED SPECIES," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Menor, Takamine and Ward being excused.

Representative Yoshinaga, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 432-98) recommending that H.B. No. 3411, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the

Committee was adopted and H.B. No. 3411, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ENVIRONMENT," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Yoshinaga, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 433-98) recommending that H.B. No. 3413, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3413, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAX INCENTIVES FOR ENVIRONMENTAL PROTECTION," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Yoshinaga, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 434-98) recommending that H.B. No. 3432, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 3432, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative M. Oshiro.

Representative Thielen rose and asked that the Clerk cast a no vote for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3432, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ENVIRONMENT," passed Second Reading and was referred to the Committee on Finance with Representative Thielen voting no, and Representatives Menor, Takamine and Ward being excused.

Representative Yoshinaga, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 435-98) recommending that H.B. No. 3621, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3621, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ENVIRONMENT," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Yoshinaga, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 436-98) recommending that H.B. No. 2662, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2662, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative M. Oshiro.

Representative Thielen rose and asked that the Clerk cast a no vote for her on this measure, and the Chair "so ordered."

Representative Meyer then rose in opposition to the bill, stating:

"This bill authorizes the issuance of special purpose revenue bonds to assist waste processing enterprises but has a great big blank. It doesn't mention what these waste processing enterprises are, who they are, where they are; it's just a blank -- wide open. I realize I've only been in the Legislature for three years but whenever we're talking about special purpose revenue bonds, we know who needs them and what it's for. And so it's very uncomfortable to support something like this, not knowing who it's for or what it's for.

"Mr. Speaker, my concern is that it is truly for Unisyn, a waste processing plant in Waimanalo that is very controversial and could grow to be much larger than it is, and it's already a big problem at the size that it is, and it just seems like a real slap in the face. Not only is it a problem, but now they want special revenue bonds so that they can get bigger and better at good interest rates. I can't support it.

"Thank you, Mr. Speaker."

Representative Yoshinaga then rose in response, stating:

"This is a major change in philosophy in terms of inviting private sector participation and partnering with environmental investment, and this is not dedicated and it is unusual in the sense there is no specific participant that's requesting the special revenue bonds at this point. However, it really is to invite an incentive type of discussion, that we're trying to invite members from the private sector to come in and take a look at worthwhile capital investment for our economy and jobs this year.

"Unisyn did come forward, but they have no particular project at this time. I urge the members to support this measure, that investment in the environment also means jobs and it is symbiotic with, frankly, economic development.

"Thank you, Mr. Speaker."

Representative Marumoto then rose and asked that a "no" vote be cast for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2662, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST WASTE PROCESSING ENTERPRISES," passed Second Reading and was referred to the Committee on Finance with Representatives Meyer, Marumoto and Thielen voting no, and Representatives Menor, Takamine and Ward being excused.

Representative Arakaki, for the Committee on Human Services and Housing, presented a report (Stand. Com. Rep. No. 437-98) recommending that H.B. No. 640, HD 1, as amended in HD 2, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 640, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HOMELESSNESS," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representatives Arakaki and Santiago, for the Committees on Human Services and Housing and Health, presented a joint report (Stand. Com. Rep. No. 438-98) recommending that H.B. No. 3275, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of the Committees was adopted and H.B. No. 3275, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Yoshinaga, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 439-98) recommending that H.B. No. 2592, HD 1, as amended in HD 2, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2592, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Yoshinaga, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 440-98) recommending that H.B. No. 2849, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2849, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE VOLUNTARY RESPONSE PROGRAM," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Yoshinaga, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 441-98) recommending that H.B. No. 2969, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2969, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENERGY CONSERVATION TAX CREDITS," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Yoshinaga, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 442-98) recommending that H.B. No. 3410, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3410, HD 1, entitled: "A BILL FOR AN ACT RELATING TO NET ENERGY METERING," passed Second Reading and was referred to the Committee on Consumer Protection and Commerce, with Representatives Menor, Takamine and Ward being excused.

Representative Herkes, for the Committee on Economic Development and Business Concerns, presented a report (Stand. Com. Rep. No. 443-98) recommending that H.B. No. 3037, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3037, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS DEVELOPMENT CORPORATIONS," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Herkes, for the Committee on Economic Development and Business Concerns, presented a report (Stand. Com. Rep. No. 444-98) recommending that H.B. No. 2490, HD 1, as amended in HD 2, pass Second Reading and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2490, HD 2, pass Second Reading and be referred to the Committees on Consumer Protection and Commerce and Judiciary, seconded by Representative M. Oshiro.

Representative Kanohe rose and requested a potential conflict ruling, saying he is a former employee of Hawaiian Telephone, and the Chair ruled "no conflict."

Representative Kanohe then asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

Representative Takai then rose and asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

Representative Halford then rose and stated:

"On the same bill, with reservations please," and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2490, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TELECOMMUNICATIONS," passed Second Reading and was referred to the Committees on Consumer Protection and Commerce and Judiciary with Representatives Kanohe and Takai voting no, and Representatives Menor, Takamine and Ward being excused.

Representative Morihara, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 445-98) recommending that H.B. No. 2560, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2560, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Cachola, for the Committee on Tourism, presented a report (Stand. Com. Rep. No. 446-98) recommending that H.B. No. 3391, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3391, HD 2,

entitled: "A BILL FOR AN ACT RELATING TO NOISE," was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Cachola, for the Committee on Tourism, presented a report (Stand. Com. Rep. No. 447-98) recommending that H.B. No. 2555, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2555, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative M. Oshiro.

Representative McDermott rose and asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

Representative Whalen then rose and asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

Representative Morita then rose and asked the Clerk to register an "aye with reservations", and the Chair "so ordered."

Representative Pendleton then rose and asked the Clerk to register an "aye with reservations", and the Chair "so ordered."

Representative Ahu Isa then rose and asked the Clerk to register a "no" vote for her, and the Chair "so ordered."

Representative Halford then rose and asked the Clerk to register an "aye with reservations", and the Chair "so ordered."

Representative Meyer then rose and stated:

"Mr. Speaker, I've reconsidered and I'd like a 'no' vote on that," and the Chair "so ordered."

Representative Moses then rose and asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2555, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading and was referred to the Committee on Finance with Representatives Ahu Isa, McDermott, Meyer, Moses and Whalen voting no, and Representatives Menor, Takamine and Ward being excused.

Representative Takamine, for the Committee on Water and Land Use, presented a report (Stand. Com. Rep. No. 448-98) recommending that H.B. No. 1332, as amended in HD 1, be referred to the Committee on Finance.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 1332, HD 1, be referred to the Committee on Finance, seconded by Representative M. Oshiro.

Representative Thielen then rose and asked the Clerk to cast a "no" vote for her on this measure (the Chair "so ordered"), stating:

"Mr. Speaker, I would like briefly to explain why.

"Mr. Speaker, this bill will amend the State Water Code to place the Chairperson of the Board of Agriculture on the Water Commission. The Chair of the Board of Agriculture sometimes has very conflicting positions with other groups that are using those water resources, such as the taro farmers. I think it's a bit like the bill on the last

page -- a 'fowl' bill -- because it has the Board of Agriculture as the fox that is guarding the chicken coop.

"Thank you, Mr. Speaker."

Representative Jones then rose to speak in support of the measure, stating:

"Once again, water is the biggest problem in diversified agriculture in the State of Hawaii. Without water, farmers cannot farm, and the idea is to put the Director of Agriculture on the Water Commission to look after the interest of the farmers, to ensure the farmers a steady source of water supply at a reasonable rate throughout the State. So this is really in line with our efforts to build a diversified agriculture industry in Hawaii, and to make sure that the interest of the farmers are looked after.

"Thank you, Mr. Speaker."

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

"The Water Commission was created by our Constitution, the constitutional convention back in 1978, and it was to balance the needs for water. The major concern was for our natural resources -- the streams and all the life that lives within them. And many people talk about it, but there's no money in protecting the streams. There's no crop, and so it is for government to watch out and be the steward of our natural resources. By adding the Director of the Department of Agriculture, you're kind of weighing heavily on that one use on the Water Commission.

"The other thing this bill would do is to require the Department of Agriculture to prepare an Agricultural Water Use and Development Plan and make that part of the Hawaii Water Plan.

"I feel that this is just another step in trying to take the teeth out of the Water Commission and to push it in one direction when the Water Commission is fairly new. I think they've been through only a couple of contested case hearings. They have been very even-handed, and this is a step to get them away from being even-handed, and I really fear for our natural resources.

"I would ask that all of the colleagues in this House look at this and think about it very carefully.

"Thank you, Mr. Speaker."

Representative Jones, in response, stated:

"I just want to point out that Article XI, Section 3 of the Constitution, mandates the conservation of agricultural lands and the promotion of agriculture -- diversified agriculture -- and you cannot promote diversified agriculture with the kinds of decisions that's being made by the Water Commission. So the idea is to protect agriculture by putting the Director of Agriculture on the Commission.

"Thank you, Mr. Speaker."

Representative Arakaki then rose and asked that a "no" vote be cast for him (the Chair "so ordered"), saying:

"I have no problem with the Chairperson of the Board of Agriculture serving on the Commission except it does replace one of the citizen members which I think changes the balance of power.

"Thank you, Mr. Speaker."

Representative Morita then rose and asked the Clerk to cast a "no" vote for her, and asked that her remarks, against the bill, be inserted into the Journal, and the Chair "so ordered."

Representative Morita's remarks are as follows:

"Mr. Speaker, I rise in opposition to H.B. 1332, HD 1, entitled, 'A Bill for an Act Relating to the State Water Code.' This bill would change the balanced approach in the Water Code as mandated by Article XI, Section 7 of the Hawaii State Constitution, which provides that 'the State has an obligation to protect, control and regulate the use of Hawaii's water resources for the benefit of its people,' and replace it with a mandate to serve a special interest group.

"Secondly, the State Water Code provides in H.R.S. Section 174 C-2(c) the following:

'The State Water Code shall be liberally interpreted to obtain maximum beneficial use of the waters of the State for purposes such as domestic uses, aquaculture uses, irrigation and other agricultural uses, power development, and commercial and industrial uses. However, adequate provision shall be made for the protection of traditional and customary Hawaiian rights, the protection and procreation of fish and wildlife, the maintenance of proper ecological balance and scenic beauty, and the preservation and enhancement of waters of the State for municipal uses, public recreation, public water supply, agriculture, and navigation. Such objectives are declared to be in the public interest.'

"Hence, the plain language of the State Water Code reveals that there are significant interests that need to be considered in addition to agriculture. In lieu of these concerns, if we start to give one interest representation on the Commission on Water Resource Management; namely the Chairperson of the Board of Agriculture, then we set a precedent to have all other interests equally represented. Moreover, the Code seems to make it clear that there are concerns outweighing agriculture which includes but is not limited to the protection of traditional and customary Hawaiian rights, the protection and procreation of fish and wildlife, and the maintenance of proper ecological balance and scenic beauty.

"Also, the current Water Code allows anyone the opportunity to make its case for allocation of water, this includes water for agricultural use. Thus, the Water Code as it presently stands adequately provides for the interests of agricultural users of water in view of the needs of others.

"Finally, the Legislature should consider the testimony of the Chairperson of the Commission on Water Resource Management's recommendation to develop a state agricultural water use and development plan (WUDP) as an additional component of the Hawaii Water Plan (HWP). This would not only minimize additional resources that would be required by the Department of Agriculture to produce the WUDP, but it would also allow a comprehensive approach in water resources planning as opposed to the narrow approach that can be anticipated from the Department of Agriculture.

"In closing, I would like to just emphasize again that we as legislators must ensure that water will be available 'for the benefit of present and future generations' as provided in Article XI, Section 1 of the State Constitution. I would also like to leave you with an 'olelo no'eau -- that is 'Mohala i ka wai ka maka o ka pua.' This 'olelo no'eau reminds us that flowers as a metaphor for people

thrive where there is water. Thus, water is the essence of life."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1332, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE WATER CODE," was referred to the Committee on Finance with Representatives Arakaki, Meyer, Morita and Thielen voting no, and Representatives Menor, Takamine and Ward being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 449-98) recommending that H.B. No. 2680, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2680, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STUDENT-CENTERED SCHOOLS," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 450-98) recommending that H.B. No. 2966, HD 1, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2966, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR HAWAIIAN LANGUAGE EDUCATION," was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 451-98) recommending that H.B. No. 3187, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 3187, HD 2, be referred to the Committee on Finance.

Representative Whalen rose to speak against the bill, stating:

"I'm opposed to the bill because this is basically a 'feel good' bill that the special interest wanted and there is some agreement, and certainly nobody wants to punish anyone. But my concern is that the Legislative Auditor's report, and the obvious thing that we are required to go through before we effect health insurance, said: 'Don't do it, you don't need it.'

"The testimony was clear that it's only like one percent of the population, and even then there's a very small number of people that actually need more than what we currently have, and I would like to register a no vote based on the fact that, why do we spend the money in an effort to do these reports and never follow them?

"Thank you, Mr. Speaker."

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

"The previous speaker is correct on the Auditor's report. The Auditor's report also had clarification that it

didn't have complete access to the data as they had wished. Some studies that were recently done on the mainland shows that even with parity in some pilot programs, the cost difference is very small. We're looking at just increasing the patients from twelve to twenty-four, and this will hopefully help some of the more severely ill people.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3187, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," was referred to the Committee on Finance with Representative Whalen voting no, and Representatives Menor, Takamine and Ward being excused.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 452-98) recommending that H.B. No. 3089, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative Okamura moved that the joint report of the Committees be adopted and H.B. No. 3089, HD 2, be referred to the Committee on Finance, seconded by Representative M. Oshiro.

Representative Whalen rose in favor of the bill with reservations, saying:

"The reservation is based on the fact that again, here's another 'feel good' bill that the Auditor said that we don't need. We already have a certification program. And the way the bill is written right now, if any of you with children, as you plan your child's diet and tell them what's good to eat or not, you are violating this law if we pass it, so I would encourage the Finance Committee to either kill it or severely rewrite it.

"Thank you, Mr. Speaker."

Representative Aiona then rose and asked the Clerk to register an "aye with reservations" for him, and the Chair "so ordered."

Representative Yamane then rose and asked the Clerk to register an "aye with reservations" for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the joint report of the Committees was adopted and H.B. No. 3089, HD 2, entitled: "A BILL FOR AN ACT RELATING TO NUTRITION PRACTICE," was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 453-98) recommending that H.B. No. 3171, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of the Committees was adopted and H.B. No. 3171, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MASSAGE SCHOOLS AND VOCATIONAL EDUCATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Menor, Takamine and Ward being excused.

Representative Jones, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 454-98)

recommending that H.B. No. 3144, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 3144, HD 1, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative M. Oshiro.

Representative Thielen rose and stated:

"Mr. Speaker, I guess I'm taking off the sparring gloves and rising to vote 'no' on Standing Committee Report 454-78, the gamecock breeders' bill.

"Mr. Speaker, what this bill does is it legalizes an illegal activity since right now you cannot have gamecock fights. This bill says it will legalize the testing phase of the gamecock business, which currently is a misdemeanor offense if the gamecocks wear sparring gloves. The thought of sparring gloves on the gamecocks is almost humorous. Anyway, it's almost like saying, Mr. Speaker, that growing medical marijuana is illegal, but we will encourage the people of Hamakua to grow medical marijuana to export it to California where it is legal. . .

The Chair interrupted, saying:

"It's like growing industrial marijuana."

Representative Thielen continued, saying:

"I'm not promoting that; I said I see the analogy. We're taking an illegal activity because they can export the gamecocks for fighting purposes to other jurisdictions. I don't really see much of a distinction between saying: Okay, let's legalize the growing of marijuana because it's legal, and then you can export it to California where it is legal.

"This bill is really a step toward legalizing a form of gambling. Anyone that sits here that believes that the gamecocks are going to keep their mittens on is dreaming.

"I think it's a bad bill, Mr. Speaker, and I'd like to see us stop it right away.

"Thank you."

Representative Tarnas then rose in opposition to the measure and asked the Clerk to register a "no" vote for him (the Chair "so ordered"), saying:

"I'm interested in economic development proposals of the previous speaker, but I'll pursue that with another bill.

"Thank you."

Representative Moses then rose to speak in opposition to the measure, stating:

"I'd like to say I'm all for promoting agriculture, but I don't think this is the way to do it. I have to remind the Speaker and this body about what happened to Senator James Aki. He was found to have had church bingo going on on his property. . .

Representative M. Oshiro rose on a point of order and stated:

"Mr. Speaker, his remarks should pertain to the merits or demerits of the bill."

Representative Moses continued, saying:

"And yet, he unknowingly. . .

The Chair interrupted: "Please speak to the merits or demerits of the bill."

Representative Moses continued, saying:

"I'm speaking to the merits of the bill, Mr. Speaker.

"The dastardly deed of allowing any kind of gambling to go on, even without your knowledge, seems to be a crime in this State, and that's the merits of this bill.

"If we allow gamecock breeding, we're going to allow gamecock gambling. This is an opening of the door to gambling in this State. Again, think of what has happened to one of our colleagues -- unknowingly gambling went on.

"This measure says you cannot allow the gambling. You can get prizes and you can get the pot -- you can put in for a jackpot and you can get that money -- but there better be nobody back in the bathroom or behind the building gambling or you're going to go to jail. And that's where this bill falls apart. I believe it opens the way for gambling and, Mr. Speaker, I'm very concerned that we might find those chickens really hurt by blisters from ill-fitting gloves."

Representative Herkes then rose in support of the bill, stating:

"How quick we are to say no to alternative economic activities. Perhaps because they are not practiced on Wall Street or Bishop Street. I am quite sure that the Harvard Business School doesn't have classes on game fowl management.

"However, Mr. Speaker, the raising of game birds in this State for export to areas in the Pacific has huge economic potential. Mr. Speaker, it occurs now. Many people in rural agricultural districts in this State have the expertise. They may not have degrees in animal husbandry, Mr. Speaker, but believe me, they know how to raise game birds.

"For the last two years, I have attended the annual game fowl show held in Hilo. This show is for the purpose of recognizing the best breeders on the island. The show is held in a State facility and it is judged by a University professor. He has commented to me on how the quality of the birds has improved dramatically over the years. Our people are raising some of the best birds in the Pacific.

"The breeding of game birds is prevalent in this State. If you fly to the neighbor islands on a Sunday, you should know that the birds being shipped are not really going to a poultry show.

"At the public hearing on this bill, we were asked to have compassion. And I ask: Compassion for whom?

"My compassion is for the people in my district that, because of hard economic times, have the highest child and spouse abuse figures in the State, the highest substance abuse problems in the State, an alarming increase in mental health problems, high unemployment figures, low self-esteem, and all of the other attendant social problems that goes with no jobs and no economy. These people do not fit into Bishop Street. The nearest hotel jobs are 90 miles away. They know how to raise and train game birds.

"This bill is an attempt to help breeders determine the quality of their birds by having them engage in sparring with other birds in a legal setting. We let humans put on gloves and box, Mr. Speaker, why not game birds?

"There are legitimate concerns raised about an expansion of this enterprise. Noise. Game birds are not quiet. Counties, with control over land use and zoning, need to insure that the peace and quiet of our rural communities are ensured.

"Mr. Speaker, in the early days of our nation, there was a game bird arena in the basement of the U.S. House of Representatives. There was fierce competition between the American Eagle and the gamecock as to who would represent this nation. The eagle won out, probably because the game bird had to have gloves on.

"Is this bill a cure all? Not by a long shot. This is difficult territory. This is an issue, like building prisons, that pits citizens against each other, and I am familiar with that. When times are good, it is easy not to address issues like this.

"Times are not good. Our people in rural areas are suffering. I guess that this bill really tests the water. It tests whether or not we are ready to acknowledge that this is a viable economic activity for Hawaii and give it some legality.

"Mr. Speaker, we need to explore all of our economic options, including industrial hemp. We need to expand our job and economic base in all areas of this State.

"Mr. Speaker, let me be clear. To improve our economic base, I would rather that we raise game birds than taxes."

Representative Pendleton then rose in opposition to the bill and asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

Representative McDermott then rose and asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

Representative Fox then rose in opposition to the bill, stating:

"It appears that my esteemed colleague from Ka'u was allowed to range free and wide in his discussion of this bill. He referred to U.S. history two hundred years ago and the importance of the gamecock at that time. I would remind all of us that the Constitution of the United States provided for slavery, and I think we can move forward and over the progress of time, and I think we can move beyond the gamecock to the eagle.

"Thank you, Mr. Speaker."

Representative Stegmaier then rose and asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

Representative Morita then rose and asked the Clerk to register a "no" vote for her, and the Chair "so ordered."

Representative Case then rose and asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

Representative Lee then rose and asked the Clerk to register a "no" vote for her, and the Chair "so ordered."

Representative Kawananakoa then rose and asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

Representative Halford then rose and stated:

"Mr. Speaker, not wishing lengthy sparring on Second Reading, I will be sparing in my words -- no," and the Chair "so ordered."

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

"This bill does not allow gamecock tournaments in the following areas: hotels, motels, bars, night clubs, cocktail lounges, restaurants, massage parlors, billiard parlors, any business establishment of any kind, public parks, public buildings, public beaches, school grounds, churches, or any public area.

"I think the intent was to place this type of activity in agricultural or rural or conservation districts. Yet, the wording does not preclude tournaments in urban areas nor does it disallow 'product testing' in urban residential areas. So I think that should such activity happen in residential areas, it would be particularly egregious, so I would please ask all concerned to vote no.

"Thank you."

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

"Those of us who have practiced criminal law would be familiar with this. The way I look at the bill, Mr. Speaker, is that it has nothing to do with gambling. We are not changing our gambling laws at all. In fact, the part of the bill that was read from the previous speaker basically tracks our gambling laws as it is now. We are not allowing for any further gambling than what is allowed under law right now. In fact, this bill restricts it further because, Mr. Speaker, I'm sure you're well aware that the current cockfights with the gaffs, where birds are killed regularly, where there's 50/60/100/200 birds killed in a cockfight, and the 'house' takes a cut. The purpose of this bill is to legitimize the fighting to the point where the 'house' cannot take the cut. You get rid of the illegal gambling, organized crime type aspect to it.

"Secondly, and most importantly, the only thing that stops cockfighting right now under our law is the cruelty to animals section, and that has a blanket prohibition against cockfighting--period.

"This bill, as the amendment in House Draft 1 stands, they put gloves on or mittens on, or whatever else you want to call it. It protects the birds; they will not be hurting each other. So is it right that we have the prohibition and cruelty to animals? Like the references made earlier that we allow boxing with gloves but we don't allow bare fist fighting, we don't allow extreme fighting anymore, ultimate fighting. We just passed a law last session.

"If the birds, and I am not an expert, but this is to pass it on to the next committee, and I hope we have some testimony, if the birds are not going to injure each other in a way of slashing, cutting and killing, maybe bruises and bumps which we can get in an average football game, then what's the problem here? I don't understand it, Mr. Speaker. If we can assist, especially the residents in our rural districts that are trying to look for alternative ways to provide for their families, and this bill is an opportunity for them to expand their options, Mr. Speaker, I don't see what the problem is. There are a lot of people who talk of the 'slippery slope' and whatnot, but this bill does absolutely nothing and, in fact, those who would gamble anyway would be naive to pretend that it doesn't exist. It gives them a way to make

a bet with their friends if they go to one of these boxing matches without paying a cut to the promoter, without paying a cut to the guard, without watching out for police officers, without some of the shady business that goes on currently. It gives a way for us to give a legitimate outlet for people as part of their culture as a way to raise money, as a way for them to do it in a manner that's not cruel to the cocks. So for those reasons, Mr. Speaker, I would recommend that those who are truly concerned about cruelty to animals actually support this bill.

"Thank you."

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

"Mr. Speaker and members of the House, I would just like to add to what the previous speaker just said. The intent of House Bill No. 3144, HD 1, is to provide gamecock hobbyists a vehicle to display their birds by way of tournaments. But most importantly, it will help to provide them with a means of livelihood after they were displaced with the closure of the sugar plantations on the Big Island.

"Mr. Speaker, I believe, with all the amendments incorporated in House Draft 1, that if my colleagues will go over the bill, it is going to address the gravest concerns raised by many individuals and groups about this bill. And because of the potential for economic opportunities, especially for the farmers, this is the reason why I am supporting this bill, Mr. Speaker.

"Thank you."

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

"Mr. Speaker, for those of you who are concerned about the cruelty to animals issue, I would like to do some comparisons with the chicken that we eat at Kentucky Fried Chicken, the chicken that we eat at McDonalds -- chicken MacNuggets, and also the chicken that we pick up at our supermarkets and later have it for dinner on our dining room tables.

"I have been to a chicken farm. Actually, my friend owns an egg farm in Hilo. And these animals are caged up in a twelve-by-twelve cage, and are left there just to lay their eggs. After their use is over, they put an ad in the paper and people get to pick it up for free. Whatever they do with it, it's up to the people who pick it up.

"On one of my visits to Taiwan, I visited a chicken farm -- acres of large warehouses, very modern looking warehouses without any windows, two stories. When I went in it, it was very dark and laying on the floor were little chicks. On the floor was wood shavings, they were fed by an automatic feeder, giving them feed, and they got their water from a similar mechanism.

"In another warehouse, there were similar birds, only thing a little bigger. In another, there were the adult birds. Only thing, the adult birds were so big by then that they couldn't move around, so this whole warehouse was lined with chickens that could not move. There were fans that kept it cool but that was it. It was dark and all they did was just eat and defecate. They never saw the light of day.

"Then I visited the slaughtering plant. These animals were hung upside down on a conveyer, alive, their throats slit; they were bled to death, and their blood was collected in a trough. The conveyer moved on, went through a defeathering machine, a degutting machine, then workers cut them up in parts, boxed them, and into the chiller in

eleven minutes. And this went on all day long, so you know how many chickens that was.

"So what I am talking about, Mr. Speaker, is the quality of life of a chicken. Let's compare that with a gamecock. The owner has got to love animals or else he wouldn't be willing to live with these animals day and night for so long. They are fed the best feed, they are given vitamins to keep themselves strong and healthy, and they are exercised and trained everyday. They got human contact, and they are being petted and have affection by their owners. So, Mr. Speaker, when we talk about quality of life, I think the gamecocks have it over the chickens that we eat for dinner.

"As far as the gloves, gloves are not new because the gamecocks that are being trained by these game breeders already use gloves to test them, and to have them spar with each other to prevent them from getting hurt.

"When this bill was heard and our Chairman's picture was in the paper and it got a lot of publicity, a lot of people questioned how could we tell the winner of one of these gamecocks in a tournament. But if you've seen a gamecock fight or sparred, you would be able to tell very easily because one would naturally overpower the other, and I kept telling people, you know, it's up to your DCCA or whoever the Chairman had designated, to determine how we are going to do this. And it would be like a boxing commission where you would have so many rounds and you'd have a judge declaring who the winner is because it's not a fight to their death.

"The economic development benefits are tremendous. I have a friend who was a game breeder -- he is not a game breeder anymore. But at the time that he was, he made over a hundred thousand dollars a year breeding these gamecocks, and shipping and selling them in Guam. And I am not sure if he paid any GE tax.

"In the rural areas of our island -- in Kona, in Ka'u, in Hamakua, and even in Hilo -- there are a number of people who do this as a hobby. They are unemployed, and even those who are working eight hours a day, after work their main concern is that they have to get home to feed and exercise their animals and, of course, give them affection.

"In the area of gambling or betting on these tournaments. . .

At this point, Representative M. Oshiro rose and yielded his time to Representative Chang.

Representative Chang thanked the Chair and continued, saying:

"In the area of betting, there is nothing to stop people from betting on these animals in a tournament, similar to there's nothing that we can do to stop people from betting on the Monday night football, and we know betting goes on on every football game, every basketball game, and every boxing match that happens on television.

"So, for those reasons, Mr. Speaker, I support this measure.

"Thank you."

Representative White then rose in opposition to the bill, stating:

"I have to point out that this still has a 'gamey' odor to it. As it stands now, it doesn't include many of the feathers that it had once. The Chairman has nicely clipped both wings and plucked most of the tail feathers

out of this. But as the bill arrived in our Committee, one section would have provided immunity from prosecution for gambling in the first degree, promotion of gambling in the second degree, gambling and forfeiture of property due to use and illegal gambling, etc, etc.

"So, I just have got to oppose this because I think that while this bird may not have all the feathers that it once had, feathers grow back, and I would like us to all keep an eye on this bird because it may yet 'fly the coop.'

"Thank you, Mr. Speaker."

Representative Takumi then rose to speak in support of the bill with some reservations, stating:

"In light of the previous speaker, I would like to reserve my final vote, if it should come out to the floor for Third Reading, but I must admit I am curious to see two chickens go at it with gloves and head gear, and protective cups and all of that. And my only question is: How does a chicken put on a mouthpiece because they have no lips?

"Thank you, Mr. Speaker."

Representative Jones then rose to speak in support of the measure, stating:

"After hearing the testimony by the various people that came to the hearing, this House Draft 1 attempts to address the concerns by the various animal groups and the Humane Society, by having the roosters put gloves on, and if they use gaffs and knives, that's still a crime. We're not removing that from the books. We attempted to address the concerns of the Police Department by making it still a crime if you're betting on these animals whereas we tried to address the needs of the farmers -- the chicken farmers, the truck farmers -- to allow them to have their tournaments without breaking the law. So, you know, this measure really attempts to address the concerns raised. And it still has a long way to go before it's perfected.

"You know, I was ready to give up on this one. But right after the hearings, we got a lot of calls from the mainland, throughout the country, even from BBC in London. They were so interested in this cockfighting with gloves that I thought, gee, maybe we have a new industry here. And I asked the person from Minnesota if he would be interested in coming to Hawaii to watch cockfighting by gloves, and he said: 'Yeah.' He was really interested, so then I decided to continue this effort. So after considering all the issues and the problems, we decided: Okay, let's let it out and send it to the next committee for further discussions and see what happens.

"Thank you, Mr. Speaker."

Representative Takai then rose and requested a "no" vote, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3144, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DIVERSIFIED AGRICULTURAL DEVELOPMENT," passed Second Reading and was referred to the Committee on Judiciary with Representatives Case, Fox, Halford, Kawanakoa, Lee, Marumoto, McDermott, Morita, Moses, Pendleton, Stegmaier, Takai, Tarnas, Thielen and White voting no, and Representatives Menor, Takamine and Ward being excused.

Representative Yoshinaga, for the Committee on Energy and Environmental Protection, presented a report (Stand.

Com. Rep. No. 455-98) recommending that H.B. No. 3531, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 3531, HD 2, be referred to the Committee on Finance, seconded by Representative M. Oshiro.

Representative Tarnas rose in opposition to the bill, stating:

"I just have a difference of opinion when it comes to philosophy for environmental management policy and so I cannot support this measure.

"Thank you very much, Mr. Speaker."

Representative Thielen then rose and stated:

"Mr. Speaker, I spoke about this the other day, about the danger of transferring OEQC from its independent status. So I am again asking that the Clerk will cast a 'no' vote for me on this," and the Chair "so ordered."

Representative Goodenow then rose in support of the bill, stating:

"You know, the original administration bill that was before us was to put the Office of Environmental Quality Control into the Department of Health. However, the Department of Health, when they testified, said that while they could handle a lot of the functions such as the newsletter, the planning role of the Office of Environmental Quality Control would not be able to be carried out. And so I fully understand the Chair's intention of saying: Well, when it comes to the environment and the future of our State, it should have a role in the Planning Department.

"You know, I did a little research on my own here through the Council of State Governments, and of those states that have an environmental council or environmental division such as the OEQC and their functions, only seven states have their council or division under the Department of Health. So I think it's fair to investigate this as this bill moves forward.

"Thank you very much."

Representative Morihara then rose and stated:

"Mr. Speaker, I would like to voice my vote in support with reservations on House Bill 3531, HD 1," and the Chair "so ordered."

Representative Halford then rose and asked the Clerk to register an "aye with reservations" for him, and the Chair "so ordered."

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

"Besides a lot agreeing that OEQC should go to the Office of State Planning, this bill does many other things. It kind of changes the way we look at environmental programs and the criteria that we're looking for. It also would create a moratorium on fees in regard to the clean air special fund when the total moneys contained in the fund were at an excess.

"I'm concerned about any moratorium on the fees because the fees are supposed to keep the program going -- just to cover operating expenses. And if we stop collecting them and use the money in there for other things in this time of austerity, where we don't have the

revenues we once had, and it seems the three years that I've been in office, environmental programs asked for money and haven't gotten anything. I don't think we should stop collecting fees that we've already been collecting right along. So, I can't support this bill.

"Thank you, Mr. Speaker."

Representative Yoshinaga then rose to speak in support of the measure, stating:

"I would like to ask the Clerk to insert my comments in the Journal, but I would like to briefly respond to some of the objections raised this evening," and the Chair "so ordered."

"This bill is a restructuring bill in terms of a philosophical shift that environmental investment is important to economic development. And having said that, industry will support a moratorium because in deference to Representative Meyer's statement, frankly, the Committee has passed this bill out to basically stimulate economic development with this bill in the following ways: First of all, this moratorium is a fee reduction in the short term because there is excess in the Clean Air Fund. The Committee has researched this issue and there is an excess of funds in the current special fund, and so for the operating programs there is no shortage by virtue of this moratorium.

"We have heard the pleas of small businesses as well as our regulated community, and this bill is a landmark measure, Mr. Speaker, in terms of responding to that and providing relief that we can give in terms of a special fund that is a designated use that we cannot move to general fund revenues.

"Thank you, Mr. Speaker."

Representative Yoshinaga's remarks are as follows:

"Three years ago, during my first term, I walked on water in the Ala Wai Canal to bring public attention to a need in my district: a need for clean-up of the Ala Wai Canal and protection of the watershed.

"In the three years since, we have begun to address that need.

"This year I am walking to tell our communities that environmental protection is not just for a few bird people or beach people or plant people (conservationists, beach and hiking enthusiasts, or scientists). Our environment is an investment that can bring more jobs and opportunities than we may have yet to realize for all our people.

"We all take for granted our clean air, water and beaches. I know I have all my life. But now, after a year as Chair of the House Energy and Environmental Protection Committee, I realize how lucky I have been as a beneficiary of the stewardship of our past stewards, our ancient menhune and Hawaiian culture.

"Today, we legislators are facing a defining moment as the Governor stated in his State of the State address.

"We now know if we are not careful, our air can become like L.A. Even with our tradewinds, our children get sent home from school with burning eyes.

"We now know that our children may not always have clean water because our groundwater can be contaminated by chemicals such as pesticides, benzene or other pollutants.

"We now know that oil spills and other petroleum-related contamination can kill our marine life and become a big cost to our main industry -- tourism.

"The question or challenge of our defining moment is what to do to protect our air, water, and beaches for our children in these times of little money and low budgets.

"Let me now share with you our Energy and Environmental Protection Committee's plan:

- (1) To increase government efficiency and responsiveness, this bill provides that the Office of Environmental Quality be moved from the Office of the Governor to the Office of State Planning in the Department of Business, Economic Development and Tourism.
- (2) To encourage investment in our State, which means jobs for our people, this bill establishes an initiative to improve the permitting process with set time limits on the approval process.
- (3) To ensure the strictest compliance without environmental mandates, this bill sets forth clear standards to guide the permitting process.
- (4) To encourage private investment in our environmental programs and to reduce the burden of taxpayers, we have passed several other incentive initiatives such as tax credits for air pollution mitigation and recycling equipment; and this bill places a moratorium on fees until excess funds are utilized to pay for programs.
- (5) To encourage cooperation for clean-ups or other environmental investments, we have passed a measure that the State offer mitigation 'community service' projects as an alternative to fines.
- (6) And finally, to support a growing export service, we are extremely excited about the creation of a partnership to encourage the export of Hawaii's environmental technology to the Far East.

"These ideas are just a first drawing on our own map to the future protection of Hawaii's gold mine in these tough economic times: our environment.

"This bill is a symbol of this beginning step to improve government and encourage investment in the environment.

"I know we can do it together."

Representative Morita then rose and asked the Clerk to register a "no" vote for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3531, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," was referred to the Committee on Finance with Representatives Meyer, Morita, Tarnas and Thielen voting no, and Representatives Menor, Takamine and Ward being excused.

ADJOURNMENT

At 9:20 o'clock p.m., on motion by Representative M. Oshiro, seconded by Representative Marumoto and carried, the House of Representatives adjourned until 11:30 o'clock a.m. on Monday, February 23, 1998. (Representatives Menor, Takamine and Ward were excused.)

TWENTY-SECOND DAY

Monday, February 23, 1998

The House of Representatives of the Nineteenth Legislature of the State of Hawaii, Regular Session of 1998, convened at 11:40 o'clock a.m., with the Speaker presiding.

The invocation was delivered by Representative Marilyn B. Lee, after which the Roll was called showing all members present with the exception of Representatives Menor, Morihara, Morita, Santiago, Stegmaier, Takamine, Thielen, Ward and White, who were excused.

By unanimous consent, reading and approval of the Journal of the House of Representatives of the Twenty-First Day was deferred.

ORDER OF THE DAY

INTRODUCTION OF RESOLUTIONS
(FLOOR PRESENTATIONS)

The following resolutions (H.R. Nos. 13 and 14) were announced by the Clerk and the following actions taken:

H.R. No. 14, entitled: "HOUSE RESOLUTION RECOGNIZING ANN F. DAVIDSON THE 1997 HAWAII REALTOR OF THE YEAR," was offered by Representative Ahu Isa.

On motion by Representative Ahu Isa, seconded by Representative Cachola and carried, H.R. No. 14 was adopted, with Representatives Menor, Morihara, Morita, Takamine, Thielen, Ward and White being excused.

At this time, Representative Ahu Isa introduced Ms. Ann F. Davidson, the 1997 Hawaii Realtor of the Year, and Ms. Merrily Leong and staff of the Hawaii Realtors Association who were seated in the gallery.

At 11:55 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 12:00 o'clock noon.

H.R. No. 13, entitled: "HOUSE RESOLUTION RECOGNIZING AND COMMENDING JOSE RAMOS-HORTA FOR HIS STEADFAST COMMITMENT TO PROMOTING GLOBAL PEACE THROUGH NONVIOLENCE," was jointly offered by Representatives Hiraki and Takumi.

On motion by Representative Hiraki, seconded by Representative Takumi and carried, H.R. No. 13 was adopted, with Representatives Jones, Menor, Morihara, Morita, Nakasone, Takamine, White and Yonamine being excused.

At this time, Representative Hiraki introduced Mr. Jose Ramos-Horta, commending him for his steadfast commitment to promoting global peace through nonviolence, and his guests from the Matsunaga Peace Center at the University of Hawaii: Dr. Ralph Summy, Director; Mr. Joshua Cooper and Ms. Charlene Matsuno.

At 12:14 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 12:26 o'clock p.m.

STANDING COMMITTEE REPORTS

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 456-98) recommending that H.B. No. 2712, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2712, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ADJUDICATION OF TRAFFIC INFRACTIONS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Jones, Menor, Morita, P. Oshiro, Takamine and Yonamine being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 457-98) recommending that H.B. No. 2497, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2497, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative M. Oshiro.

Representative Takai rose in support of the bill with reservations, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2497, HD 1, entitled: "A BILL FOR AN ACT RELATING TO POSSESSION OF TOBACCO BY MINORS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Jones, Menor, Morita, P. Oshiro, Takamine and Yonamine being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 458-98) recommending that H.B. No. 2846, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2846, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative M. Oshiro.

Representative Takai rose in support of the bill with reservations, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2846, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CIGARETTE SALES TO MINORS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Jones, Menor, Morita, P. Oshiro, Takamine and Yonamine being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 459-98) recommending that H.B. No. 2871, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2871, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF LABOR AND INDUSTRIAL

RELATIONS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Jones, Menor, Morita, P. Oshiro, Takamine and Yonamine being excused.

Representative Case, for the Committee on Hawaiian Affairs, presented a report (Stand. Com. Rep. No. 460-98) recommending that S.B. No. 2775, S.D. 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and S.B. No. 2775, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE KING KAMEHAMEHA CELEBRATION COMMISSION," passed Second Reading and was referred to the Committee on Finance, with Representatives Jones, Menor, Morita, P. Oshiro, Takamine and Yonamine being excused.

SUSPENSION OF RULES

On motion by Representative M. Oshiro, seconded by Representative Marumoto and carried, the rules were suspended for the purpose of considering certain bills on Third Reading on the basis of a modified consent calendar. (Representatives Jones, Menor, Morita, P. Oshiro, Takamine and Yonamine were excused.)

THIRD READING

H.B. No. 2897:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2897, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY," passed Third Reading by a vote of 45 ayes, with Representatives Jones, Menor, Morita, P. Oshiro, Takamine and Yonamine being excused.

H.B. No. 2411, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2411, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ZONING," passed Third Reading by a vote of 42 ayes to 3 noes, with Representatives Ahu Isa, Meyer and Thielen voting no, and Representatives Jones, Menor, Morita, P. Oshiro, Takamine and Yonamine being excused.

The Chair directed the Clerk to note that H.B. Nos. 2897 and 2411 had passed Third Reading at 12:30 o'clock p.m.

ADJOURNMENT

At 12:31 o'clock p.m., on motion by Representative M. Oshiro, seconded by Representative Marumoto and carried, the House of Representatives adjourned until 11:30 o'clock a.m. tomorrow, Tuesday, February 24, 1998. (Representatives Jones, Menor, Morita, P. Oshiro, Takamine and Yonamine were excused.)

TWENTY-THIRD DAY

Tuesday, February 24, 1998

The House of Representatives of the Nineteenth Legislature of the State of Hawaii, Regular Session of 1998, convened at 11:39 o'clock a.m., with the Speaker presiding.

The invocation was delivered by Pastor Richard Reed of Waiialae Baptist Church, after which the Roll was called showing all members present with the exception of Representatives Say and Takamine, who were excused.

By unanimous consent, reading and approval of the Journal of the House of Representatives of the Twenty-Second Day was deferred.

DEPARTMENTAL COMMUNICATION

Dept. Com. No. 11, from Kenneth P. Mortimer, President, University of Hawai'i and Chancellor, University of Hawai'i at Manoa, transmitting copies of an amended report to the 1998 Legislature (1996-1997 Report on Tuition Waivers), pursuant to Section 304-16.5(c), Hawai'i Revised Statutes, was received and announced by the Clerk and was placed on file.

SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 8 through 30) were received and announced by the Clerk and were placed on file:

Sen. Com. No. 8, returning H.B. No. 1577, HD 2 (SD 2), entitled: "A BILL FOR AN ACT RELATING TO IRRIGATION WATER PROJECTS," which passed Third Reading in the Senate on February 23, 1998, in an amended form.

Sen. Com. No. 9, returning H.B. No. 1647, HD 1 (SD 1), entitled: "A BILL FOR AN ACT RELATING TO THE LICENSING OF CERTAIN SELLERS," which passed Third Reading in the Senate on February 23, 1998, in an amended form.

On motion was Representative Okamura, seconded by Representative M. Oshiro and carried, the House disagreed to the amendments proposed by the Senate to H.B. No. 1577, HD 2 (SD 2) and H.B. No. 1647, HD 1 (SD 1) and requested a conference on the subject matter of said amendments. (Representatives Say, Stegmaier, Takamine and Ward were excused.)

By unanimous consent, H.B. Nos. 1577, HD 2 (SD 2) and H.B. No. 1647, HD 1 (SD 1), as amended by the Senate, were placed on the Clerk's desk.

Sen. Com. No. 10, transmitting S.B. No. 201, SD 2, entitled: "A BILL FOR AN ACT RELATING TO JURY TRIALS," which passed Third Reading in the Senate on February 23, 1998.

Sen. Com. No. 11, transmitting S.B. No. 720, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE FEES AND COSTS FOR THE ADMINISTRATIVE REVOCATION OF DRIVER'S LICENSE," which passed Third Reading in the Senate on February 23, 1998.

Sen. Com. No. 12, transmitting S.B. No. 1927, entitled: "A BILL FOR AN ACT RELATING TO HEALTH FUND MEDICARE PART B," which passed Third Reading in the Senate on February 23, 1998.

Sen. Com. No. 13, transmitting S.B. No. 2021, entitled: "A BILL FOR AN ACT RELATING TO COMMERCIAL DRIVER LICENSING," which passed Third Reading in the Senate on February 23, 1998.

Sen. Com. No. 14, transmitting S.B. No. 2074, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE BOARD OF SUPERVISORS," which passed Third Reading in the Senate on February 23, 1998.

Sen. Com. No. 15, transmitting S.B. No. 2135, SD 1, entitled: "A BILL FOR AN ACT RELATING TO UNFAIR AND DECEPTIVE TRADE PRACTICES," which passed Third Reading in the Senate on February 23, 1998.

Sen. Com. No. 16, transmitting S.B. No. 2180, SD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR CARRIERS," which passed Third Reading in the Senate on February 23, 1998.

Sen. Com. No. 17, transmitting S.B. No. 2334, SD 1, entitled: "A BILL FOR AN ACT RELATING TO TIME SHARING PLANS," which passed Third Reading in the Senate on February 23, 1998.

Sen. Com. No. 18, transmitting S.B. No. 2339, entitled: "A BILL FOR AN ACT RELATING TO MOPEDES," which passed Third Reading in the Senate on February 23, 1998.

Sen. Com. No. 19, transmitting S.B. No. 2386, SD 2, entitled: "A BILL FOR AN ACT RELATING TO COORDINATED CARE ORGANIZATIONS," which passed Third Reading in the Senate on February 23, 1998.

Sen. Com. No. 20, transmitting S.B. No. 2454, SD 1, entitled: "A BILL FOR AN ACT RELATING TO VOCATIONAL REHABILITATION," which passed Third Reading in the Senate on February 23, 1998.

Sen. Com. No. 21, transmitting S.B. No. 2611, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM TRANSFER-ON-DEATH (TOD) SECURITY REGISTRATION ACT," which passed Third Reading in the Senate on February 23, 1998.

Sen. Com. No. 22, transmitting S.B. No. 2619, SD 1, entitled: "A BILL FOR AN ACT RELATING TO FAIR TRADE REGULATIONS," which passed Third Reading in the Senate on February 23, 1998.

Sen. Com. No. 23, transmitting S.B. No. 2822, SD 1, entitled: "A BILL FOR AN ACT RELATING TO LEMON LAW DISCLOSURE COMPLIANCE," which passed Third Reading in the Senate on February 23, 1998.

Sen. Com. No. 24, transmitting S.B. No. 2823, SD 1, entitled: "A BILL FOR AN ACT RELATING TO TIME SHARE IDENTIFICATION BADGES," which passed Third Reading in the Senate on February 23, 1998.

Sen. Com. No. 25, transmitting S.B. No. 2828, SD 1, entitled: "A BILL FOR AN ACT RELATING TO PHARMACIES," which passed Third Reading in the Senate on February 23, 1998.

Sen. Com. No. 26, transmitting S.B. No. 2833, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE LEASE DISCLOSURE," which passed Third Reading in the Senate on February 23, 1998.

Sen. Com. No. 27, transmitting S.B. No. 2911, entitled: "A BILL FOR AN ACT RELATING TO RIDING BICYCLES ON ROADWAYS," which passed Third Reading in the Senate on February 23, 1998.

Sen. Com. No. 28, transmitting S.B. No. 2913, SD 1, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY," which passed Third Reading in the Senate on February 23, 1998.

Sen. Com. No. 29, transmitting S.B. No. 2916, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII BOARD OF REGENTS," which passed Third Reading in the Senate on February 23, 1998.

Sen. Com. No. 30, transmitting S.B. No. 2934, SD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION CLAIMS ARISING FROM DISCIPLINARY ACTIONS FOR JUST CAUSE," which passed Third Reading in the Senate on February 23, 1998.

On motion by Representative M. Oshiro, seconded by Representative Marumoto and carried, S.B. Nos. 201, SD 2; 720, SD 2; 1927; 2021; 2074, SD 1; 2135, SD 1; 2180, SD 1; 2334, SD 1; 2339; 2386, SD 2; 2454, SD 1; 2611; 2619, SD 1; 2822, SD 1; 2823, SD 1; 2828, SD 1; 2833; 2911; 2913, SD 1; 2916; and 2934, SD 1, passed First Reading by title and further action was deferred until later in the calendar. (Representatives Say, Stegmaier, Takamine and Ward were excused.)

INTRODUCTIONS

The following introductions were made to the members of the House:

Representative Pendleton introduced Mr. Ken and Mrs. Dollie Weltz from Canada, uncle and aunt of Mr. Michael Peabody of his office.

Representative Hamakawa introduced students from Mountain View Elementary School on the Big Island: Bridgette Boyd, a fifth grader, and Joseph Jeffery, a sixth grader. They were accompanied by Councilmember John Santangelo; Ms. Zane Delo Santos, PTSA Vice President; and Mrs. Barbara Hallacher, Special Education teacher.

At 11:46 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 12:05 o'clock p.m.

ORDER OF THE DAY

COMMITTEE REFERRALS

The following Senate Bills were referred to committee by the Speaker:

<u>S.B. Nos.</u>	<u>Referred to:</u>
201	Committee on Judiciary, then to the Committee on Finance
720	Committee on Judiciary, then to the Committee on Finance
1927	Committee on Labor and Public Employment, then to the Committee on Finance

2021	Committee on Transportation, then jointly to the Committee on Consumer Protection and Commerce and the Committee on Judiciary
2074	Committee on Judiciary
2135	Committee on Consumer Protection and Commerce
2180	Committee on Transportation, then jointly to the Committee on Consumer Protection and Commerce and the Committee on Judiciary
2334	Committee on Consumer Protection and Commerce
2339	Committee on Transportation, then to the Committee on Judiciary
2386	Jointly to the Committee on Labor and Public Employment and the Committee on Consumer Protection and Commerce, then to the Committee on Finance
2454	Committee on Labor and Public Employment, then to the Committee on Finance
2611	Committee on Consumer Protection and Commerce
2619	Jointly to the Committee on Consumer Protection and Commerce and the Committee on Judiciary
2822	Committee on Consumer Protection and Commerce
2823	Committee on Consumer Protection and Commerce
2828	Committee on Health, then to the Committee on Consumer Protection and Commerce
2833	Committee on Consumer Protection and Commerce
2911	Committee on Transportation
2913	Committee on Transportation
2916	Committee on Higher Education
2934	Committee on Labor and Public Employment, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance

COMMITTEE REASSIGNMENT

The following House Bill (H.B. No. 2558) was referred to committee by the Speaker:

<u>H.B. No.</u>	<u>Re-referred to:</u>
2558	Committee on Finance

STANDING COMMITTEE REPORTS

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 461-98) recommending that H.B. No. 2754 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2754, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HEALTH SYSTEMS CORPORATION," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Say, Takamine and Yoshinaga being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 462-98) recommending that H.B. No. 2620, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2620, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative M. Oshiro.

Representative McDermott rose and asked the Clerk to cast a "no" vote for him (the Chair "so ordered"), saying:

"Mr. Speaker, this is a beautification bill, but I just don't think we should be adding two dollars to every working families' registration. I certainly can't afford it, and I don't think everybody else can.

"Thank you."

Representative Moses then rose and asked the Clerk to cast a "no" vote for him, and the Chair "so ordered."

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

"Mr. Speaker, one of our most important jobs is the management of the economy, or facilitating a lack in the rise of the cost of living. Two dollars added on every time we do a registration fee is going to increase the cost of living, and now that we've got an economy that's stuck, this is not the time to do it. It may be the greatest thing at another time, but right now it's untimely, unneeded and unwanted.

"Thank you."

Representative Meyer then rose and asked the Clerk to cast a "no" vote for her, and the Chair "so ordered."

Representative Goodenow then rose in support of the bill, stating:

"The City came forward, saying that they only were able to process about half of what they needed to address the abandoned vehicle problem in our State, and they were the ones that requested the further financial support to help with this issue. And so I support it as it moves throughout the process.

"Thank you."

Representative Pendleton then rose and asked the Clerk to register a "no" vote for him (the Chair "so ordered"), saying:

"You know, Mr. Speaker, I don't think there is anyone here in this room who wants to have derelict and abandoned vehicles cluttering our streets. We all believe in highway beautification. But the question we have is: What is the best way to go about doing that, Mr. Speaker? Is it to raise the fee in this manner, without regard to ability to pay, without regard to income?

"In many ways, this is the most regressive way in which to take care of this situation. If we really need more money for this function, the best way would be to appropriate the money.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2620, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ABANDONED MOTOR VEHICLES," passed Second Reading and was placed on the calendar for Third Reading with Representatives McDermott, Meyer, Moses, Pendleton and Ward voting no, and Representatives Say, Takamine and Yoshinaga being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 463-98) recommending that H.B. No. 2762, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2762, HD 1, entitled: "A BILL FOR AN ACT RELATING TO POOLED INSURANCE," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Say, Takamine and Yoshinaga being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 464-98) recommending that H.B. No. 2763, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2763, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative M. Oshiro.

Representative McDermott rose and asked the Clerk to cast a "no" vote for him, and the Chair "so ordered."

Representative Moses then rose and asked the Clerk to cast a "no" vote for him (the Chair "so ordered"), saying:

"I think, Mr. Speaker, a better way, than using the Parking Lot Revolving Fund to acquire motor vehicles from motor pools, is to pay the individuals that need the car per diem or mileage to use their own cars as many other agencies do, like the policemen.

"Thank you, Mr. Speaker."

Representative Fox then rose and asked the Clerk to cast a "no" vote for him, and the Chair "so ordered."

Representative Ward then rose and asked the Clerk to cast a "no" vote for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2763, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE PARKING REVOLVING FUND," passed Second Reading and was placed on the calendar for Third Reading with Representatives Fox, McDermott, Moses and Ward voting no, and Representatives Say, Takamine and Yoshinaga being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 465-98)

recommending that H.B. No. 2958, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2958, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC CONTRACTS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Say, Takamine and Yoshinaga being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 466-98) recommending that H.B. No. 3036, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3036, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE COLLECTION OF TAXES," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Say, Takamine and Yoshinaga being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 467-98) recommending that H.B. No. 3247, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3247, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SHORT TERM INVESTMENT OF COUNTY MONIES," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Say, Takamine and Yoshinaga being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 468-98) recommending that H.B. No. 3248, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3248, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAPSED WARRANTS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Say, Takamine and Yoshinaga being excused.

SUSPENSION OF RULES

On motion by Representative M. Oshiro, seconded by Representative Marumoto and carried, the rules were suspended for the purpose of considering a bill on Third Reading on the basis of a modified consent calendar. (Representatives Say, Takamine and Yoshinaga were excused.)

THIRD READING

H.B. No. 2871:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2871, entitled: "A BILL FOR AN ACT RELATING TO THE

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS," passed Third Reading by a vote of 48 ayes, with Representatives Say, Takamine and Yoshinaga being excused.

The Chair directed the Clerk to note that H.B. No. 2871 had passed Third Reading at 12:10 o'clock p.m.

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolutions (H.R. Nos. 15 through 17) and concurrent resolutions (H.C.R. Nos. 37 through 48) were offered and referred to committee by the Speaker:

H.R. No. 15, entitled: "HOUSE RESOLUTION REQUESTING PRIVATE AND PUBLIC AGENCIES SERVING CHILDREN TO ADOPT A STATE POLICY FOR IMPROVING THE WELL-BEING OF CHILDREN, YOUTH, AND FAMILIES," was jointly offered by Representatives Arakaki, Santiago, Kahikina, Cachola, Meyer, Garcia, Takai, M. Oshiro, Kanoho, Thielen, Marumoto, Case, Tarnas and Ward.

Referred to: Committee on Human Services and Housing.

H.R. No. 16, entitled: "HOUSE RESOLUTION REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO STUDY WAYS TO ENCOURAGE AND FACILITATE ORGAN DONATION IN HAWAII," was jointly offered by Representatives Arakaki, Abinsay, Santiago, Kahikina, Saiki, Ahu Isa, Ward, Cachola and Stegmaier.

Referred to: Committee on Health, then to the Committee on Legislative Management.

H.R. No. 17, entitled: "HOUSE RESOLUTION INVITING THE CHILDREN'S MILLENNIUM CONFERENCE TO HONOLULU IN OCTOBER 1999," was jointly offered by Representatives Arakaki, M. Oshiro, Kawakami, Santiago, Marumoto, Abinsay, Takai, Morihara, Lee, Tarnas, Cachola, Case, Garcia and Stegmaier.

Referred to: Committee on Human Services and Housing.

H.C.R. No. 37, entitled: "HOUSE CONCURRENT RESOLUTION URGING CONGRESS TO MAINTAIN A MODERN, STATE-OF-THE-ART HELICOPTER ASSAULT BRIGADE AT SCHOFIELD BARRACKS," was jointly offered by Representatives Say and Garcia.

Referred to: Committee on Public Safety and Military Affairs.

H.C.R. No. 38, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING PRIVATE AND PUBLIC AGENCIES SERVING CHILDREN TO ADOPT A STATE POLICY FOR IMPROVING THE WELL-BEING OF CHILDREN, YOUTH, AND FAMILIES," was jointly offered by Representatives Arakaki, Santiago, Tarnas, Kahikina, Cachola, Meyer, Garcia, M. Oshiro, Kanoho, Thielen, Marumoto, Case, Takai and Ward.

Referred to: Committee on Human Services and Housing.

H.C.R. No. 39, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE DEPARTMENT OF HUMAN SERVICES TO MINIMIZE TRAUMA, BE SENSITIVE TO THE EMOTIONAL NEEDS OF THE CHILD, AND CONSIDER UTILIZING PEOPLE

SIGNIFICANT TO THE CHILD WHEN PICKING UP THE CHILD FOR CUSTODY," was jointly offered by Representatives Arakaki, Santiago, Kahikina, Pendleton, Cachola, Ward, Meyer, Garcia, M. Oshiro, Kanoho, Thielen, Marumoto, Takai and Tarnas.

Referred to: Committee on Human Services and Housing.

H.C.R. No. 40, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A MANAGEMENT AND PROGRAM AUDIT OF THE CHILD PROTECTIVE SERVICES," was jointly offered by Representatives Arakaki, Santiago, Kahikina, Pendleton, Cachola, Ward, Meyer, Garcia, M. Oshiro, Kanoho, Marumoto, Thielen, Takai and Tarnas.

Referred to: Committee on Human Services and Housing, then to the Committee on Judiciary, then to the Committee on Legislative Management.

H.C.R. No. 41, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF AGRICULTURE TO EXPLORE THE FEASIBILITY OF ESTABLISHING A MULTI-MEDIA EDUCATION PROGRAM TO INFORM INCOMING PASSENGERS OF THE PENALTIES INVOLVED IN SMUGGLING ILLEGAL PLANTS AND ANIMALS TO THE ISLANDS," was offered by Representative Jones.

Referred to: Committee on Agriculture.

H.C.R. No. 42, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE SCHOOL FOOD SERVICES PROGRAM OF THE DEPARTMENT OF EDUCATION TO ADOPT AN OFFICIAL POLICY TO PURCHASE LOCALLY PRODUCED FOOD, SUPPLIES, AND EQUIPMENT, WHENEVER POSSIBLE," was jointly offered by Representatives Jones, Abinsay, Chang, Morita, Takai, Herkes, Halford, Whalen and White.

Referred to: Committee on Agriculture, then to the Committee on Education, then to the Committee on Finance.

H.C.R. No. 43, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE UNITED STATES CONGRESS TO REQUIRE THAT THE IMPORTATION OF ALL AGRICULTURAL PRODUCTS INTO HAWAII HAVE A DESIGNATION OF COUNTRY OR ORIGIN AND A CERTIFICATION OF INSPECTION BASED ON UNITED STATES DEPARTMENT OF AGRICULTURE STANDARDS," was jointly offered by Representatives Jones, Chang, Abinsay, Herkes, Morita, Nakasone, Say, Souki, Whalen and Yamane.

Referred to: Committee on Agriculture, then to the Committee on Health.

H.C.R. No. 44, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A STUDY ON THE FEASIBILITY OF REQUIRING X-RAY AND AGRICULTURAL INSPECTION OF ALL AIRLINE BAGGAGE ENTERING HAWAII," was jointly offered by Representatives Jones, Abinsay, Chang, Herkes, Morita, Nakasone, Say, Souki, Whalen and Yamane.

Referred to: Committee on Agriculture.

H.C.R. No. 45, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE STATE DEPARTMENTS OF HEALTH AND AGRICULTURE TO DEVELOP APPROPRIATE MEASURES TO IDENTIFY AND ELIMINATE THE REGULATORY IMPEDIMENTS RESTRICTING THE DEVELOPMENT

OF THE AQUACULTURE INDUSTRY IN HAWAII," was offered by Representative Jones.

Referred to: Committee on Agriculture, then to the Committee on Energy and Environmental Protection.

H.C.R. No. 46, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING AN ACTION PLAN TO PROMOTE HAWAII-GROWN AND HAWAII-MADE AGRICULTURAL PRODUCTS," was jointly offered by Representatives Jones, Chang, Abinsay, Herkes, Morita, Nakasone, Say, Souki, Whalen and Yamane.

Referred to: Jointly to the Committee on Agriculture and the Committee on Tourism.

H.C.R. No. 47, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEVELOPMENT AND IMPLEMENTATION OF MORE RELIABLE INSPECTION, TREATMENT, AND EXTERMINATION PROCEDURES FOR AFRICANIZED AND MITE-INFESTED BEES INADVERTENTLY SHIPPED TO HAWAII IN SHIPMENTS OF CHRISTMAS TREES FROM THE CONTINENTAL UNITED STATES," was jointly offered by Representatives Jones, Abinsay, Chang, Morita, Takai, White, Herkes and Halford.

Referred to: Committee on Agriculture, then to the Committee on Transportation.

H.C.R. No. 48, entitled: "HOUSE CONCURRENT RESOLUTION INVITING THE CHILDREN'S MILLENNIUM CONFERENCE TO HONOLULU IN OCTOBER 1999," was jointly offered by Representatives Arakaki, M. Oshiro, Kawakami, Santiago, Marumoto, Abinsay, Takai, Morihara, Lee, Tarnas, Cachola, Case, Garcia and Stegmaier.

Referred to: Committee on Human Services and Housing.

ANNOUNCEMENTS

The Chair reminded the members that the House will be in recess from February 25th through March 3rd, and the House will reconvene at 11:30 a.m. on Wednesday, March 4, 1998.

Representative Marumoto, on behalf of the members of the House, wished Representative Fox a "Happy Birthday".

At this time, Representative M. Oshiro moved to keep the Journal open until 5:00 o'clock p.m. this legislative day for the purpose of referring bills and resolutions, seconded by Representative Marumoto and carried. (Representatives Say, Takamine and Yoshinaga were excused.)

At 12:13 o'clock p.m., the House of Representatives stood in recess until 5:00 o'clock p.m. this legislative day.

ADJOURNMENT

At 5:00 o'clock p.m., the House of Representatives adjourned until 11:30 o'clock a.m. on Wednesday, March 4, 1998. (Representatives Say, Takamine and Yoshinaga were excused.)

TWENTY-FOURTH DAY

Wednesday, March 4, 1998

The House of Representatives of the Nineteenth Legislature of the State of Hawaii, Regular Session of 1998, convened at 11:47 o'clock a.m., with the Speaker presiding.

The invocation was delivered by Representative Bob McDermott, after which the Roll was called showing all members present with the exception of Representatives Ahu Isa, Halford, Marumoto and Menor, who were excused.

By unanimous consent, reading and approval of the Journal of the House of Representatives of the Twenty-third Day was deferred.

GOVERNOR'S MESSAGES

The following messages from the Governor (Gov. Msg. Nos. 172 through 176) were received and announced by the Clerk and were placed on file:

Gov. Msg. No. 172, informing the House that on February 26, 1998, he signed Senate Bill No. 1285 as Act 2, entitled: "RELATING TO PUBLICATION OF NOTICES BY GOVERNMENT AGENCIES."

Gov. Msg. No. 173, requesting immediate consideration and passage of Administrative Proposal H.B. No. 2901, which makes supplementary appropriations and authorizations for increases in special fund (\$100,000) and revolving fund (\$100,000) expenditure levels in fiscal year 1998 for University of Hawaii workers' compensation costs, in accordance with Section 9, Article VII of the Constitution of the State of Hawaii.

Gov. Msg. No. 174, transmitting copies of the 1997 Annual Report of the Hawaii Community-Based Economic Development Technical and Financial Assistance Program prepared by the Business Support Division of the Department of Business, Economic Development, and Tourism pursuant to Chapter 210D-14, HRS.

Gov. Msg. No. 175, transmitting copies of the Comprehensive Annual Financial Report of the State of Hawaii for the fiscal year ended June 30, 1997, prepared by the Comptroller, pursuant to Section 40-5, Hawaii Revised Statutes.

Gov. Msg. No. 176, transmitting copies of the 1997 Compliance Resolution Fund Annual Report.

SENATE COMMUNICATION

The following communications from the Senate (Sen. Com. Nos. 31 and 32) were received and announced by the Clerk and were placed on file:

Sen. Com. No. 31, transmitting S.B. No. 2596, entitled: "A BILL FOR AN ACT RELATING TO INFORMATION PRACTICES," which passed Third Reading in the Senate on February 24, 1998.

On motion by M. Oshiro, seconded by Representative Marumoto and carried, S.B. No. 2596 passed First Reading by title and further action was deferred. (Representatives Ahu Isa, Menor and Yoshinaga were excused.)

Sen. Com. No. 32, returning H.B. No. 397, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE REGISTRATION," which passed Third Reading in the Senate on February 24, 1998.

SUSPENSION OF RULES

On motion by Representative M. Oshiro, seconded by Representative Marumoto and carried, the rules were suspended for the purpose of considering a bill on Final Reading on the basis of a modified consent calendar. (Representatives Ahu Isa, Menor and Yoshinaga were excused.)

FINAL READING

H.B. No. 397, HD 2:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 397, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE REGISTRATION," and said bill passed Final Reading by a vote of 48 ayes, with Representatives Ahu Isa, Menor and Yoshinaga being excused.

At 11:53 o'clock a.m., Representative McDermott asked for a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 11:54 o'clock a.m.

The Chair directed the Clerk to note that H.B. No. 397, had passed Final Reading at 11:54 o'clock a.m.

DEPARTMENTAL COMMUNICATION

A communication from the State Department of Commerce and Consumer Affairs, Professional & Vocational Licensing Division, Real Estate Branch, transmitting copies of the Real Estate Commission's February 1998 issue of the Real Estate Bulletin, was received by the Clerk and was placed on file.

MISCELLANEOUS COMMUNICATION

A communication from Tom Russi and Christine Paul, residents of Kona, petitioning the House to consider the possibility of appointing a Special Committee to look into the financial difficulty put on Neighbor Islanders coming to the State Capitol to testify for a bill or resolution; and to explore the feasibility of setting up a discounted fare package through the State that would lessen the burden for air fare and car rental so they may participate in the legislative process, was received by the Clerk and placed on file.

INTRODUCTIONS

The following introductions were made to the members of the House:

Representative Ward introduced members of TEENPACC, an intense leadership study program, and Mr. Dennis Scheidt, Director, and additional guests.

Representative Moses introduced a volunteer member of his staff, Talofasamoa Tulimasealii, a new citizen.

60 Committee on Finance

Representative Tarnas introduced members from the Hawaii Agricultural Leadership Training Program.

61 Committee on Education, then to the Committee on Finance

62 Committee on Education, then to the Committee on Legislative Management

63 Committee on Health, then to the Committee on Finance

ORDER OF THE DAY

COMMITTEE REFERRAL

The following Senate Bill was referred to committee by the Speaker:

S.B.
No.

Referred to:

2596 Committee on Judiciary

DEFERRED RESOLUTIONS

The following resolutions (H.R. Nos. 18 and 19) and concurrent resolutions (H.C.R. Nos. 49 through 63) were referred to committee by the Speaker:

H.R.
Nos.

Referred to:

18 Committee on Finance

19 Jointly to the Committee on Education and the Committee on Higher Education, then to the Committee on Judiciary

H.C.R.
Nos.

Referred to:

49 Committee on Finance

50 Jointly to the Committee on Human Services and Housing and the Committee on Health, then to the Committee on Finance

51 Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Legislative Management

52 Committee on Human Services and Housing, then to the Committee on Judiciary

53 Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Legislative Management

54 Committee on Ocean Recreation and Marine Resources, then to the Committee on Finance

55 Jointly to the Committee on Education and the Committee on Higher Education, then to the Committee on Judiciary

56 Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Legislative Management

57 Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Legislative Management

58 Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Legislative Management

59 Committee on Health, then to the Committee on Legislative Management

COMMITTEE REASSIGNMENT

The following House Bill was re-referred to committee by the Speaker:

H.B.
No.

Re-referred to:

1595 Committee on Judiciary

STANDING COMMITTEE REPORTS

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 469-98) recommending that H.B. No. 2362, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2362, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative M. Oshiro.

Representative Pendleton rose in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. I rise in support with very strong reservations regarding this particular bill. This bill would establish a task force to look into the salaries and to explore this entire charitable trust area. It will perform an important task, but, Mr. Speaker, during the hearing we actually looked at three very different bill. House Draft 1 is not just a minor revision or technical amendment of House Bill 2362. It's a dramatically different bill than the bill we had heard.

"Mr. Speaker, originally House Bill 2362 would have repealed the entire section of Hawaii Revised Statutes 607-20, which sets out the various percentages that individuals who work or function as trustees would receive. The feeling is that repealing that section would then allow for a reasonable standard to apply to trustees' compensation. Instead of passing that bill, we had House Draft 1 created which would just study the matter.

"My reservations have to do with the fact, I think, that we are getting into a situation where we want a completed study of very complex and complicated problems. I'm not saying that we should act without information but, Mr. Speaker, during the hearing we had a tremendous amount of testimony -- people from all sides of the issue, even a trustee. And the important thing about the testimony was that it all converged. It seemed to reach a consensus that the reasonable standard would be an improvement over the present situation and was, perhaps, even superior to those three particular bills that we heard that evening and was certainly something that would be better than just studying by the task force.

"I remember, as a young boy, when my Filipina grandmother would say: 'You know, you're getting yourself in a rut, you're being paralyzed with indecision.

Enough study today you do.' Well, my advice to this Legislature is: 'Enough study today we must do.'

"Again, I'm going to support with reservations the task force because we want to move this bill forward. My understanding is that the Senate has a bill which seeks to address this particular situation and would actually institute the 'reasonable standard.' So I want to support this bill, but I would very much rather have us acted and not just to set forth the task force, but to actually address this situation of whether the commissions that are received by the trustees are reasonable.

"All the states go with a 'reasonable standard.' We would not be entering unchartered territory. We would be following the example of other states. Also, other kinds of charitable trusts which may not be identical but which are very similar, such as the Harvard trustees serve and manage a huge trust and they work 'pro bono' -- that is, for free. And when asked why they serve for free, the rationale given is that, 'well, this is a charitable trust.'"

At this time, Representative Kawanakoa rose and yielded his time to Representative Pendleton.

Representative Pendleton thanked the Chair and continued, stating:

"This is a trust where we have a specific educational purpose. We want all of the money to go towards an educational purpose and we don't want money drained away. Perhaps, that's maybe the same kind of philosophy we could adopt here in the Aloha State. If they can do that in cold Boston, surely we can do this in warm Hawaii.

"So again, that's why I'm rising to speak in support with reservations. I think that we should have acted rather than just pushing a study, but I think this bill could serve as a vehicle. Perhaps in conference, maybe looking at the Senate approach which I would favor over the present study of first approach.

"Thank you, Mr. Speaker."

Representative Ward then rose and stated:

"We're on the trustee bill. Charitable trusts - or the Bishop Estate Bill.

"I was calling a 'spade a spade' the way that this is a 'cop out' by having this bill instead of the original one."

The Chair interrupted Representative Ward, asking: "You're speaking in favor or oppose?"

Representative Ward responded:

"I'm speaking in favor of making it a reasonable amount of compensation rather than the \$800,000."

The Chair asked: "So, are you speaking with reservations?"

Representative Ward continued, stating:

"I'm speaking against the bill. Mr. Speaker, we're not facing this issue head on. We are sidestepping it. We are saying that we have to study what otherwise in anybody's mind in the State of Hawaii, when they hear \$800,000 as the reasonable compensation, know that that's incorrect. I think they trust us as leaders that intuitively we would know that that's not correct and we could correct it if we had the political will to do it.

"And there's been some 'smoke screens' put out that Campbell Estate Trustees get the same amount of money and they do the same amount of things. But you have to remember that Campbell Estate is not a charitable trust, the Bishop Estate is. So \$800,000 on the face of it would give us the knowledge to know that if we want, if we're really serious about this, we would amend it and go back to the state of reasonableness which those who are now leveling the playing field for the future of Bishop Estate, i.e. the beneficiaries, have suggested. So, Mr. Speaker, this is not the will of the people, this is the will of this Legislature only. Thank you."

Representative Tom the rose and stated:

"Mr. Speaker, with respect to Stand. Com. Rep. 469, I'd like a ruling on a conflict."

The Chair ruled "no conflict."

Representative Thielen then rose to speak in opposition to the bill, stating:

"Thank you, Mr. Speaker. The hearing was rather interesting. When all of a sudden this House Draft 1 was distributed to all of us, I said, 'I thought it was chicken to not deal with the issue.' A colleague said: 'Well, we really seem to be ducking the issue.' So we've got the chicken and the duck, and we don't have much of anything to show the public.

"Mr. Speaker, we worked very hard during that Committee hearing with the various parties, including a Bishop Estate trustee. And we worked hard and really came to a consensus, including the Bishop Estate trustee who was comfortable with the 'reasonable' limit on the compensation for the trustees.

"The unfortunate thing was, I guess, the Vice Chair of the Judiciary Committee had prepared, in advance, a House Draft 1, that bore no relationship whatsoever to the agreements that we were working out within the Committee. All it did was just punt on the issue, put together a task force, do another study, and come back a year later.

"Well, I think, Mr. Speaker, the people of this State, including the Hawaiian beneficiaries, wanted action this session. I think that was a very serious mistake in that Committee not to go ahead and implement the 'reasonable standard' for the trustees' compensation. And I think that's frankly what the Hawaiian beneficiaries were expecting us to do -- to do our job. We didn't, Mr. Speaker. It was chicken not to do it and we ducked the issue, and I oppose this task force."

Representative Yamane then rose in support of the measure, stating:

"Contrary to some self-righteous philandering before the people that were at the hearing, we heard three bills. If there's any question, you can read the Committee report. The Committee report states quite clearly that there was a question raised about the definition of reasonableness, that reasonableness possibly could give rise to lawsuits. And for those in the legal industry who want to advance their cause, maybe we should put reasonableness as far as the bill is concerned.

"The other consideration was putting an arbitrary cap. Now, even the members there, every one of the testifiers, stated at the testimony that a cap, a dollar amount cap, would have been an arbitrary cap. Now, Mr. Speaker, you told us that we should try and get as much information as we can before making decisions. The task

force proposal was at the end, and we had also one more potential solution. We could have held all three bills.

"Now taking those five considerations into perspective. We had the three bills that were being testified upon -- the task force proposal, and the potential of holding the bills. Now, there was no consensus, contrary to some prior speakers, as to what they were working out. Maybe they were working it out on their own, but on the table we were talking about the concern, as far as a dollar amount, a repeal of the statute, or coming up with some kind of definition for reasonableness.

"If they have any concerns, please read the Committee report. Those of them that want to advance their cause for whatever mission they have in life, that's their problem. But please read the Committee report and then come to your own conclusions. Thank you."

Representative Kawanakoa then rose and stated:

"As the previous speaker has just mentioned, some of us are getting self-righteous perhaps in our discussion. I certainly don't want to be self-righteous, but I'd just like to note for the record that I'll be voting with reservations and bask in the righteousness of my colleague, Representative Pendleton, and simply ask that his words be entered into the Journal as if they were my own."

The Chair "so ordered." (By reference only)

Representative Marumoto then rose in support of the measure with reservations, stating:

"I also hope that at some time in the future, the Legislature will undertake a study, not a study but action on mechanisms to change the trustees in case there is a problem. I think it should be spelled out in the statutes. Thank you."

Representative Moses then rose in support of the measure with reservations, stating:

"I think we should act and not just have a task force report to us."

Representative Thielen then rose and stated:

"Mr. Speaker, the Committee report was prepared to defend the task force. We had people there that were experts in the field of salaries for trustees. The expert in the field did not indicate any concern that this would lead to litigation. In fact, I believe that this 'reasonableness standard' is something that Trustee Henry Peters felt comfortable with because it would be justified by a valid study showing what 'reasonableness' would be in trustees' compensation.

"So, I guess I have to respond to the Vice Chair of Judiciary who led this meeting. I don't give that much credence to his Committee report that he prepared because it is self-serving to support this task force, which I say again is a chicken approach to what we should have done. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2362, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHARITABLE TRUSTS," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Thielen and Ward voting no, and Representatives Ahu Isa and Menor being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 470-98)

recommending that H.B. No. 2544, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2544, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL JUSTICE REFORM," passed Second Reading and was placed on the calendar for Third Reading with Representatives Ahu Isa and Menor being excused.

Representative Morihara, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 471-98) recommending that H.B. No. 2695, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2695, entitled: "A BILL FOR AN ACT RELATING TO HIGHER EDUCATION," passed Second Reading and was placed on the calendar for Third Reading with Representatives Ahu Isa and Menor being excused.

Representative Takamine, for the Committee on Water and Land Use, presented a report (Stand. Com. Rep. No. 472-98) recommending that H.B. No. 2596, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2596, entitled: "A BILL FOR AN ACT RELATING TO BARBERS POINT HARBOR," passed Second Reading and was placed on the calendar for Third Reading with Representatives Ahu Isa and Menor being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 473-98) recommending that H.B. No. 2649, HD 1, as amended in HD 2, pass Second Reading and be placed on the calendar for Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2649, HD 2, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative M. Oshiro.

Representative Suzuki rose in support of the measure, stating:

"Although the Committee report reflects my 'no' vote, I would like to state that the final version of this bill has my complete support. Thank you."

Representative Ito rose in support of the measure and asked that his comments be inserted into the Journal, and the Chair "so ordered."

Representative Ito's remarks are as follows:

"Mr. Speaker, I would like to offer my support for this measure. This bill will encourage compliance with the Federal Military Selective Service Act which requires men turning 18 years of age to register with Selective Service.

"As a veteran and Selective Service System Board member, I support this bill because it would induce an increase in the percentage of men registering with Selective Service in Hawaii and improve our low registration rates. Twenty-one states now require registration as a pre-condition for state student financial aid, enrollment in public institutions of higher education,

or for state employment. I would like to see our state also strengthen and uphold its dedication to comply with this federal requirement and in the process, raise its awareness level of our country's military capacity. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2649, HD 2, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT," passed Second Reading and was placed on the calendar for Third Reading with Representatives Ahu Isa and Menor being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 474-98) recommending that H.B. No. 3053 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3053, entitled: "A BILL FOR AN ACT RELATING TO CIVIL SERVICE," passed Second Reading and was placed on the calendar for Third Reading with Representatives Ahu Isa and Menor being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 475-98) recommending that H.B. No. 3059 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3059, entitled: "A BILL FOR AN ACT RELATING TO THE STATE POLICY CONCERNING THE UTILIZATION OF VOLUNTEER SERVICE," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa and Menor being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 476-98) recommending that H.B. No. 3056, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3056, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL SERVICE AND EXEMPTIONS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa and Menor being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 477-98) recommending that H.B. No. 3132, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3132, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WAGE AND HOUR LAW," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 478-98) recommending that H.B. No. 2778 pass Second Reading and be placed on the calendar for Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2778 pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative M. Oshiro.

Representative Kahikina rose in support of the measure with reservations, stating:

"Mr. Speaker and colleagues, this bill is a bill for an emergency appropriation which would provide the funding to allow the Department of Attorney General to continue its legal representation of the Department of Hawaiian Home Lands, the individual claims resolution under the Hawaiian Home Land Trust.

"As you all know, the Hawaiian Homes Commission Act was created for the betterment of the conditions of native Hawaiians as defined in the 1920 Hawaiian Homes Commission Act. The spirit and feeling is that trusteeship under the Admission Act of 1959, under Section 5.

"Mr. Speaker, my reservation is that we may be contrary to our own State Constitution. Our Constitution states, Article XVI, Section 7 the Compliance With Trust, that 'such legislation' pertaining to Hawaiian homes 'shall not diminish or limit benefits of the native Hawaiians under Section 4 of Article XII', which is the compliance of this Act.

"My reservations, Mr. Speaker and colleagues, we're limiting the benefits to native Hawaiians. We're giving emergency funds for the Attorney General who represents the Department which is supposed to be representing the beneficiaries. The law states very clearly in our Admissions Act and our Constitution, and again repeated in our statutory laws.

"My reservation is that we're giving money to take away and clouding it. It is bounded in this Constitution so I bring this forward. I need to support it because we want that process to take place, but think about what we are doing.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2778, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR LEGAL SERVICES FOR DEPARTMENT OF HAWAIIAN HOME LANDS INDIVIDUAL CLAIMS REVIEW," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 479-98) recommending that H.B. No. 2790, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2790, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 480-98) recommending that H.B. No. 2802 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2802, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE UNCLAIMED PROPERTY PROGRAM," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 481-98) recommending that H.B. No. 2401, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2401, HD 1 pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative M. Oshiro.

Representative McDermott rose and stated:

"Mr. Speaker, on Standing Committee Report 481-98, I'm going to have to register a 'no' vote because, quite frankly, I just don't understand this thing. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2401, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR TAX LAW," passed Second Reading and was placed on the calendar for Third Reading with Representative McDermott voting no, and Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 482-98) recommending that H.B. No. 2424, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2424, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONVEYANCE TAX," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 483-98) recommending that H.B. No. 2660 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2660, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC SERVICE COMPANY TAX," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 484-98) recommending that H.B. No. 2764, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2764, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL SERVICE," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 485-98) recommending that H.B. No. 2765, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2765, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 486-98) recommending that H.B. No. 2892, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2892, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL FACILITY REVENUE BONDS FOR AIRPORTS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 487-98) recommending that H.B. No. 3039 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3039, entitled: "A BILL FOR AN ACT RELATING TO THE INCOME TAX DEDUCTION FOR DIVIDENDS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 488-98) recommending that H.B. No. 3044, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3044, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX SUBLEASE DEDUCTION," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 489-98) recommending that H.B. No. 2912, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2912, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAXATION," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa and Menor being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 490-98) recommending that H.B. No. 3055 pass

Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3055, entitled: "A BILL FOR AN ACT RELATING TO CIVIL SERVICE," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 491-98) recommending that H.B. No. 2854, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 491-98 on H.B. No. 2854, HD 1, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2854, HD 1, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 492-98) recommending that H.B. No. 2858, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 492-98 on H.B. No. 2858, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2858, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 493-98) recommending that H.B. No. 2901, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 493-98 on H.B. No. 2901, HD 1, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2901, HD 1, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 494-98) recommending that H.B. No. 2997, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 494-98 on H.B. No. 2997, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2997, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 495-98) recommending that H.B. No. 3032, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 495-98 on H.B. No. 3032, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 3032, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 496-98) recommending that H.B. No. 2357, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 496-98 on H.B. No. 2357, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2357, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 497-98) recommending that H.B. No. 2985, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 497-98 on H.B. No. 2985, HD 1, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2985, HD 1, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 498-98) recommending that H.B. No. 3207, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 498-98 on H.B. No. 3207, HD 1, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 3207, HD 1, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 499-98) recommending that H.B. No. 2685, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 499-98 on H.B. No. 2685, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2685, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 500-98) recommending that H.B. No. 3087, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 500-98 on H.B. No. 3087, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 3087, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 501-98) recommending that H.B. No. 3002, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 501-98 on H.B. No. 3002, HD 1, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 3002, HD 1, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 502-98) recommending that H.B. No. 3416, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 502-98 on H.B. No. 3416, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B.

No. 3416, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 503-98) recommending that H.B. No. 2792, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 503-98 on H.B. No. 2792, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2792, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 504-98) recommending that H.B. No. 2992, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 504-98 on H.B. No. 2992, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2992, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 505-98) recommending that H.B. No. 2714, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 505-98 on H.B. No. 2714, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2714, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 506-98) recommending that H.B. No. 2760, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 506-98 on H.B. No. 2760, HD 1, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2760, HD 1, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 507-98) recommending that H.B. No. 2655, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 507-98 on H.B. No. 2655, HD 1, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2655, HD 1, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 508-98) recommending that H.B. No. 3616, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 508-98 on H.B. No. 3616, HD 1, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 3616, HD 1, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 509-98) recommending that H.B. No. 2648, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 509-98 on H.B. No. 2648, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2648, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 510-98) recommending that H.B. No. 3613, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 510-98 on H.B. No. 3613, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 3613, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 511-98) recommending that H.B. No. 1813, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 511-98 on H.B. No. 1813, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 1813, HD 2, were made available to the members of the House.

Representative Tom, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 512-98) recommending that H.B. No. 2358, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 512-98 on H.B. No. 2358, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2358, HD 2, were made available to the members of the House.

Representative Tom, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 513-98) recommending that H.B. No. 2443, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 513-98 on H.B. No. 2443, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2443, HD 2, were made available to the members of the House.

Representative Tom, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 514-98) recommending that H.B. No. 2598, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 514-98 on H.B. No. 2598, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2598, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 515-98) recommending that H.B. No. 2486, HD 2, as amended in HD 3, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 515-98 on H.B. No. 2486, HD 3, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2486, HD 3, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 516-98) recommending that H.B. No. 3063, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 516-98 on H.B. No. 3063, HD 1, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 3063, HD 1, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 517-98) recommending that H.B. No. 3527, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 517-98 on H.B. No. 3527, HD 1, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 3527, HD 1, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 518-98) recommending that H.B. No. 2671, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 518-98 on H.B. No. 2671, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2671, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 519-98) recommending that H.B. No. 3457, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 519-98 on H.B. No. 3457, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 3457, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 520-98) recommending that H.B. No. 3022, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 520-98 on H.B. No. 3022, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 3022, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 521-98) recommending that H.B. No. 3072, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 521-98 on H.B. No. 3072, HD 2, was deferred, and in accordance with Article III, Section 15, of the

Constitution of the State of Hawaii, printed copies of H.B. No. 3072, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 522-98) recommending that H.B. No. 2993, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 522-98 on H.B. No. 2993, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2993, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 523-98) recommending that H.B. No. 3365, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 523-98 on H.B. No. 3365, HD 1, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 3365, HD 1, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 524-98) recommending that H.B. No. 2791, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 524-98 on H.B. No. 2791, HD 1, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2791, HD 1, were made available to the members of the House.

Representative Say, for the Committee on Finance presented a report (Stand. Com. Rep. No. 525-98) recommending that H.B. No. 3224, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 525-98 on H.B. No. 3224, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 3224, HD 2, were made available to the members of the House.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 526-98) recommending that H.B. No. 2675, as amended in HD 1, be recommitted to the Committee on Consumer Protection and Commerce.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2675, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION," was recommitted to the Committee on Consumer Protection and Commerce, with Representatives Ahu Isa and Menor being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 527-98) recommending that H.B. No. 2614 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2614, entitled: "A BILL FOR AN ACT RELATING TO POLICE

OFFICERS, FIREFIGHTERS, AND BANDSMEN PENSION SYSTEM," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa and Menor being excused.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 528-98) recommending that H.B. No. 3054, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3054, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PERFORMANCE RATINGS OF EMPLOYEES IN THE CIVIL SERVICE," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa and Menor being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 529-98) recommending that H.B. No. 2774 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2774, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM INFORMATION PRACTICES ACT (MODIFIED)," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa and Menor being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 530-98) recommending that H.B. No. 2459, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2459, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SEARCH WARRANTS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa and Menor being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 531-98) recommending that H.B. No. 2438, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2438, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DRIVING UNDER THE INFLUENCE OF INTOXICATING LIQUOR," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa and Menor being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 532-98) recommending that H.B. No. 2967, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2967, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SURFING," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 533-98) recommending that H.B. No. 2711, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2711, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE MANAGEMENT OF FINANCING AGREEMENTS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa and Menor being excused.

Representative Santiago, for the Committee on Health, presented a report (Stand. Com. Rep. No. 534-98) recommending that H.R. No. 7 be referred to the Committee on Education.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.R. No. 7, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION, IN COOPERATION WITH THE DEPARTMENT OF HEALTH, TO ESTABLISH A SUN PROTECTION POLICY FOR ELEMENTARY SCHOOL CHILDREN AND TO STUDY THE FEASIBILITY AND COST OF REQUIRING SCHOOL CHILDREN TO WEAR PROTECTIVE SUN SCREEN HEADGEAR," was referred to the Committee on Education, with Representatives Ahu Isa and Menor being excused.

Representative Santiago, for the Committee on Health, presented a report (Stand. Com. Rep. No. 535-98) recommending that H.C.R. No. 14 be referred to the Committee on Consumer Protection and Commerce.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.C.R. No. 14, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO ASSESS THE SOCIAL AND FINANCIAL EFFECTS OF REQUIRING HEALTH INSURERS TO OFFER COVERAGE FOR POST-MASTECTOMY BREAST RECONSTRUCTION SURGERY," was referred to the Committee on Consumer Protection and Commerce with Representatives Ahu Isa and Menor being excused.

Representative Arakaki, for the Committee on Human Services and Housing, presented a report (Stand. Com. Rep. No. 536-98) recommending that H.C.R. No. 24, as amended in HD 1 be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.C.R. No. 24, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE U.S. CONGRESS, THE PRESIDENT OF THE UNITED STATES, AND THE SECRETARY OF HEALTH AND HUMAN SERVICES TO SUPPORT THE HAWAII CONGRESSIONAL DELEGATION'S EFFORT TO AMEND THE SOCIAL SECURITY ACT TO INCREASE HAWAII'S FEDERAL MEDICAL ASSISTANCE PERCENTAGE (FMAP)," was referred to the Committee on Finance, with Representatives Ahu Isa and Menor being excused.

Representative Arakaki, for the Committee on Human Services and Housing, presented a report (Stand. Com. Rep. No. 537-98) recommending that H.C.R. No. 40, as

amended in HD 1 be referred to the Committee on Judiciary.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.C.R. No. 40, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A MANAGEMENT, FINANCIAL AND PROGRAM AUDIT OF THE CHILD PROTECTIVE SERVICES," was referred to the Committee on Judiciary, with Representatives Ahu Isa and Menor being excused.

Representative Arakaki, for the Committee on Human Services and Housing, presented a report (Stand. Com. Rep. No. 538-98) recommending that H.C.R. No. 39, be adopted.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.C.R. No. 39, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE DEPARTMENT OF HUMAN SERVICES TO MINIMIZE TRAUMA, BE SENSITIVE TO THE EMOTIONAL NEEDS OF THE CHILD, AND CONSIDER UTILIZING PEOPLE SIGNIFICANT TO THE CHILD WHEN PICKING UP THE CHILD FOR CUSTODY," was adopted, with Representatives Ahu Isa and Menor being excused.

Representative Arakaki, for the Committee on Human Services and Housing, presented a report (Stand. Com. Rep. No. 539-98) recommending that H.C.R. No. 48, as amended in HD 1, be adopted.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.C.R. No. 48, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION INVITING THE CHILDREN'S MILLENNIUM CONFERENCE TO HONOLULU IN OCTOBER 1999," was adopted, with Representatives Ahu Isa and Menor being excused.

SUSPENSION OF RULES

On motion by Representative M. Oshiro, seconded by Representative Marumoto and carried, the rules were suspended for the purpose of considering certain bills on Third Reading on the basis of a modified consent calendar. (Representatives Ahu Isa and Menor were excused.)

STANDING COMMITTEE REPORTS

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 540-98) recommending that H.B. No. 2859, HD 1, pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2859, HD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE DEPARTMENT OF HEALTH ADULT MENTAL HEALTH DIVISION," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 541-98) recommending that H.B. No. 2230, HD 2, pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2230, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII-HILO," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 542-98) recommending that H.B. No. 2535, HD 1, pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2535, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONAL FACILITIES," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 543-98) recommending that H.B. No. 2563 pass Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2563 pass Third Reading, seconded by Representative M. Oshiro.

Representative Pendleton rose in support of the measure and asked that his comments be inserted into the Journal, and the Chair "so ordered."

Representative Pendleton's remarks are as follows:

"Mr. Speaker, I rise in strong support of Stand. Com. Rep. No. 543-98 and its accompanying House Bill No. 2563 relating to School-Based Budgeting.

"Mr. Speaker, this bill is an excellent bill. It does two things. It provides increased budget flexibility to schools. This bill will also generate information about the efficiency of specific schools which information will afford the Legislature as policymakers more data to make the hard decisions we must make.

"The reason why autonomy and empowerment is important to schools is because we all know that a centralized system is not efficient. We know that in economics that a command economy is inferior to a market economy. We also know that decision makers closest to those who are impacted by the decisions are actually the best situated to make such decision. This bill moves in that direction.

"The information will be generated by requiring the Governor to submit to us a budget which enumerates the extent of appropriations or funding directed to each individual school. Presently such data is exceedingly difficult, if not impossible, to obtain. This came to my attention after visiting Lanikai Elementary School, which is one of two charter schools in the State of Hawaii. They indicated to me that implementation of the charter school -- or as we call them here in Hawaii, student-centered schools -- the DOE could not readily tell them how much money they were entitled to per pupil.

"Mr. Speaker, one would think that this would have been easily identifiable. Our State Data Book indicates that for the year 1994-95 the cost per pupil is \$5,794.00. I am not a mathematician, but as a layperson I would have thought that you just hand over that amount per pupil. Apparently that is not the case.

"At least with this present bill we will have information from the Governor as to what individual schools are

receiving. We will be in a better position to make decisions relating to our precious keiki.

"Mr. Speaker, in conclusion, I am happy to see this bill move through the process. As humble as the bill may seem, it does move us in the right direction. Perhaps someday we shall see district level Boards of Education with budgetary authority. Boards which are very responsive to their constituents and which have the tools to work with the newly empowered schools in their districts."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2563, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL-BASED BUDGETING," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 544-98) recommending that H.B. No. 2834, HD 1, pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2834, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 545-98) recommending that H.B. No. 2870 pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2870, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 546-98) recommending that H.B. No. 3024 pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3024, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ASSISTANCE," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 547-98) recommending that H.B. No. 3400, HD 2, pass Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 3400, HD 2, pass Third Reading, seconded by Representative M. Oshiro.

Representative Garcia rose to speak in strong support of the measure, stating:

"Mr. Speaker, I am concerned that the members might misinterpret Section 1 of the bill or even the Committee report, especially with reference to the word 'alternative.' This bill speaks to the expansion as an option of the Kulani Correctional Facility based on plans that were drawn up some years ago by the former PSD director.

"It should not be construed by the membership, although I have seen at least one report in the media that your Chairman on Public Safety has all but abandoned the option at Ka'u. That option at Ka'u is still very viable. I'll be considering any and all plans to develop a facility in Ka'u as we move along in the legislative process to get to the bottom line which is building or expanding upon our prison bed capacity in the State.

"So please members, do not misinterpret what we are calling for in House Bill No. 3400 or its attached Standing Committee Report. I am not abandoning the option to build at Ka'u. That still remains viable, and Kulani is just an option that will be placed on the table for further consideration.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3400, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 548-98) recommending that H.B. No. 2787, HD 1, pass Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2787, HD 1, pass Third Reading, seconded by Representative M. Oshiro.

Representative Moses rose in opposition to the measure, stating:

"Thank you, Mr. Speaker. I've spoken out on this floor about this before, and at Committee hearings, and provided testimony. This bill adds an airport, basically, to Barber's Point when it closes in 1999.

"It's just a few blocks from downtown Kapolei which today, you know, you might not think it's anything, but it's just going to be like Honolulu in just a few years. Libraries, high schools, middle schools, State office buildings, civic center, and we're going to have an airport flying right over those buildings and right over Campbell Industrial Park, and I'm sure at some point in time somebody will come back to us and say you've got to move Campbell Industrial Park because it's too dangerous to have an airport next to the refineries.

"What really irks me is the people have been opposed to this airport for a long time, not because they're opposed to airports, but we only have 150 airplanes in the State that will use it and only three of them said they would even consider moving to Kalaehoa Airport at Kapolei. Why are we putting millions of dollars into an airport we don't need?

"In addition, the people have been promised by the Commission, the Redevelopment Commission, that they would never, ever close the beach access roads around the airport, never, some of the best beaches in the State. But the FAA just recently came back and said, if the State wants an airport there, we have to close the access road because it's dangerous to have cars that close to the airport.

"So, Mr. Speaker, we have just subjugated ourselves to the will of the Federal Aviation Authority, and the State -- just the heck with us. The heck with the people of the State, the heck with what the State wants to do. And I'm very, very disappointed that this body would let a bill like this pass.

"Thank you, Mr. Speaker."

Representative Kawanakoa then rose and stated:

"Thank you, Mr. Speaker. I believe my learned colleague has done a lot of research. He's been part of the community, he's been part of the task force..."

The Chair interrupted Representative Kawanakoa, asking: "Are you speaking against the bill?"

Representative Kawanakoa responded:

"Just support with reservations. I was going to get to that. It was my preposition. However, I'm going to be supporting this measure and take it under further consideration as we see it in the final form when it comes back. Hopefully, we'll have a chance to vote on it again.

"It has been called to our attention. I'm surprised that there's not more people, perhaps from that area of our island with surrounding districts, concerning themselves with this particular issue. I think he's mentioned some very valid points and yet the level of discussion has been little, if nothing.

"Thank you, Mr. Speaker."

Representative Pendleton then rose and asked the Clerk to register an aye with reservations, and that the remarks of Representative Moses be entered into the Journal as his own, and the Chair "so ordered." (By reference only.)

Representative Thielen then rose in opposition to the measure, stating:

"Mr. Speaker, I also have opposed this as we've gone through the legislative process. I've opposed it consistently. It's very clear that the community does not want this out there, and I can't quite understand the force behind this bill and why it is overriding the community's desires. I thought we were much more community-driven these days and democratically-driven -- small 'd' -- and we're making these kinds of decisions. We want the community's input. . . well, in this case the Legislature is just ignoring it. I think it's a mistake, and I'd really ask members to reconsider it before it goes through on Final Reading coming back. I hope that maybe it won't come back from the Senate, but in the event that it comes back from the Senate, then I hope that we will all decide to not pass it out. Thank you."

Representative Kahikina then rose to speak in opposition to the measure, stating:

"I'm one of those who participated in some of the community forums, not as much as my colleague, Representatives Moses, but I'm definitely sure that the communities around did share their opposition. And for that matter, I'm listening to my community, and I'm opposing this bill. Thank you."

Representative Meyer then rose to opposition to in to the measure, stating:

"Like my colleague to my right here, she said: 'I didn't know it's being pushed.' I believe it's being pushed because of the connection between funding for roads within a certain distance of an airport. That's one of the major reasons, but I can't support it because the community has come out so strongly that they're not in favor of this. I think it's very regrettable that we're not paying attention to that voice.

"Thank you, Mr. Speaker."

Representative Moses then rose and stated:

"Thank you, Mr. Speaker. I'd just like to clarify something I heard on the floor today. The community has been out, they've been up in arms since 1993. There have been hearings at least once a week. Some of them, because they're on different committees and sub-committees of the Redevelopment Commission, have been out there several times a week. It's been going on constantly. We still have the meetings going on. So it's not that the people haven't been involved. They're just very discouraged that nobody seems to listen. And they were opposed to this above all other things that have been opposed to, and it didn't matter. And that is not the democratic principle or process that I was taught in my schools at least.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2787, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEVELOPMENT OF THE KALAELOA COMMUNITY DEVELOPMENT DISTRICT," passed Third Reading by a vote of 38 ayes to 11 noes, with Representatives Aiona, Fox, Halford, Kahikina, Marumoto, McDermott, Meyer, Moses, Thielen, Ward and Whalen voting no, and Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 549-98) recommending that H.B. No. 2761 pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2761, entitled: "A BILL FOR AN ACT RELATING TO SALARY PAYMENTS TO NEW EMPLOYEES," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 550-98) recommending that H.B. No. 2842, HD 1, pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2842, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DIRECTOR OF HEALTH," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 551-98) recommending that H.B. No. 2857 pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2857, entitled: "A BILL FOR AN ACT RELATING TO THE CHRONIC RENAL DISEASE PROGRAM," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 552-98) recommending that H.B. No. 3313, HD 1, pass Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 3313, HD 1, pass Third Reading, seconded by Representative M. Oshiro.

Representative Abinsay rose in support of the measure and asked that his comments be inserted into the Journal, and the Chair "so ordered."

Representative Abinsay's remarks are as follows:

"I rise to speak in support of H.B. No. 3313, HD 1, relating to police officers disease testing.

"The realities of police work today require the passage of this bill. Police work today is no longer limited to traffic enforcement, crowd control, public safety, or surveillance of possible criminal activity. Use of illegal and controlled substance by the population which most often come in contact with the police is no longer the exception as it was in the recent past. It is estimated that 80% of our current prison population have used illegal drugs or abused illegal substances.

"The frisk or pat-down is a common and routine police procedure. This is often done when a suspect is stopped for possible possession or use of illegal drugs or when he is suspected of being in possession of a weapon. In the course of searching for drugs or weapons, a police officer may have to frisk or pat-down a suspect. It has been known that during a pat-down or frisk, a police officer is poked or pricked by a syringe. The chances are the syringe is dirty or has been previously used intravenously to inject heroin or other substance. Even if it were not used to inject illegal substances, the fact that the needle is in an unsterile environment makes it infectious to hepatitis or HIV/AIDS.

"It is only fair and equitable that a police officer be protected from a risk inherent in his work. This bill is akin to the protection of a police officer who has been given by statute, that he be provided with counsel when he is criminally accused or civilly sued in connection with his police duties. Therefore, I urge you to pass the bill."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3313, HD 1, entitled: "A BILL FOR AN ACT RELATING TO POLICE OFFICERS," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 553-98) recommending that H.B. No. 3225, HD 1, pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3225, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKER'S COMPENSATION," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 554-98) recommending that H.B. No. 2551, HD 1, pass Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2551, HD 1, pass Third Reading, seconded by Representative M. Oshiro.

Representative Case rose in support of the measure with reservations and asked that his comments be inserted into the Journal, and the Chair "so ordered."

Representative Case's remarks are as follows:

"Mr. Speaker, in remarks on this floor on May 1, 1995, I stated that the 'largest single [unresolved] issue [facing us was] the operation of state government[:] the whole way it fits together, it operates, it produces' Almost three years later, I still believe that to be true, because the amount of money being consumed by state government is probably the most significant contributor to our worsening economy.

"For these reasons, every country and state that has undertaken meaningful economic revitalization in the last few decades has had as one of their top priorities civil service and collective bargaining reform. I must support this bill in its current form because it purports to advance that goal.

"My reservations have to do with an apparent lack of resolve in government to face the need for reform now. During the 1997 legislative session, for example, this body passed House Resolution 146, HD1, which, in language virtually identical to this bill, requested the Governor to convene a task force to 'conduct a comprehensive review of the scope, implementation, efficiency and effectiveness of Title 7 . . . and to seek consensus on appropriate changes' During the legislative interim, members and a full committee of this body asked the Governor to implement the resolution, but did not even receive the courtesy of a response.

"The Role of Government Working Group of the interim Economic Revitalization Task Force made civil service and collective bargaining reform one of its top recommendations. However, the ERTF did not even include that goal in its final recommendations, for reasons readily apparent.

"The original version of this bill, a Majority package proposal, would have effected actual reform, as would an identical version, HB 2578, a Small Business Caucus bill with bipartisan support. But this bill was opposed by the executive branch in favor of this task force, and public employee union representatives opposed any action.

"Mr. Speaker, dramatic civil service and collective bargaining reform is absolutely inevitable, and if it can only occur by means of still another task force, I must be supportive. But I must express my reservations that, to some, this approach is simply another means of denial and avoidance. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2551, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 555-98) recommending that H.B. No. 2875, pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2875, entitled: "A BILL FOR AN ACT RELATING TO THE SPECIAL LAND AND DEVELOPMENT FUND," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 556-98) recommending that H.B. No. 2844, HD 1, pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the

Committee was adopted and H.B. No. 2844, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE SUNSET CLAUSE FOR MENTAL HEALTH AND ALCOHOL AND DRUG ABUSE TREATMENT INSURANCE BENEFITS," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 557-98) recommending that H.B. No. 3026, pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3026, entitled: "A BILL FOR AN ACT RELATING TO PERSONAL CARE SERVICES PAYMENT," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 558-98) recommending that H.B. No. 2376, HD 1, pass Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2376, HD 1, pass Third Reading, seconded by Representative M. Oshiro.

Representative Fox rose to speak in opposition to the measure, stating:

"Mr. Speaker, this bill came before House Finance and there was no testimony in favor of this bill. The Standing Committee Report seems to suggest there might be some, but I was there and nobody testified in favor of the bill, including the Department of Business, Economic Development and Tourism. The Standing Committee Report says that this bill should pass, in part, because the People Mover System will be built 'at no capital and operating costs to the State and City and County of Honolulu.' Yet the bill itself, in Section 3, says, 'in the event that it becomes feasible for the State to construct and operate the system itself..., the Department of Transportation is authorized to proceed with the construction and operation of the system, either on its own, or in cooperation with the City and County of Honolulu.'

"I'm distressed that the bill developed in this way. The People Mover was always sold as a private operation, something that would be done only if the private sector would support it. And yet before Finance, we saw this wording that opens up a big hole that allows the State to go in the business of building a transportation system for the City and County of Honolulu. I don't think that's the direction the Legislature intended to go. I recommend that all of us vote against this bill.

"Thank you, Mr. Speaker."

Representative Kawanakoa then rose and stated:

"Mr. Speaker, when I read that particular section, I think I had similar concerns. I'm not sure if I'm speaking in favor or opposition because I'd like to have clarification. Perhaps if the intent of this measure was to allow the State to participate in the construction, or if it meant by reading Section 3, that it meant the private sector is to pay for it, and if it can't we'll look to federal funds, and if we can't find federal funds, then it stops."

At 12:29 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 12:32 o'clock p.m.

Representative Kawanakoa then rose and stated:

"I'll rise in support with reservations. Seeing as my first concerns haven't been fully addressed, I share the same concern that the State may end up potentially footing the bill for this People Mover System. I understand the intent is to have the private sector fund it. If the private sector doesn't have sufficient funds, look to federal grants. It really is silent, if the federal doesn't have enough grants and there's insufficient federal funds, whether or not the State will jump in.

"Perhaps, it's been brought to my attention that this would have to come back to us again for an appropriation. If that is the case, then I will vote in support. If that were not the case, I'd perhaps have to oppose this measure. Seeing as we'll have another opportunity if the State is to foot the bill, that's my understanding before this Honorable Body, I will vote with reservations."

Representative Cachola then rose to speak in support of the measure, stating:

"There seems to be a lot of confusion on the part of my colleagues from the Minority Party when it comes to this bill. What this bill calls for is to allow the private sector to build a People Mover. If there are parties out there who are interested in building it, we'd be pleased. If we can get federal funds to build it, maybe the State can look at pursuing it. If there's no private sector interested in building it, there's no People Mover. We just give the flexibility on the part of the Department of Transportation to look at ways to ease up traffic, to provide for a People Mover from Waikiki, Convention Center all the way down to Aloha Tower and to connect to the ferry system. That is what the bill calls for, Mr. Speaker. Thank you."

Representative Ward then rose and stated:

"Mr. Speaker, I stand with reservations, however if what the last speaker said is true, I'll vote for this bill. Because remember the 25 percent increase in the GE Tax, Mr. Speaker, it was because we said, look the private sector is going to get out to bid, we're going to do it like they do it Japan. You let the private sector build it, and it won't cost taxpayers a penny.

"When that mass transit private sector bid came in they said, well they can't make any money on it, we're going to have to cancel it, and then as you know it was automatic taking of the GE Tax, the 25 percent increase, from 4 percent to 5 percent. And who got stuck with the bill, but the people of Hawaii. Fortunately, this body had voted against the tax increase. Unfortunately, the mass transit situation is still unresolved. We do need a People Mover to move people, but we've got to do it in the way that we said. And if the previous speaker, the Chair of the Tourism Committee, is on the up and up, Mr. Speaker, I'll vote clear on this. Right now it's with reservations because we've got those 'fudge' words in there that say, 'well if they can't do it we'll do it, big brother, big government will come in,' and I think he understands that that's what we don't want to do with this bill. Thank you."

Representative Pendleton then rose to register an aye with reservations, and asked that the comments of Representative Kawanakoa be entered into the Journal as his own, and the Chair "so ordered." (By reference only.)

Representative Moses then rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. The problem is, the reason I have reservations is because I can't understand the bill either. Of course, you know, I'm from the Leeward area. We need the ferry system to link with some form of People Mover downtown. It would be great. It'd be wonderful. We need it. But I'm very concerned about this bill, and it may just be a poor choice of words.

"It says that 'in the event that it becomes feasible for the State to construct and operate the system itself...' that's the State itself, '...if there is insufficient private sector interest and sufficient,' whatever insufficient and sufficient means, I don't know, '...sufficient federal funds to become available, the Department of Transportation can build this thing.'

"And that's my concern, that the wording in the bill does not match the wording in the Committee report. The bill clearly authorizes the Department of Transportation of this State to build this thing if something happens and private sector doesn't come through. The Committee report again says: 'at no capital and operating costs to the State and City and County of Honolulu.' So I have those reservations, Mr. Speaker."

Representative Kawanakoa then rose and stated:

"Thank you, Mr. Speaker. I just need to clarify, I guess, a statement that was made. Your Minority is not confused, Mr. Speaker. I raise my concerns, and perhaps without a direct assault on the wording or the language of the bill is perhaps not honorable to ask for clarification. We are not confused, we are cautious. We are cautious when we're talking about the potential of burdening our public with another tens, or perhaps, hundreds of millions of dollars in the cost of constructing and operating a People Mover System. So I'm not confused, but I certainly am cautious. Thank you, Mr. Speaker."

Representative Cachola then rose and stated:

"Again, I'm speaking in support of this measure. You know, this bill coming from the Finance Committee was passed unamended, but they should look at the previous Committee report that I passed out wherein it spells out all the intent of this bill, including to pursue vigorously federal funding if it's needed, as to know the intent of this bill.

"That is, if in case there's no private sector money and the State wishes to build the People Mover with matching funds from the feds, let's say 80 percent federal funding, 20 percent State, that this bill will come back to us because it needs appropriation. So, that's the safeguard for this kind of a bill. All I'm saying here is that we need a People Mover to move people around, ease up traffic, especially if it will connect to the ferry system, God willing, that we pass it out, that this proposal will help both residents from the Leeward area as well as in Waikiki. This will also create another attraction for the visitor industry.

"I suggest that they should look at the previous Committee report that was passed from the Tourism Committee, that has a more detailed explanation of what this bill is all about.

"Thank you, Mr. Speaker."

Representative Pendleton then rose and stated:

"Thank you, Mr. Speaker. Again, Mr. Speaker, I rise and vote with reservations. With all due deference to the previous speaker, the honorable Chair of that particular Committee, the previous subject matter Committee, he referenced the Committee Standing Report. Again, you know, if there is ambiguity of this occurring in the text of the law, that's one matter. The Committee report is not law and will not be treated by judges or juries or courts as law.

"And so reading a very clear Committee report is still insufficient to address the very concerns that the Minority Caucus has raised. We are again cautious, whenever it comes to expending the public's money, because it is the public's money. And so again, however clear that previous Committee report may be, it still doesn't answer our questions because we're talking about what the law is, not what a Committee will say because a Committee report will never become law.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2376, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TOURISM," passed Third Reading by a vote of 44 ayes to 5 noes, with Representatives Aiona, Fox, Halford, Meyer and Whalen voting no, and Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 559-98) recommending that H.B. No. 3000 pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3000, entitled: "A BILL FOR AN ACT RELATING TO HEALTH BENEFITS FOR PART-TIME, TEMPORARY, AND SEASONAL OR CASUAL EMPLOYEES," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 560-98) recommending that H.B. No. 3524 pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3524, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE PREMIUM TAXES," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 561-98) recommending that H.B. No. 2803 pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2803, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 562-98) recommending that H.B. No. 3446 pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3446, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR NOT-

FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 563-98) recommending that H.B. No. 2561, HD 2, pass Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2561, HD 2, pass Third Reading, seconded by Representative M. Oshiro.

Representative Pendleton rose to speak in opposition to the measure, declaring a potential conflict, and the Chair ruled "no conflict."

Representative Pendleton continued, stating:

"Thank you, Mr. Speaker. Just two points. Again, Mr. Speaker, this question has been brought forward to the people of Hawaii before, and they've rejected it in previous votes. I don't think the added expenditure of having again to ask them whether or not they haven't changed their minds; I'm not sure that that is a prudent thing to pursue at this time. I think it might actually be a waste of money.

"Also, I still am unclear as to how we can have a more accountable Board by removing the ability of voters to reelect or to throw them out of office. I think one of the best checks on our Board of Education is to ensure the ability of parents who have their kids in public schools, that those very parents can throw out any member of the Board who is seen as unfit or not working hard enough. But removing that ability from the voters to actually throw out Board members doesn't seem to me to be a democratic thing to do. It doesn't promote accountability, rather it eviscerates accountability.

"Thank you, Mr. Speaker."

Representative Fox then rose to speak in opposition to the measure, stating:

"The Task Force recommended some action in this area, and this bill is supposedly in response to the Task Force recommendation. The Task Force recommended appointed boards at the county level. I think it's very unfortunate to go to the idea of appointed boards when the people have given us a clear indication, just four years ago by an 8 percent margin, that they favored elected boards over appointed boards.

"But the Task Force did have the right idea about going to lower level boards, to county level boards. So I think it's particularly distressing that this bill comes forward, not as an attempt to at least get down to the county level with school boards, but to simply retain the same statewide structure that we have, contrary to the recommendations of the Economic Revitalization Task Force, and go back to the same appointed idea that was rejected by the voters four years ago.

"It's a very disappointing outcome to a slight effort in the right direction that the Task Force was making. I urge all my colleagues to vote no. Thank you."

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

"It seems inappropriate that we talk about additional accountability and more access to the people, and yet all that we're doing is making boards appointed by one person again. Maybe we make more boards so he has

control over more boards, instead of the people having any control at all.

"All of you are elected officials. You know what happens when you go to Safeway, when you go to McDonald's, maybe even when you go by your local school, people know who you are. And if we actually have a problem where people don't know who they've elected for the school board, then we can make smaller, local level school boards at the county level, and maybe even several at the Oahu level within the county because we're so large. But by just having them appointed doesn't make them more accountable to the people. It makes them more accountable to the Governor. And no Governor is ever going to get unelected because of something a school board does. It just doesn't work that way, especially if you have seven school boards or a certain number of school boards. The people in one school board might like what's going on. The people in the other school board might not. So the people who don't like what's going on have no say.

"Thank you, Mr. Speaker."

Representative Stegmaier then rose to speak in support of the measure, stating:

"Just to mention three quick points. One is that the representatives of the Economic Revitalization Task Force did support this measure in this draft, focusing on the appointive nature of the bill. The bill simplifies accountability concerning educational policymaking in our State. And lastly, Mr. Speaker, it lets the people decide whether they want an appointed board or an elected board. Let the people decide, Mr. Speaker. Thank you."

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

"I think you understand our position with regard to appointed versus elected school board members. But the previous speaker just noted that various people testified in support: the State Attorney General, Governor's State Attorney General, who is appointed by the Governor; you had two individuals who are members of the Economic Revitalization Task Force testify, who were appointed by the Governor; you had HGEA testify in support, and we all know where their brethren lies.

"Who testified in opposition? The Board of Education, the people who are there on the front lines. The Hawaii State Teachers Union testified in opposition. They're on the front lines. They're the people that understand what works and doesn't work. They don't want to see more power going up. They want to see more power down at the school level with teacher-driven schools.

"I think it's pretty clear how this lines up, and obviously we want the people to decide. But the people have repeatedly decided and they're saying: 'Why are you coming to us again? If we finally vote "yes", will you leave us alone?' Is that what we're looking for?

"Thank you, Mr. Speaker."

Representative Marumoto then rose to speak in opposition to the measure, stating:

"I really think it's better that we have our government as close to the people as possible. I really believe in local government to increase accountability. I think that being closer to the people, the people know who they are voting for but they might not know on a statewide basis, who is who. So I prefer local government county boards. I think I would prefer elected over appointed, but this bill

calls for a State-appointed board. They're all going to be in Honolulu.

"I've heard a lot of complaints from neighbor islanders who feel like the Honolulu office, the State School District Office, just never hears them because they're just so far away. So I really feel that small is better. I think small schools are better. We'd like to preserve our small schools, and also create some schools-within-schools."

The Chair interrupted Representative Marumoto, stating:

"Can you please speak on the item rather than on some other. . .you're diverting a little bit."

Representative Marumoto responded:

"It's part of the philosophy to get closer to the people, Mr. Speaker, and be more responsive to their educational needs. Thank you very much."

Representative M. Oshiro then rose to speak in support of the measure, stating:

"Just very briefly. I think the members should look at the bill. The question that will be placed on the ballot reads as follows: 'With the exception of the student member, shall the Board of Education be appointed by the Governor, and confirmed by the House of Representatives, and its composition determined by law?'

"There's a bill that follows this particular bill that talks about the composition of this appointed board. I believe it addresses some of the concerns that have been raised on the floor. It states that it will provide for a Board of Education appointed by the Governor..."

The Chair interrupted Representative M. Oshiro, asking him to "confine yourself to the bill that is before us."

Representative M. Oshiro responded:

"I believe the next bill addresses the concerns. Thank you, Mr. Speaker."

Representative Ward then rose to speak in opposition to the measure, stating:

"I appreciate the previous speaker's 'sweetener' to the bill by saying that now we've got oversight, our powers. Only the Senate has that, now we've got it. I think that helps take what otherwise is a tired idea. It recycles it. It gives us another 'bite of the apple' of what otherwise people have rejected. And in the business community, Mr. Speaker, there's the notion, mistakenly, that if you just advertise long enough and hard enough, you'll get everybody to buy your product."

"This appointed board from the Governor is an Edsel. And no matter how much they advertised, nobody bought it. Thank you, Mr. Speaker."

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

"Mr. Speaker, again as previous speakers stated, this merely allows the voters to decide whether they want an appointed or an elected board."

"Yes, four years ago it was on the ballot, and it was very close with no groups publicly coming out in support or advertising of any sort in favor of an appointed board. And yet it was so close. A recent editorial in one of the local papers applauded the efforts of the House for coming out with this initiative. And what they clearly indicated

was that under the current elected Board of Education, is the system working? Has education been working all these years? And maybe we need to give it a try. Thank you."

Representative Halford then rose to speak in opposition to the measure, stating:

"This merely asking is an expensive asking. It means putting this on the ballot. It means educating the people again about all of the items on the ballot. Putting constitutional amendments on the ballot is expensive and time-consuming for the voters to get up to speed as to what's being presented to them."

"Another point I'd like to make is that the last election was not close. I think an 8 percent spread in any election is a substantial win. In this particular case, it's substantial defeat for the proposal just four years ago. Thank you."

Representative Kawanakoa then rose and stated:

"Thank you, Mr. Speaker. I'm still in opposition to this measure. I haven't been persuaded otherwise. I just note that the previous speaker who spoke in support of the measure raises another concern for me. He knows that the vote was close, and there was no concerted effort, there was no advertising, there were no groups out there pressing towards passage. In other words, the people just voted what they believed. Instead of having lobbyists advertising for special interests, and it concerns me to no end, because as we know, as we sit here today, there's a concerted special interest group advertising \$500,000 to a million dollars to pass the Task Force recommendations."

Representative M. Oshiro rose on a point of order, stating:

"The current speaker should remain focused upon the issue at hand, on the bill at hand."

Representative Kawanakoa then responded:

"I believe the issue was raised by my honorable colleague across the aisle as to whether or not there'll be special groups or interests out there advocating for this, and I think it is germane to the discussion at this point to address that concern. But I certainly hope we don't see special interest groups out there advertising millions of dollars to pass an appointed school board with slick advertisements, things coming on the radio, in the newspaper, full page ads, television commercials. I think that's a little heavy-handed or perhaps a breach of our duty to let the people decide. I heard: 'Let the people decide.' I hope we don't get into this special interest advertising."

The Chair responded: "Thank you very much, Representative. I guess we should ban all marketing and advertising."

Representative White then rose to speak in support of the measure, stating:

"Mr. Speaker, I would just like to stand in support of this measure and point out that the comments from those who oppose this measure in a way seem to be a rousing endorsement of the status quo. So thank you for your support."

Representative Okamura then rose and stated:

"Mr. Speaker, just to clarify my comments, perhaps I didn't use the proper words. What I meant is because in the last four years when this issue was before the voters,

there was no real strong group that came out in support of this, there was very, very limited discussion within the public on this issue. So most people weren't really aware of it and that was very clear by the fact that there was so many blank votes. But many, many people do not even bother to vote in this election because they don't even know who the people are, who the candidates are.

"A lot of times when you ask the typical voter in the district who their member on Board of Education is, they don't know. They don't know, and it's generally been the people whose names are most recognized, or their names start with the alphabet 'A', that have historically been elected.

"There needs to be real public discussion on the pros and cons of this issue, and I think that this bill affords that so that the voters can make an intelligent decision. Thank you."

Representative Thielen then rose to speak in opposition of the measure, stating:

"Just a quick comment, Mr. Speaker, if I may, about the Majority Leader's comments. People in my area, the Windward side, know who their elected school board member is. It's Lex Brodie and I think he was the highest vote-getter in the entire State. Thank you."

Representative Pendleton then rose and stated:

"Thank you, Mr. Speaker. I'm still going to be voting in opposition despite the effort to be enlightened by the other side. A quick response to my colleague from Maui. We in the Republican Caucus are not in favor of the status quo. We think that we need an educational system second to none. Our keiki deserve that. Our concern has to do with the fact that appointing members and their not gaining recognition, name recognition for them.

"If you ask the voters out there whether or not they can identify individuals on any of the Governor's appointed task forces or commissions, the name recognition falls far lower than those who are elected. So if our goal is to have their names be recognized, that they have some, that the public understand who they are, having them appointed is going to actually work in the other direction. I don't see how moving from an elected to an appointed board actually helps things. The ERTF wanted us to move in the direction of county boards and our Caucus would've suggested even district boards. Get the Board of Education as close to the voters -- the people -- as possible.

"So we're not in favor of the status quo, we're in favor of making the system as good as possible. And we don't see how this system makes it any better. Thank you, Mr. Speaker."

Representative Moses then rose and stated:

"Thank you, Mr. Speaker, I remain in opposition to this bill. We just heard an argument that said that people don't know who their candidates are on the elected board. So the way to solve the problem is let's not have them elect anybody. Let's have them appointed. That's ridiculous.

"If the problem is that people don't know who the people are on the board because the board is too big, then make the board smaller. Or get more information about these people who were elected. Some of my colleagues might go around and see about their name recognition too. If they're not known by everybody in their district, we should appoint them. Who's going to

appoint them? The Governor? We could just do away with the House.

"Thank you, Mr. Speaker."

Representative Fox then rose and stated:

"The Majority Leader mentioned that if we set aside blank votes, we might have a different situation. I would remind our colleagues that there were more 'no' votes four years ago than there were 'yes' votes. Even setting aside the blank votes, the people have spoken. They said: 'Let us elect our own representatives to the school board.'"

Representative Ward then rose and stated:

"Mr. Speaker, the status quo is building baseball diamonds in Hawaii where you can't see home base. That's the status quo."

The Chair interrupted Representative Ward, stating:

"Representative, you're going to be ruled as usual, out of line."

Representative Ward continued, stating:

"I think the Representative from Maui misdefined what status quo was. That's the state of where we are right now with education and with economics in this State."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2561, HD 2, entitled: "A BILL FOR AN ACT PROPOSING AMENDMENTS TO THE HAWAII CONSTITUTION, RELATING TO THE BOARD OF EDUCATION," passed Third Reading by a vote of 37 ayes to 12 noes, with Representatives Aiona, Fox, Halford, Kawanakoa, Marumoto, McDermott, Meyer, Moses, Pendleton, Thielen, Ward and Whalen voting no, and Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 564-98) recommending that H.B. No. 2562, HD 2, pass Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2562, HD 2, pass Third Reading, seconded by Representative M. Oshiro.

Representative Kawanakoa rose and stated:

"The next measure, I'd simply like to register a no vote for the same reasons that I previously stated, and actually for all the reasons raised by your Minority Caucus, Mr. Speaker."

The Chair "so ordered."

Representative Moses then rose and stated:

"Thank you, Mr. Speaker, I wish my comments from the previous measure be entered as 'no' on this particular measure as well."

The Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2562, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 36 ayes to 13 noes, with Representatives Aiona, Fox, Halford, Kawanakoa, Marumoto, McDermott, Meyer, Moses, Pendleton, Thielen, Ward, Whalen and

Yonamine voting no, and Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 565-98) recommending that H.B. No. 2679, HD 1, pass Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2679, HD 1, pass Third Reading, seconded by Representative M. Oshiro.

Representative Tarnas rose in support of the measure and asked that his comments be inserted into the Journal and the Chair "so ordered."

Representative Tarnas's remarks are as follows:

"Mr. Speaker, I rise to speak in support of this measure. In a cooperative effort, private industry has worked with State government agencies to create an innovative program that will benefit the State's economy. In the tourism industry, a strong sector that continues to experience growth is ocean recreation. Hawaii is already identified as a prime scuba dive destination, and enhancing opportunities for shipwreck diving will help to improve our reputation and expand this industry even more.

"Currently, if a ship is abandoned at a State government-owned dock or pier, the Department of Transportation or Department of Land and Natural Resources must go through a process of impounding the vessel. Once impounded, the agency tries to auction the boat for scrap. If there are no buyers, the agency must expend State funds to clean the vessel for ocean disposal. The vessel is then towed and sunk in deep ocean water beyond twelve miles from shore.

"This measure sets up a public-private partnership that would use private funds to pay for the costs of taking the vessel, already cleaned and inspected for ocean disposal, make some additional modifications to the vessel and tow it to a designated site to sink the vessel at a depth accessible to divers. The DLNR would work with the dive industry to select the sites. One wreck, the St. Anthony, went through this process and was placed off Maui and is now a very popular dive site.

"Through this measure, Mr. Speaker, we can obtain a significant economic benefit from the tens of thousands of dollars in State funds already expended for cleaning abandoned vessels instead of sinking this investment in the deep ocean twelve mile offshore.

"I encourage all the members to vote in support of this measure. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2679, HD 1, entitled: "A BILL FOR AN ACT RELATING TO UNDERWATER ATTRACTIONS," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 566-98) recommending that H.B. No. 2988 pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2988, entitled: "A BILL FOR AN ACT RELATING TO MILK CONTROL," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 567-98) recommending that H.B. No. 2969, HD 1, pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2969, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENERGY CONSERVATION TAX CREDITS," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 568-98) recommending that H.B. No. 2872, HD 1, pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2872, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FIRE PROTECTION INSPECTIONS," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 569-98) recommending that H.B. No. 2835, HD 1, pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2835, HD 1, entitled: "A BILL FOR AN ACT RELATING TO REHIRING RETIRED TEACHERS IN THE DEPARTMENT OF EDUCATION," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 570-98) recommending that H.B. No. 2793 pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2793, entitled: "A BILL FOR AN ACT RELATING TO THE HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 571-98) recommending that H.B. No. 2801, HD 1, pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2801, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 572-98) recommending that H.B. No. 2899 pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2899, entitled: "A BILL FOR AN ACT RELATING TO DONATIONS TO GOVERNMENT AGENCIES," passed Third Reading by

a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 573-98) recommending that H.B. No. 2837, HD 1, pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2837, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL DISCIPLINE," passed Third Reading by a vote of 49 ayes, with Representatives Ahu Isa and Menor being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 574-98) recommending that H.B. No. 2361, HD 1, pass Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2361, HD 1, pass Third Reading, seconded by Representative M. Oshiro.

Representative McDermott rose to speak in opposition to the measure, stating:

"Mr. Speaker, at a time when everybody's losing their jobs and the economy is really in the dumps, I don't think that we should increase any sort of fees or allow any fees to be increased on working families.

"And towing fees, for me, I've had my car towed before. I guess where I had parked, I made a mistake. It's a real hassle. You've got to go pay \$110. Looking at this fee, it could be up to one hundred thirty bucks. Let's say it gets towed on a Friday night, a tow picks it up on a Saturday morning. The worse part is now you have to go home and tell your spouse: 'oh, by the way, I need a ride, your car got towed. The bad news, I've got to write a \$130 check.' These guys don't give you much of a break. You know, you've seen them. They hook the car up and they're out of there. So I'm going to take the side that I think my constituents and working families and working people would. They wouldn't want us to raise towing fees.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2361, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE TOWING FEES," passed Third Reading by a vote of 40 ayes to 9 noes, with Representatives Goodenow, Herkes, Kahikina, Marumoto, McDermott, Meyer, Takai, Thielen and Ward voting no, and Representatives Ahu Isa and Menor being excused.

At 1:04 o'clock p.m., Representative Kahikina asked for a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 1:05 o'clock p.m.

The Chair directed the Clerk to note that H.B. Nos. 2859, 2230, 2535, 2563, 2834, 2870, 3024, 3400, 2787, 2761, 2842, 2857, 3313, 3225, 2551, 2875, 2844, 3026, 2376, 3000, 3524, 2803, 3446, 2561, 2562, 2679, 2988, 2969, 2872, 2835, 2793, 2801, 2899, 2837 and 2361 had passed Third Reading at 1:06 o'clock p.m.

THIRD READING

H.B. No. 2712, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2712, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ADJUDICATION OF TRAFFIC INFRACTIONS," passed Third Reading by a vote of 48 ayes, with Representatives Ahu Isa, Hiraki and Menor being excused.

H.B. No. 2497, HD 1:

Representative Okamura moved that H.B. No. 2497, HD 1, pass Third Reading, seconded by Representative M. Oshiro.

Representative Takai rose to speak against the measure, stating:

"The bill actually sets out to include possession of tobacco products by minors under the existing statute, which is in the penal code. As such, the bill would have resulted in a minor having a criminal record if convicted.

"Amendments to the bill attempted to decriminalize the portion of the bill relating to possession. And although the Judiciary Committee made an effort to address this issue, the statutes still would require the police to arrest, the prosecutors to prosecute, and the courts to adjudicate. This would create additional work for each of these organizations. And they've already previously objected to this.

"In addition, Mr. Speaker, if you take a look at Standing Committee Report No. 457, you'll note the number of organizations in opposition to this measure. And I'd like to go over them: the Office of the Attorney General, the Department of Health, the Hawaii Nurses Association, Effective National Action To Control Tobacco, the Coalition For A Tobacco Free Hawaii, the American Lung Association and the Honolulu Police Department.

"In addition to that, there were two organizations that this Stand. Com. says supported the bill -- the American Cancer Society Hawaii Pacific Division and the American Heart Association. Those two organizations are now in opposition of this bill. The only other organization that came forward in support was the Hawaii Congress of Parents, Teachers and Students. So you can see, Mr. Speaker, many, many organizations, if not all of them that know the issue of tobacco control, prevention and education among young people, cannot support this bill.

"And although the intent to reduce smoking rates of minors is positive, the means to accomplish this objective is not found in this bill as drafted. And, therefore, I must vote against this measure. Thank you."

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

"Mr. Speaker, according to many health experts, 3,000 teenagers start smoking every day, 3,000 of them. And according to those same health officials, one-third of them are destined to die of smoking-related diseases.

"Mr. Speaker, as that statistic shows, there's little doubt that smoking cigarettes is harmful, and especially harmful to our youth. We pass laws every year. We pass laws every year to combat smoking. We tax it. We discourage it. We impose fines on retailers who sell cigarettes to minors or who advertise within 500 feet or 1,000 feet from schools. We try to do everything to stop minors from smoking. And you know what, Mr. Speaker? Smoking among teenagers has gone up.

"Something is wrong here. Health experts tell us that since they began their war on tobacco, incidents of smoking among our youth have never been higher. If the prohibition of cigarettes is not possible and all of the fines, all of the taxes, all of the restrictions, and all of the bans and so on don't work, then some other approach has to be done. We've got to look at other ways.

"With all of what we have done so far has the effect of increase in teenage smoking, maybe, just maybe, maybe we are missing the target and need to get together with those who are illegally using the cigarettes -- the minors themselves. We've got to go after the minors.

"This bill finally does that. This measure makes the mere possession of cigarettes by a minor a violation. It imposes fines and community service on those minors who scoff at the law and smoke cigarettes out in front of schools where other children play, and smoke in our public parks and scoff at our beaches.

"To encourage accountability, the bill holds the parents and/or guardians of these minors also liable for any fines imposed on their kids for illegally possessing tobacco. And this is not unusual. We do that with graffiti, we've done that with liquor, we've done that in every area.

"I'm aware of suggestions that the penalty of a minor caught with cigarettes should be to take away the minor's drivers license. Some people have told me: 'Why don't you do that, Terry?' I don't believe that this suggestion is practical. You know why? Because a large number of the minors, unfortunately, who are smoking and flaunting it, they don't drive. They don't have licenses. They don't care. I believe that we need to impose meaningful penalties like those in this bill which will encourage accountability not only to the kids, but to their parents -- the people who should care what their kids are doing.

"You know, there's been concerns raised that this bill will make minors who possess cigarettes, criminals. I want to make it very clear, Mr. Speaker, that this is not true. The bill specifically states that this prohibition is not a crime, but is a violation. This bill will not make criminals of our minors who are caught smoking with cigarettes in their possession.

"Finally, I want to address a concern that we should not be sending minors, caught for smoking, to Family Court. Please remember, Mr. Speaker, that this bill is still going through the legislative process. I wish I could think of a more appropriate forum at this time. If I could, I would have. However, I would like to point out to those that still have reservations that this bill follows closely the current procedure utilized for minors possessing or drinking liquor in our public. We send these minors to Family Court, so this idea isn't brand new.

"Mr. Speaker, I think this is a proud moment for this Legislature, because I think if you go again to the problem of smoking, let's get to the root of the problem. Let's address it. Let's get to the minors who are actually flaunting and doing it, and let's get to the parents, too, who allow them to do it or look the other way. This is a good bill and I strongly ask for your support. Thank you."

Representative M. Oshiro then rose to speak in support of the measure, stating:

"Just a few comments. I'd like to thank the Judiciary Committee for working on this bill and correcting the bill initially drafted. I put the bill in, Mr. Speaker, this year, at the request of some students from Leilehua High School. I'm glad that they corrected it so that possession

of tobacco will not be a crime but a violation. I'd like to adopt the Chairman's remarks as my own," and the Chair "so ordered." (By reference only)

The motion was put to vote by the Chair and carried, and H.B. No. 2497, HD 1, entitled: "A BILL FOR AN ACT RELATING TO POSSESSION OF TOBACCO BY MINORS," passed Third Reading by a vote of 46 ayes to 2 noes, with Representatives Takai and Takumi voting no, and Representatives Ahu Isa, Hiraki and Menor being excused.

H.B. No. 2846, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2846, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CIGARETTE SALES TO MINORS," passed Third Reading by a vote of 48 ayes, with Representatives Ahu Isa, Hiraki and Menor being excused.

H.B. No. 2754:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2754, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HEALTH SYSTEMS CORPORATION," passed Third Reading by a vote of 48 ayes, with Representatives Ahu Isa, Hiraki and Menor being excused.

H.B. No. 2620, HD 1:

Representative Okamura moved that H.B. No. 2620, HD 1, pass Third Reading, seconded by Representative M. Oshiro.

Representative McDermott rose to speak in opposition of the measure, stating:

"I'll be brief. Again, Mr. Speaker, fees, taxes, I just don't think we can raise fees. We're nickel and diming our constituents to death. And I genuinely believe this -- it's coming from my heart. I can look at them in the eye and say: 'I didn't vote for any increase in fees or taxes on you.' I just don't think now is the time to do this to these folks. Thank you."

Representative Kawananakoa then rose to speak in opposition to the measure, stating:

"On the same measure as the previous speaker, I'd also like to vote 'no.' I concur wholeheartedly with him, that if we are going to have beautification, it's a wonderful cause. But in these hard, difficult times, I find it inappropriate to raise fees. To some people, two dollars isn't a lot; to others, it's something. I hope we keep that in mind, especially when all the families have to leave our islands who perhaps can't make rent, can't meet their mortgage payments. It's only two dollars, but add it on with everything else, perhaps being laid off from Liberty House, it can add up quickly.

"Thank you, Mr. Speaker."

Representative Meyer rose in support of the measure with reservations and asked that her comments be inserted into the Journal, and the Chair "so ordered."

Representative Meyer's remarks are as follows:

"I voted for HB 2620 with reservations because I am not really in favor of raising fees. However, one important asset we have is the natural beauty of our islands, and we need to preserve that beauty and keep it clean. To accomplish this task, the counties must have funds available to clean up abandoned and junk vehicles.

Therefore, despite my misgivings about raising fees of any sort, I feel compelled to vote for HB 2620 with reservations."

The motion was put to vote by the Chair and carried, and H.B. No. 2620, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ABANDONED MOTOR VEHICLES," passed Third Reading by a vote of 42 ayes to 6 noes, with Representatives Aiona, Halford, Kawanakoa, McDermott, Pendleton and Whalen voting no, and Representatives Ahu Isa, Hiraki and Menor being excused.

H.B. No. 2762, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2762, HD 1, entitled: "A BILL FOR AN ACT RELATING TO POOLED INSURANCE," passed Third Reading by a vote of 48 ayes, with Representatives Ahu Isa, Hiraki and Menor being excused.

H.B. No. 2763, HD 1:

Representative Okamura moved that H.B. No. 2763, HD 1, pass Third Reading, seconded by Representative M. Oshiro.

Representative Fox rose to speak in opposition to the measure, stating:

"We have a State Parking Revolving Fund that has lots of money in it. So what we want to do is take the money out of the State Parking Revolving Fund and put it in a fund that allows us to subsidize the use of the motor vehicles that are currently being used. And so this is shifting money from one special fund to another to increase the use of the vehicles in the motor vehicle fund at a lower rate.

"There's something actually good going on with the motor vehicles fund. That is that when you take a motor vehicle out of the motor pool, you are charged a certain amount of money. And that money is supposed to reflect the cost of actually running the vehicle. So that means, you know, at a time when we're talking about moving to better accountability of our actual cost, we have a system in operation that actually means that when you take out a vehicle, you get those accurate costs announced.

"Now all of a sudden, we're going to take money from a fund that's flush and put it into another fund where the accounting is being done right to subsidize the use of motor vehicles at a lower rate. Actually, we should be getting rid of the whole motor pool, putting people on mileage, and we should probably be charging people more for parking because we have this highly subsidized parking rate. And we should be taking money out of the parking fund and putting it in the general fund, because that's where we need the money.

"So we could be doing lots of sensible things. Instead, we're doing two things that I don't think are very sensible. So I oppose this bill. Thank you."

The motion was put to vote by the Chair and carried, and H.B. No. 2763, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE PARKING REVOLVING FUND," passed Third Reading by a vote of 43 ayes to 5 noes, with Representatives Fox, Halford, McDermott, Pendleton and Whalen voting no, and Representatives Ahu Isa, Hiraki and Menor being excused.

H.B. No. 2958, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2958, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC CONTRACTS," passed Third Reading by a vote of 48 ayes, with Representatives Ahu Isa, Hiraki and Menor being excused.

H.B. No. 3036, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 3036, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE COLLECTION OF TAXES," passed Third Reading by a vote of 48 ayes, with Representatives Ahu Isa, Hiraki and Menor being excused.

H.B. No. 3247, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 3247, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SHORT TERM INVESTMENT OF COUNTY MONIES," passed Third Reading by a vote of 48 ayes, with Representatives Ahu Isa, Hiraki and Menor being excused.

H.B. No. 3248, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 3248, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAPSED WARRANTS," passed Third Reading by a vote of 48 ayes, with Representatives Ahu Isa, Hiraki and Menor being excused.

At 1:21 o'clock p.m., Representative Takumi asked for a recess and the Chair declared a recess, subject to the call of the Chair.

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

The Chair directed the Clerk to note that H.B. Nos. 2712, 2497, 2846, 2754, 2620, 2762, 2763, 2958, 3036, 3247 and 3248 had passed Third Reading at 1:22 o'clock p.m.

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolutions (H.R. Nos. 18 and 19) and concurrent resolutions (H.C.R. Nos. 49 through 63) were referred to Printing and further action was deferred:

H.R. No. 18, entitled: "HOUSE RESOLUTION REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO UPDATE ITS SURVEY OF GOVERNMENT PROGRAMS IN THE STATE THAT ARE MANDATED BY THE FEDERAL GOVERNMENT," was offered by Representative Saiki.

H.R. No. 19, entitled: "HOUSE RESOLUTION REQUESTING REPORTS OF THE STATUS OF EFFORTS TO PROMOTE FAIRNESS AND EQUITY FOR FILIPINO-AMERICANS," was offered by Representative Abinsay.

H.C.R. No. 49, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO UPDATE ITS SURVEY OF GOVERNMENT PROGRAMS IN THE STATE THAT ARE MANDATED BY THE FEDERAL GOVERNMENT," was offered by Representative Saiki.

H.C.R. No. 50, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF HUMAN SERVICES TO DEVELOP A NEW QUEST DISTRIBUTION METHODOLOGY," was offered by Representative Santiago.

H.C.R. No. 51, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO CONDUCT A STUDY ON WHETHER PSYCHOLOGISTS SHOULD PRESCRIBE PSYCHOACTIVE MEDICATIONS," was offered by Representative Santiago, by request.

H.C.R. No. 52, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE CHILD PROTECTIVE SERVICES AND THE COURTS TO OPERATE IN AN OPEN, ACCESSIBLE, AND COMMUNICATIVE MANNER TO AFFECTED PERSONS IN A CHILD PROTECTIVE PROCEEDING," was jointly offered by Representatives Arakaki, Thielen, Takai, Meyer, Kahikina, Ward, Oshiro, M., Tarnas, Kanoho, Cachola, Case, Garcia, Kawakami, Marumoto, Morihara, Pendleton and Santiago.

H.C.R. No. 53, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO ANALYZE THE PROBABLE EFFECTS OF PROPOSED REGULATION OF PROFESSIONAL MENTAL HEALTH COUNSELORS AND PROFESSIONAL REHABILITATION COUNSELORS AND ASSESS WHETHER ITS ENACTMENT IS CONSISTENT WITH STATE POLICY," was jointly offered by Representatives Arakaki, Santiago, Kahikina, Kawakami, Lee, McDermott, Saiki, Stegmaier and Ward.

H.C.R. No. 54, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES TO STUDY THE FEASIBILITY OF DESIGNATING KALAPAKI AND HANAMAULU BAYS ON KAUAI AS MARINE FISHERIES MANAGEMENT AREAS," was jointly offered by Representatives Kanoho, Kawakami and Morita.

H.C.R. No. 55, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING REPORTS OF THE STATUS OF EFFORTS TO PROMOTE FAIRNESS AND EQUITY FOR FILIPINO-AMERICANS," was offered by Representative Abinsay.

H.C.R. No. 56, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A STUDY TO DETERMINE THE VIABILITY OF INCLUDING CHIROPRACTIC COVERAGE UNDER VARIOUS INSURANCE POLICIES IN THE STATE," was offered by Representative Santiago.

H.C.R. No. 57, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A STUDY EVALUATING THE FEASIBILITY AND ECONOMIC IMPACT OF REQUIRING HEALTH INSURERS TO OFFER AN OPTIONAL RIDER WHICH INCLUDES NATUROPATHIC COVERAGE," was offered by Representative Santiago.

H.C.R. No. 58, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A STUDY ON THE COST-EFFECTIVENESS OF DIRECT ACCESS TO DERMATOLOGISTS IN MANAGED CARE PLANS," was offered by Representative Santiago.

H.C.R. No. 59, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A STUDY TO DETERMINE THE FEASIBILITY OF ESTABLISHING A RESIDENTIAL TREATMENT CENTER FOR ADOLESCENTS IN HILO, HAWAII," was jointly offered

by Representatives Hamakawa, Chang, Herkes and Tarnas.

H.C.R. No. 60, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THAT THE STATE AND THE COUNTY OF HAWAII CONSTRUCT A MULTI-PURPOSE SPORTS AND RECREATION COMPLEX IN HILO," was jointly offered by Representatives Hamakawa, Chang, Herkes and Tarnas.

H.C.R. No. 61, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE BOARD OF EDUCATION TO ESTABLISH A PROGRAM TO DEFINE AND IMPLEMENT THE ROLE OF THE PUBLIC SCHOOLS IN CONTEMPORARY SOCIETY IN INCULCATING VALUES AND ETHICS," was offered by Representative Hamakawa.

H.C.R. No. 62, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A STUDY TO ASSESS THE NEED FOR A CENTER FOR AFTERSCHOOL ACTIVITIES AND EDUCATION FOR INTERMEDIATE SCHOOL STUDENTS IN THE HILO DISTRICT," was jointly offered by Representatives Hamakawa, Herkes and Tarnas.

H.C.R. No. 63, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A STUDY ON FEMALE GENITAL MUTILATION IN THE STATE OF HAWAII," was jointly offered by Representatives Lee, Morita, Marumoto, Thielen, Pendleton, Yamane, Case, Kawakami, Okamura, Oshiro, M., Oshiro, P., Saiki and Takai.

HOUSE COMMUNICATION

A communication, dated March 4, 1998, from Patricia Mau-Shimizu, Chief Clerk of the House of Representatives, to the Honorable Benjamin J. Cayetano, Governor of the State of Hawaii, giving notice of the final form of the House Bill No. 2561, HD 2, entitled: "PROPOSING AMENDMENTS TO THE HAWAII CONSTITUTION, RELATING TO THE BOARD OF EDUCATION," in accordance with the provisions of Article XVII, Section 3 of the Hawaii State Constitution.

ANNOUNCEMENTS

Representative Herkes: "Mr. Speaker, I request that the Speaker ask the members to rise in a moment of silence and sympathy for Representative Ahu Isa who lost her father this morning."

The Chair then asked the members to rise for a moment of silence.

Representative Kawakami rose and requested waiver of the 48-hour hearing notice requirement to hear H.B. No. 3037, HD 1, which was heard on Wednesday, February 25th, and will be added to the end of the hearing agenda scheduled to begin at 3:00 p.m. today, and the Chair "so ordered."

Representative Yoshinaga: "I'd just like to announce that all members of the Energy and Environmental Protection Committee should report to Room 325 immediately following session to finalize our hearing, and we will be having decision making on a number of measures."

Representative M. Oshiro: "Just one announcement, that there will be a Majority Caucus tomorrow at 11:00 o'clock a.m. sharp."

Representative Marumoto: "Mr. Speaker, Minority will also be caucusing at 11:00 o'clock a.m."

ADJOURNMENT

At 1:25 o'clock p.m., on motion by Representative M. Oshiro, seconded by Representative Marumoto and carried, the House of Representatives adjourned until 11:30 o'clock a.m. tomorrow, Thursday, March 5, 1998. (Representative Ahu Isa, Hiraki, Menor and Morihara were excused.)

TWENTY-FIFTH DAY

Thursday, March 5, 1998

The House of Representatives of the Nineteenth Legislature of the State of Hawaii, Regular Session of 1998, convened at 11:46 o'clock a.m., with the Speaker presiding.

The invocation was delivered by Pastor Sam Evangelista of the Mililani Filipino-American Baptist Church, after which the Roll was called showing all members present with the exception of Representatives Menor and Takamine, who were excused.

On motion by Representative M. Oshiro, seconded by Representative Marumoto and carried, reading of the Journals was dispensed with and the Journals of the House of Representatives of the Eighteenth, Nineteenth, Twentieth, Twenty-First, Twenty-Second and Twenty-Third Days were approved. (Representatives Menor, Takamine and Ward were excused.)

GOVERNOR'S MESSAGE

The following messages from the Governor (Gov. Msg. Nos. 177 and 178) were received and announced by the Clerk and were placed on file:

Gov. Msg. No. 177, transmitting copies of the following: 1997 Annual Report, Board of Certification of Operating Personnel in Wastewater Treatment Facilities in Compliance with Section 340-12, Hawaii Revised Statutes.

Gov. Msg. No. 178, transmitting copies of the 1997 Annual Report prepared by the Department of Labor and Industrial Relations, pursuant to Section 371-7, Hawaii Revised Statutes, as amended.

INTRODUCTIONS

The following introductions were made to the members of the House:

Representative Santiago introduced a group of second grade students from Waiialua Elementary School. They were accompanied by their teachers: Ms. Jill Miura, Mr. Dale Yoshizui, Mrs. Linda Nafuse, Mrs. Sandy Gima and Mrs. Gladys Souza; and parents: Mrs. Lynda Obayashi, Mrs. Tish Shigemasu, Mrs. Nancy Wall, Mrs. Lisa Stewart and Mrs. Aileen Stewart of his office, together with her granddaughter, Ashley.

Representative Tarnas introduced Mr. Brian Cole, Sea Grant Aquaculture Extension Agent, his "legislative shadow" for today.

Representative Moses introduced a group of elementary school students from Makakilo Elementary School. They were accompanied by Mrs. Natalie Mun-Takata, Vice Principal; Brooklyn Spicer, a fifth grader; James Maynard and Jasmine Carter, sixth graders.

Representative Jones introduced Dr. Michael Austin, Plant Agronomist, who is with the Pioneer Hybrid International Seed Company, and is presently employed in Kekaha, Kauai, his "shadow" for today and tomorrow.

Representative Okamura introduced a group of 72 fourth grade students from Red Hill Elementary School. They were accompanied by their teachers: Ms. Terry Ishihara and Ms. Ann Ing; and a parent, Mrs. Misty Paul.

Representative Say, on behalf of Representative Yamane and himself, introduced 14 third and fourth grade students from Epiphany Episcopal School. They were accompanied by their teacher, Mr. Aaron Levine.

At 11:59 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 12:23 o'clock p.m.

ORDER OF THE DAY

STANDING COMMITTEE REPORTS

Representative Tarnas, for the Committee on Ocean Recreation and Marine Resources, presented a report (Stand. Com. Rep. No. 575-98) recommending that H.B. No. 612, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 612, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AQUATIC RESOURCES," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Cachola, Kawakami, Menor, Takamine and Whalen being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 576-98) recommending that H.B. No. 2519 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2519, entitled: "A BILL FOR AN ACT RELATING TO LIST OF PERSONS EXAMINING RECORDS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Cachola, Kawakami, Menor, Takamine and Whalen being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 577-98) recommending that H.B. No. 2887 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2887, entitled: "A BILL FOR AN ACT RELATING TO THE STATE COMMISSION ON THE STATUS OF WOMEN," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Cachola, Kawakami, Menor, Takamine and Whalen being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 578-98) recommending that H.B. No. 2666, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2666, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DOMESTIC VIOLENCE," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Cachola, Kawakami, Menor, Takamine and Whalen being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 579-98) recommending that H.B. No. 3010 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3010, entitled: "A BILL FOR AN ACT RELATING TO CONCURRENT JURISDICTION," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Cachola, Kawakami, Menor, Takamine and Whalen being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 580-98) recommending that H.B. No. 2667, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2667, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CRUELTY TO ANIMALS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Cachola, Kawakami, Menor, Takamine and Whalen being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 581-98) recommending that H.B. No. 2437, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2437, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLED SUBSTANCES," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Cachola, Kawakami, Menor, Takamine and Whalen being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 582-98) recommending that H.B. No. 2512, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2512, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Cachola, Kawakami, Menor, Takamine and Whalen being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 583-98) recommending that H.B. No. 3429, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3429, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A STATE PAYROLL PILOT PROJECT," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Cachola, Kawakami, Menor, Takamine and Whalen being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 584-98) recommending that H.B. No. 3453, HD 1, as amended in HD 2, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3453, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Cachola, Kawakami, Menor, Takamine and Whalen being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 585-98) recommending that H.B. No. 3004, HD 1, as amended in HD 2, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3004, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE MANAGEMENT OF FINANCING AGREEMENTS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Cachola, Kawakami, Menor, Takamine and Whalen being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 586-98) recommending that H.B. No. 2973, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 586-98 and H.B. No. 2973, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2973, HD 2, were made available to the members of the House.

A Dissent to Stand. Com. Rep. No. 586-98 was submitted by the following members of your Committee on Judiciary: Rep. Ed Case, Member; Rep. Marilyn B. Lee, Member; and Rep. Cynthia H. Thielen, Member.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 587-98) recommending that H.B. No. 3028, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 587-98 and H.B. No. 3028, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3028, HD 1, were made available to the members of the House.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 588-98) recommending that H.B. No. 3496, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 588-98 and H.B. No. 3496, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3496, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 589-98) recommending that H.B. No. 2788, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 589-98 and H.B. No. 2788, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2788, HD 1, were made available to the members of the House.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 590-98) recommending that H.B. No. 3468, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 590-98 and H.B. No. 3468, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3468, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 591-98) recommending that H.B. No. 2549, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 591-98 and H.B. No. 2549, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2549, HD 1, were made available to the members of the House.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 592-98) recommending that H.B. No. 3065, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 592-98 and H.B. No. 3065, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3065, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 593-98) recommending that H.B. No. 2909, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 593-98 and H.B. No. 2909, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2909, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 594-98) recommending that H.B. No. 3020, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 594-98 and H.B. No. 3020, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3020, HD 1, were made available to the members of the House.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 595-98) recommending that H.B. No. 3164, HD 2, as amended in HD 3, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 595-98 and H.B. No. 3164, HD 3, was deferred, and in accordance with Article III, Section 15 of

the Constitution of the State of Hawaii, printed copies of H.B. No. 3164, HD 3, were made available to the members of the House.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 596-98) recommending that H.B. No. 3454, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 596-98 and H.B. No. 3454, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3454 HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 597-98) recommending that H.B. No. 2957, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 597-98 and H.B. No. 2957, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2957 HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 598-98) recommending that H.B. No. 2771, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 598-98 and H.B. No. 2771, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2771, HD 1, were made available to the members of the House.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 599-98) recommending that H.B. No. 2845, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 599-98 and H.B. No. 2845, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2845, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 600-98) recommending that H.B. No. 2856, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 600-98 and H.B. No. 2856, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2856, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 601-98) recommending that H.B. No. 2987, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 601-98 and H.B. No. 2987, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2978, HD 1, were made available to the members of the House.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 602-98) recommending that H.B. No. 2536, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 602-98 and H.B. No. 2536, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2536, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 603-98) recommending that H.B. No. 2528, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 603-98 and H.B. No. 2528, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2528, HD 1, were made available to the members of the House.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 604-98) recommending that H.B. No. 3030, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 604-98 and H.B. No. 3030, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3030, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 605-98) recommending that H.B. No. 2876, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 605-98 and H.B. No. 2876, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2876, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 606-98) recommending that H.B. No. 3489, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 606-98 and H.B. No. 3489, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3489, HD 2, were made available to the members of the House.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 607-98) recommending that H.B. No. 3027, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 607-98 and H.B. No. 3027, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3027, HD 2, were made available to the members of the House.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 608-98) recommending that H.B. No. 2533, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 608-98 and H.B. No. 2533, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2533, HD 1, were made available to the members of the House.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 609-98) recommending that H.B. No. 2380, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2380, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO UNLAWFUL POSTING IN PUBLIC PLACES," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Cachola, Menor, Takamine, Whalen and White being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 610-98) recommending that H.B. No. 2850, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2850, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SMALL ESTATES," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Cachola, Menor, Takamine, Whalen and White being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 611-98) recommending that H.B. No. 2851, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2851, entitled: "A BILL FOR AN ACT RELATING TO GRANDPARENTS' VISITATION RIGHTS," passed Second Reading and was placed on the calendar for Third Reading with Representatives Cachola, Menor, Takamine, Whalen and White being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 612-98) recommending that H.B. No. 2889, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2889, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLED SUBSTANCES," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Cachola, Menor, Takamine, Whalen and White being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 613-98) recommending that H.B. No. 2932, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2932, entitled: "A BILL FOR AN ACT RELATING TO NUISANCE

ABATEMENT," passed Second Reading and was placed on the calendar for Third Reading with Representatives Cachola, Menor, Takamine, Whalen and White being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 614-98) recommending that H.B. No. 2941, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2941, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SENTENCING," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Cachola, Menor, Takamine, Whalen and White being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 615-98) recommending that H.B. No. 2946, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2946, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FAMILY COURT," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Cachola, Menor, Takamine, Whalen and White being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 616-98) recommending that H.B. No. 3252, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3252, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE SAFETY RESPONSIBILITY," passed Second Reading and was placed on the calendar for Third Reading with Representatives Cachola, Menor, Takamine, Whalen and White being excused.

Representative Santiago, for the Committee on Health, presented a report (Stand. Com. Rep. No. 617-98) recommending that H.C.R. No. 11, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted, and H.C.R. No. 11, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF HEALTH TO ASSESS MENTAL HEALTH SERVICES TO PROVIDE NEEDED SERVICES FOR CHILDREN UNDER FIVE YEARS OF AGE AS EARLY AS POSSIBLE," was referred to the Committee on Finance, with Representatives Cachola, Menor, Takamine, Whalen and White being excused.

Representative Santiago, for the Committee on Health, presented a report (Stand. Com. Rep. No. 618-98) recommending that H.C.R. No. 20, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted, and H.C.R. No. 20, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION ENCOURAGING THE DEPARTMENT OF HEALTH TO

MONITOR LOCAL ADHERENCE TO CENTERS FOR DISEASE CONTROL GUIDELINES AND TO ENCOURAGE PROFESSIONAL ORGANIZATIONS TO EDUCATE THE MEDICAL COMMUNITY ON IMPROPER PRESCRIPTION PRACTICES," was referred to the Committee, was referred to the Committee on Finance, with Representatives Cachola, Menor, Takamine, Whalen and White being excused.

SUSPENSION OF RULES

On motion by Representative M. Oshiro, seconded by Representative Marumoto and carried, the rules were suspended for the purpose of considering bills on Third Reading on the basis of a modified consent calendar. (Representatives Cachola, Menor, Takamine and Whalen were excused.)

STANDING COMMITTEE REPORTS

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 619-98) recommending that H.B. No. 2520, HD 1, pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. 2520, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FRIVOLOUS LOBBYING CHARGES," passed Third Reading by a vote of 47 ayes, with Representatives Cachola, Menor, Takamine and Whalen being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 620-98) recommending that H.B. No. 2798 pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. 2798, entitled: "A BILL FOR AN ACT RELATING TO THE HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII," passed Third Reading by a vote of 47 ayes, with Representatives Cachola, Menor, Takamine and Whalen being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 621-98) recommending that H.B. No. 3317 pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. 3317, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," passed Third Reading by a vote of 47 ayes, with Representatives Cachola, Menor, Takamine and Whalen being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 622-98) recommending that H.B. No. 3031 pass Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. 3031, entitled: "A BILL FOR AN ACT RELATING TO THE CAMPAIGN SPENDING COMMISSION," passed Third Reading by a vote of 47 ayes, with Representatives Cachola, Menor, Takamine and Whalen being excused.

The Chair directed the Clerk to note that H.B. Nos. 2520, 2798, 3317 and 3031 had passed Third Reading at 12:30 o'clock p.m.

THIRD READING**H.B. No. 2695:**

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2695, entitled: "A BILL FOR AN ACT RELATING TO HIGHER EDUCATION," passed Third Reading by a vote of 47 ayes, with Representatives Cachola, Menor, Takamine and Whalen being excused.

H.B. No. 2596:

Representative Okamura moved that H.B. No. 2596 pass Third Reading, seconded by Representative M. Oshiro.

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

"I just want to stand with strong support and let everybody know that this is in keeping with our rules and regulations and law about using Hawaiian names. We're naming Barbers Point Harbor in this bill to Kalaeloa Harbor, which is the long peninsula which was the name of the traditional fishing village in that region.

"Thank you, Mr. Speaker."

Representative Meyer then rose in support with some reservations on the bill, stating:

"When this bill was heard in the Water and Land Use Committee, there were a number of testifiers that did bring up the possibility of confusion because of navigation maps, aviation maps that all referred to this area as Barbers Point, and if we should suddenly overnight change it to Kalaeloa Harbor with no reference to Barbers Point, there could be a serious accident.

"So my feeling is that we should change the name to Kalaeloa/Barbers Point for a period of time so that people in the industry could get used to the name. It's not like some other harbors that always had Hawaiian names, such as Honokahau, Kawaihae, so this is just sort of like coming out of the blue. It's clear to us but for people throughout the world, there could certainly be some confusion.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and H.B. No. 2596, entitled: "A BILL FOR AN ACT RELATING TO BARBERS POINT HARBOR," passed Third Reading by a vote of 47 ayes, with Representatives Cachola, Menor, Takamine and Whalen being excused.

H.B. No. 3053:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 3053, entitled: "A BILL FOR AN ACT RELATING TO CIVIL SERVICE," passed Third Reading by a vote of 47 ayes, with Representatives Cachola, Menor, Takamine and Whalen being excused.

H.B. No. 3059:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 3059, entitled: "A BILL FOR AN ACT RELATING TO THE STATE POLICY CONCERNING VOLUNTEER SERVICE," passed Third Reading by a vote of 47 ayes, with Representatives Cachola, Menor, Takamine and Whalen being excused.

H.B. No. 2778:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2778, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR LEGAL SERVICES FOR DEPARTMENT OF HAWAIIAN HOME LANDS INDIVIDUAL CLAIMS REVIEW," passed Third Reading by a vote of 47 ayes, with Representatives Cachola, Menor, Takamine and Whalen being excused.

H.B. No. 2802:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2802, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE UNCLAIMED PROPERTY PROGRAM," passed Third Reading by a vote of 47 ayes, with Representatives Cachola, Menor, Takamine and Whalen being excused.

H.B. No. 2660:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2660, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC SERVICE COMPANY TAX," passed Third Reading by a vote of 47 ayes, with Representatives Cachola, Menor, Takamine and Whalen being excused.

H.B. No. 3039:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 3039, entitled: "A BILL FOR AN ACT RELATING TO THE INCOME TAX DEDUCTION FOR DIVIDENDS," passed Third Reading by a vote of 47 ayes, with Representatives Cachola, Menor, Takamine and Whalen being excused.

H.B. No. 3055:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 3055, entitled: "A BILL FOR AN ACT RELATING TO CIVIL SERVICE," passed Third Reading by a vote of 47 ayes, with Representatives Cachola, Menor, Takamine and Whalen being excused.

H.B. No. 2614:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2614, entitled: "A BILL FOR AN ACT RELATING TO POLICE OFFICERS, FIREFIGHTERS, AND BANDSMEN PENSION SYSTEM," passed Third Reading by a vote of 47 ayes, with Representatives Cachola, Menor, Takamine and Whalen being excused.

H.B. No. 2774:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2774, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM INFORMATION PRACTICES ACT (MODIFIED)," passed Third Reading by a vote of 47 ayes, with Representatives Cachola, Menor, Takamine and Whalen being excused.

The Chair directed the Clerk to note that H.B. Nos. 2695, 2596, 3053, 3059, 2778, 2802, 2660, 3039, 3055, 2614 and 2774 had passed Third Reading at 12:33 o'clock p.m.

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolution (H.R. No. 20) and concurrent resolutions (H.C.R. Nos. 64 through 69) were referred to Print and further action was deferred:

H.R. No. 20, entitled: "HOUSE RESOLUTION REQUESTING INCORPORATION OF ASSISTIVE TECHNOLOGY CONSIDERATIONS IN ALL APPROPRIATE ADMINISTRATION MEASURES RELATING TO PERSONS WITH DISABILITIES," was jointly offered by Representatives Takai, Lee, Arakaki, Yoshinaga, Morihara, Kawakami and Yonamine.

H.C.R. No. 64, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING INCORPORATION OF ASSISTIVE TECHNOLOGY CONSIDERATIONS IN ALL APPROPRIATE ADMINISTRATION MEASURES RELATING TO PERSONS WITH DISABILITIES," was jointly offered by Representatives Takai, Arakaki, Lee, Yoshinaga, Morihara, Kawakami, Case, Chang, Garcia, Herkes, Kanoho, Morita, Okamura, P. Oshiro, Saiki, Santiago, Souki, Stegmaier, Suzuki and Yonamine.

H.C.R. No. 65, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE DEMOCRATIC ELECTION OF PUBLIC ACCESS TELEVISION BOARD MEMBERS BY THE CABLE SUBSCRIBERS WHO FUND IT," was jointly offered by Representatives Thielen and Saiki.

H.C.R. No. 66, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A MANAGEMENT AUDIT OF THE HAWAII BRANCH OF THE DIVISION OF FORESTRY AND WILDLIFE, DEPARTMENT OF LAND AND NATURAL RESOURCES," was jointly offered by Representatives Takamine, Chang, Hamakawa, Herkes and Tarnas.

H.C.R. No. 67, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING AN ASSESSMENT OF THE IMPACT OF BANNING SCRAP METAL FROM LANDFILLS IN HAWAII," was jointly offered by Representatives Santiago and Yoshinaga.

H.C.R. No. 68, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A STUDY TO ANALYZE THE PROBABLE EFFECTS OF THE PROPOSED REGULATION CONTAINED IN H.B. NO. 3123 (1998) OF PROFESSIONAL CERTIFIED MIDWIVES," was offered by Representative Santiago.

H.C.R. No. 69, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES, THE COASTAL ZONE MANAGEMENT PROGRAM, THE DEPARTMENT OF THE NAVY, THE DEPARTMENT OF THE ARMY, THE DEPARTMENT OF THE AIR FORCE, AND THE UNITED STATES ARMY CORPS OF ENGINEERS TO PLAN AND IMPLEMENT BEACH RESTORATION AND NOURISHMENT PROJECTS IN HAWAII," was offered by Representative Garcia.

ANNOUNCEMENTS

Representative Jones: "I just want to announce that today is Agriculture Awareness Day, and I want to invite all of the members here to the agriculture displays on the second and fourth floors, and the displays will show our leading agricultural commodities such as the cut flower industry products, macadamia nuts, milk products, and many other products that are on display. The display started at 12:00 o'clock. It will last until 3:00 o'clock. The displays were put together by the Hawaii State Farm Bureau, working with the Department of Agriculture, the

University of Hawaii College of Tropical Agriculture, and many other agriculture-related companies."

Representative Ahu Isa: "I just want to thank everyone for their prayers and their thoughts on the passing of my Dad. And 'thank you' to Representative Fox for these beautiful flowers. Thank you, Mr. Speaker."

Representative Lee then rose and requested waiver of the 48-hour hearing notice requirement for the Consumer Protection and Commerce Committee to have a public hearing and decision making on H.B. No. 3410, HD 1, and the Chair "so ordered."

Representative Yoshinaga: "Your Committees on Energy and Environmental Protection and Water and Land Use will be having decision making following the decision making that has been announced at 3:30 for the Water, Land Use Committee in Room 312, on H.B. No. 3255, relating to environmental impact statements in Waikiki."

Representative Kawakami then rose and requested waiver of the 48-hour hearing notice requirement for the Finance Committee to hear H.B. Nos. 3142, HD 2; 2565, HD 1; 3443; 3367, HD 1; 2540, HD 1; 2435; 1966, HD 1; 3363, HD 1; 3361, HD 2; 2971, HD 1; 3461, HD 1; 3229 and 3110; and decision making only on H.B. Nos. 3071; 2750, 3201, 2568; 2399, HD 1; 2554, HD 1; and 2555, HD 1, at 1:30 p.m. this afternoon, and the Chair "so ordered."

ADJOURNMENT

At 12:36 o'clock p.m., on motion by Representative M. Oshiro, seconded by Representative Marumoto and carried, the House of Representatives adjourned until 3:00 o'clock p.m. tomorrow, Friday, March 6, 1998. (Representatives Cachola, Menor, Takamine and Whalen were excused.)

TWENTY-SIXTH DAY

Friday, March 6, 1998

The House of Representatives of the Nineteenth Legislature of the State of Hawaii, Regular Session of 1998, convened at 3:37 o'clock p.m., with the Speaker presiding.

The invocation was delivered by Reverend Pam Vessels from Disciples of Christ, First Christian Church, after which the Roll was called showing all members present with the exception of Representatives Menor and Stegmaier, who were excused.

By unanimous consent, reading and approval of the Journal of the House of Representatives of the Twenty-Fifth Day was deferred.

GOVERNOR'S MESSAGE

Gov. Msg. No. 179, transmitting copies of Trends in Delinquency and Gang Membership: An Interim Report to the Hawaii State Legislature prepared by the Office of Youth Services, was received and announced by the Clerk and was placed on file.

INTRODUCTION

Representative Lee introduced members of the American Association of University Women.

At 3:43 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 3:45 o'clock p.m.

ORDER OF THE DAY

STANDING COMMITTEE REPORT

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 731-98) recommending that H.B. No. 2568, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2568, H.D. 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative M. Oshiro.

At 3:45 o'clock p.m., Representative Marumoto asked for a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 3:46 o'clock p.m.

Representative Say rose to speak in support of the measure, stating:

"Mr. Speaker and members of this House, yesterday the Committee on Finance passed a tax bill package to address Hawaii's economic woes, and at the same time, try to provide relief to the residents of this State. As we all know, Mr. Speaker and members of this House, this is no easy task, but my fellow colleagues, we are meeting the challenge head on.

"There will be a savings of \$568 million of tax dollars which will be included as personal income tax to the

people of the State of Hawaii at a rate of 25 percent for the first two years, and 35 percent for the third year. In just nine short months, January 1999, take home pay will be more. Our residents will have more discretionary money at their fingertips, and the money will go back into this Hawaii economy.

"Mr. Speaker and members of this House, this package will also cut the cost of government significantly. In the first year alone, that is in 1999, we will have to reduce the budget by \$109 million in our State budget. Why? How? Because less personal income will be collected. This \$109 million is on top of the Governor's \$111 million cut that we've already taken. My fellow colleagues and distinguished members, anyone who says that this package will not reduce the State budget and the size of government needs to have a new calculator. Now, Mr. Speaker and members, these cuts and savings to the taxpayers are the net of a 35 percent personal income tax reduction, and the increase in the general excise tax of one half percent.

"Let me do a simple calculation for you using our proposed increase. For every \$10 each of us spend today, this would mean a five cents increase. Let's go one step further. For every \$100 that each of us spend today, this would mean a 50 cents increase. I am convinced, Mr. Speaker, and members of this House, if this is thoroughly explained to the public, that they will pay an extra nickel or half a dollar to ensure that State government can continue to provide the basic State-funded services, like health, education, prisons and human services. And most importantly, don't forget that even with this nickel increase, taxpayers will have more money in their pockets because of the largest decrease in personal income taxes that ever occurred before in the State.

"Why the general excise tax increase of .5 percent? Under the tax package, Mr. Speaker and members, visitors will shoulder approximately \$150 million of this increase over the next three years. Will an extra nickel keep visitors away from our Aloha State? I doubt it.

"And finally, Mr. Speaker, and members of this House, the fundamental services of government must continue. In the Finance Committee's deliberations, just look at the headlines this morning regarding the increase in class size proposed by the DOE. Teachers don't want it, but our citizens are telling us, government must cut back.

"Mr. Speaker and members, this is a realistic example for all of us to know or what is to come. More cuts, more pains will happen. We are in the midst of a major transition in the State of Hawaii. Also, this tax plan cuts taxes, Mr. Speaker and members, and addresses the public's needs and cries to begin reinventing government. It addresses the changing role of our constituents and their wishes that their State government must fulfill. My friends, we are in drastic times. In just the past few weeks, many of our flagship companies have announced layoffs: Liberty House, Bank of Hawaii and Foodland, just to name a few.

"And now I ask all of you that we must mend the economy today. This tax plan takes a very positive, realistic step towards this collective goal which does not tinker with the tax that we have presently in existence. It rebuilds this economy to where we want to go.

"Thank you very much, Mr. Speaker."

Representative Ward rose to speak against the measure, stating:

"Mr. Speaker, if we had the rules, I would propose a filibuster on this bill. If we couldn't filibuster, I would propose an amendment where we can do what the previous speaker did say, without raising the GET tax, to do itself.

"The minority side of the aisle has a plan that will do that. We've been mocked at, jeered, laughed at, from the Governor all the way down to. . . now I even see some faces that look like 'cancer' at what we're proposing: by attrition, by taking empty vacancies, by cutting the size of government, by right-sizing -- making our economy fit our government and our government fit our economy.

"Unfortunately, Mr. Speaker, we have chosen, I'm the first to call a convoluted approach, which, for the State of Hawaii, is tantamount to being our version of voodoo economics. Any economist will tell you, if you want to stimulate the economy, you don't burden the people with more taxes. It's as simple as that. It's as basic as that. But I think we're as convoluted to say: well, we'll tax you on one side and we'll decrease you on the other side, and we'll come out with a wash.

"The intention is good. Our intention on stimulating the economy is wise but, Mr. Speaker, I ask and have asked for seven years: when are we going to take our medicine? When are we going to bite the bullet? When are we going to get serious with seven years of famine, and do something about it?

"I have a 3-1/2 year old daughter. She was sick two weeks ago. I said, 'Johanna, you've got to take your medicine.' She said, 'no.' 'Johanna, you've got to take your medicine.' She said, 'no,' and she turned aside and I said, 'if you don't take your medicine, mommy is going to hold you and daddy is going to pour it down your mouth.' And Mr. Speaker, if we continue in this mode, the people of Hawaii are going to take us by the head or by the britches and they're going to pour into us some common sense if we ourselves don't get out of this tax and spend and unfortunate mediocrity in our economy.

"For those reasons, Mr. Speaker, and as we get on to Third Reading and beyond, like the Senate who says: 'non-negotiable, no tax increases,' I think this body, too, at one point will wake up. Thank you."

Representative P. Oshiro then rose to speak in support of the measure, stating:

"Mr. Speaker, I think it's very important that we all keep in proper perspective what the intent and purpose of this measure is, which is to give additional dollars to the residents of our State in the form of tax relief. It is equally important, Mr. Speaker, that we look at this bill in total, taking into consideration the various components of the bill and weighing the net result of all of these provisions in a holistic manner.

"First and foremost, Mr. Speaker, this measure incorporates major reductions in the State personal income taxes for our residents, which is estimated to total in excess of \$900 million in tax savings for our residents over the next three years. This will substantially increase the amount of money that residents will have in their pockets, and/or in their purses. To partially make up, Mr. Speaker, and I emphasize, to partially make up, for this \$900 million in personal income tax revenue that the State will be affording its residents, to partially make up for this, the second part of the bill will increase the general excise tax by 1/2 of 1 percent.

"Again, the only reason for this increase in the general excise tax is to partially make up for the estimated \$900 million in State personal income tax relief that will be

given to the residents of Hawaii by this bill. When viewed together, the amount of money that the State will be offering its residents in personal income tax reductions will be substantially more than the amount that residents are estimated to be paying for the general excise tax increase. The bottom line is that this bill will provide residents with more money in their pockets, and/or purses than what they have today.

"This bill has been substantially modified since its introduction a month or so ago. Some of these modifications include a reduction in the amount of the general excise tax increase along with the elimination of corporate and franchise tax reductions. This bill is now aimed primarily on reducing State personal income taxes for our residents. I certainly do concur with this focus, and I truly believe that the additional dollars offered to our residents by this bill will encourage additional spending which will, in turn, result in the strengthening of our economy.

"I realize that there are many varying ways and forms in which tax relief can be effectively implemented. House members have had much discussion over the past months, sharing our thoughts, our ideas on economic revitalization and in particular, on tax proposals that will best stimulate the economy. It is vitally important, Mr. Speaker, in my opinion, that the provisions contained in this bill stimulate continued discussion and interaction on how we can best implement tax relief that will result in our shared goal, and I emphasize our shared goal, of economic revitalization. I truly believe that with the passage of this bill and with our continued dialogue and discussion, that we will, by the end of this session, emerge with a tax relief measure that will be an integral part of our effort to revitalize Hawaii's economy. Thank you."

Representative Pendleton then rose to speak in opposition to the measure, stating:

"Mr. Speaker, it is with great regret that I have to vote in opposition to this bill. There are many good things about it. Unfortunately, the good things aren't in a separate bill, and so we have to vote 'no' because, on balance, I think there are many things in this bill that are harmful for the economy. But let me speak briefly as to some of the good things, Mr. Speaker.

"Reducing personal income taxes is one of the goals of this bill. And, according to our Stand. Com. Report, and according to my cursory reading of the text of the bill, this bill will lower the top rate of 10 percent to 8.5 percent and lower the rates for the lowest tax bracket by 25 percent in the first two years of implementation. This is a good and wise thing. Many other states have gone through and lowered personal income taxes. New York, Michigan, Arizona, New Jersey, Massachusetts have all done this and we have seen an economic stimulus result from such things. At the same time, in all of those states, again I repeat, in all those states, we have seen hand-in-hand with tax reform reduction in personal rates. We have seen reduction in the government work force -- streamlining, privatization, consolidation -- and those are important things that go hand-in-hand with reducing rates.

"Another good thing in this bill, Mr. Speaker, is the establishment of a new refundable low income tax credit. As we all know, in an economy which has taken a down turn, those people at the bottom of the totem pole, so to speak, are the ones who need our help the most. And so I'm glad that we are looking at that. Unfortunately, this bill has a number of provisions which I think are not helpful in our efforts to stimulate the economy.

"First of all, the corporate tax reductions, which were proposed by the Economic Revitalization Task Force, were well founded. We need it and we continue to need to send a strong signal to other states, to the rest of the nation, to the world at large, that we are serious about being a place that is friendly to business, that we welcome business and we want to keep them here. The proposed reductions in the corporate tax would have sent a very serious and very real signal. Unfortunately, that's not part of this bill according to the Standing Committee Report.

"The other thing that I find objectionable or problematic with this particular measure, Mr. Speaker, is the provision for a new general excise rate of 4.5%. While this seems to be a relatively small number, we need to remember that this is actually a very large percentage increase in the GET. We also need to remember that both political parties came out formerly in opposition to any increase in the GET.

"Also, numerous individuals, all the way from the traditional liberals who are concerned about the welfare of those at the very bottom of our economic totem pole, they were concerned and opposed to the general excise tax increase. Small business groups were opposed. Also, when we carefully looked through to see if there were any kinds of research papers which supported such a move, we couldn't find any papers. I read through all the stuff from the Heritage Foundation Bookings Institution, some materials provided to me by a colleague from the other side of the aisle, and so you had conservative and liberal think tanks saying that there is no precedent for this kind of an increase in actually stimulating growth and helping the economy.

"Another bad part to this bill, or problematic part of this bill, Mr. Speaker, is the elimination of the provisions which would have reduced the tax pyramiding. Again, the ERTF which we all I believe strongly support, they said that we need to take a serious look at the service side of our GET. We need to make it look more like the sales side and tax them accordingly to make sure we send a strong signal that we are serious about doing business. Eliminating those provisions which would have reduced tax pyramiding is another bad idea. We should have done something at least to try to reduce the pyramiding on the services side.

"Finally, the use tax is moving, as you see, from 4.5%. Again, you know many of us have made commitments not to raise any tax and again we don't see how this makes for a more friendly business environment. We don't see how this sends a signal to people doing business or wanting to do business in this State. And again it is unprecedented. New York, Michigan, Arizona, New Jersey, Massachusetts all lowered taxes in order to create an economic stimulus and did not try to raise taxes to do that.

"Thank you again, Mr. Speaker".

Representative Santiago then rose to speak in support of the measure, stating:

"I would like to be brief because I will save most of my comments, I hope, for Tuesday when we look at some of the other portions of what effects a bill like this will have. I wanted to make a statement, as I read through the Committee Report, that the premise upon which the Task Force recommendations were made. Nowhere do I see the considerations made for those things the previous speaker talked about -- the very needy of our community.

"When I first saw the recommendations come forth, I made a statement that it seemed like the recommendations

were produced in a vacuum. We hear business. We hear economy. We hear do this, do that. Economists say this, they say that. There is another aspect to it for those of us sitting here know. We have a responsibility to those who rely upon us to make sure that the very fabric that this society rests on is not going to be totally torn apart by something that we do today.

"There have been many before us who have worked hard to create that fabric. The safety net has gaping holes that will remain as a result of some of the actions we are taking. This modest increase, in my opinion, is to make sure that our responsibilities continue and the courage that it will take for us to say that there are certain functions we cannot cut any further. And for those reasons, and for reasons that I will be stating in the next few days, I support this measure wholeheartedly. I believe it is, in fact, not bold enough. I would hope that we would reconsider before the end of session what we are doing and the impacts that it will have.

"Thank you, Mr. Speaker".

Representative Case then rose to speak in opposition to the measure, stating:

"I want to be clear that my opposition focuses on the increase in the general excise tax. I obviously support the provisions having to do with the reduction in the individual income tax as well as the proposed refundable low income tax credit. But I decline to pay the price of the general excise tax increase for those provisions.

"Many people, a growing number of people, have said as to this general excise tax increase: 'The Emperor Has No Clothes.' It took me a while to get there, but I'm there. This is a mistake.

"Economic revitalization is the key to providing the services that my colleague, the prior speaker, whose opinion I respect very much, so ardently supports. If we continue to avoid a substantial reduction in the amount of money consumed by government, if we continue to avoid it by advocating a general excise tax increase (and it is my belief that that's the only reason that the general excise tax increase is being advocated), we essentially avoid the problem and the dilemma that has faced us for the entire time I've been in this Legislature and which has been here for much longer than that.

"If we continue to avoid that reduction, we will be very, very unable to provide the services, the core services, of government, which I think we all agree we have to provide. And I think it's just inevitable that if we go in this direction, in four to five years, our ability to provide those core services is going to be irreparably damaged because we will not have the ability to produce the revenues from the private sector to fund those programs.

"I'll have more to say on Third Reading, but I felt it important to indicate some thoughts now. Thank you".

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

"Thank you. While I have heard some discussion about the overall intent and the desire that we want to stimulate the economy, I question what the net stimulus to the economy will be. Our Minority Research points to perhaps an absolute net of \$13 million. While you do take into account how much increase in the general excise tax we're placing on the economy, I agree, as the former speakers have mentioned, with the good points of this measure with regard to reducing the income tax, the food

credits for people who need it, especially in these dire and difficult times.

"On Opening Day we made it quite clear that this Minority cannot accept an increase in the general excise tax. The Senate has come to that wisdom also and will not accept an increase in the general excise tax. Non-negotiable. Why are we striving to force this down the Senate's throat now? Both parties have condemned this issue.

"Today we had a press conference with the DIET group -- 'Do not increase the excise tax' --coalition, a broad based coalition of community leaders, businesses, elderly, NFIB, AARP, realtors, Small Business Hawaii, Neighborhood Board members, etc., all in opposition to an increase in the general excise tax. And yet we still sit here, hoping to pass an increase in the general excise tax. And why? To meet our budgetary short falls.

"I think the previous speaker alluded to the overall problem, the nut of the issue, and that's the size of our government. This Caucus has been asking and advocating for reasonable, responsible and rational reductions in government through attrition. When someone leaves government employ, simply don't re-hire them. The private sector has been doing this for years - for probably the last seven years. Liberty House, Bank of Hawaii, Foodland, the Navy Shipyard, Kelly's Coffee Shop, the Catholic Diocese of Honolulu, the City and County of Honolulu. Why are we so stubborn that we cannot reduce our government work force? No one on this side of the aisle is asking for slash and burn. Go out and fire the good workers of our State. They have mortgages - we understand that. They have their rent to pay, their responsibilities. But when someone leaves government employ, why must we re-hire them or re-hire someone from the private sector?

"I ask you to look to the other jurisdictions that have looked to attrition in order to reduce the cost of government. California gave the example. When Governor Pete Wilson came into office, he had a \$5 billion short fall, much larger than ours, Mr. Speaker".

The Chair responded: "It's a much bigger state".

Representative Kawanakoa continued, stating:

"It grew to \$7 billion. The analogy is important because as the economy continued to spiral, they didn't increase taxes. They took corrective measures immediately. What happened? Look at their state now, Mr. Speaker, 1,200 new jobs created every day. That's what we are advocating for: job creation and a healthy economy. I find it very difficult that we hold to something simply because it was an idea, when it's clear before us that we cannot increase the general excise tax. The Senate will not agree with us. The people will not agree with us. It's not right for our economy.

"The studies have shown that this will not improve the overall business climate. Why are we forcing this? I submit we are forcing this because we are not brave enough to look to our government employees and ask them to join us in reducing our cost. Again, we ask for it in a very reasonable manner. When someone leaves government employ, everyone else pick up a little more, help out where they can. Go from the departments that are 'fat' and have extra resources and transfer them into the needed resource areas -- human services, perhaps health.

"I think we are failing to address the real problem. It's not this immediate budget short fall - that's the numbers on papers. It's the people. It's the families who are

being forced to leave our islands. I also made that clear on Opening Day. That's where our heart lies. That's where our concern is, not for budgetary numbers, but for the practical effect and the consequences on our small businesses and families.

"Mr. Speaker, I noted also, in some of the prior speaker's commentary, that everyone needs to. . . who's going to care about paying another fifty cents on a dollar?"

The Chair interrupted Representative Kawanakoa, stating: "You have exceeded your time".

At this point, Representative Aiona rose and yielded his time to Representative Kawanakoa.

Representative Kawanakoa continued, stating:

"Why would we not ask our government employees to also reduce? You know we have not been in the leadership for the last how many years -- twenty, thirty years? Before my time.

"So I ask all the people in the private sector, the thousands of jobs that have been lost, they're laid at your doorstep, Mr. Speaker. They're laid at the doorstep of our leadership in this State. And unless you take corrective action, I can guarantee you the people are not going to put up with it for much longer. We have an opportunity, a historic opportunity, to do what's right and correct our economic dilemma that we are in. I encourage you to look to your colleagues in the neighboring chamber, who have seen fit to reduce income taxes and to pay for it by government reduction. Everyone else has done it, Mr. Speaker, I see no reason why we can't.

"Thank you, Mr. Speaker."

Representative Tarnas then rose to speak in opposition to the measure, stating:

"Thank you. I need to make it clear as well that the reason why I'm opposing the measure is because of the general excise tax increase. You know the citizens of North Kona and South Kohala have told me for many years not to raise the general excise tax. When the Economic Revitalization Task Force came out with their proposed recommendations, I supported many, nearly all of them, except the increase in the general excise tax. My constituents told me loud and clear: don't increase the GET.

"Objective analysis of this proposed increase indicates that this is already a regressive tax and this would make it even more regressive. Since I've agreed with my constituents and have stated publicly for many months now not to support a GE tax increase, I have to be true to my word and vote 'no' now.

"So what's the alternative? I suggested that a more modest reduction of personal income tax is very smart, coupled with cuts in government expenditures would be a very positive statement to our community that we are doing something to support the economy and bring it back onto its feet. To send a better message, a positive message, to the business community that we're serious about changing Hawaii's ways and making it more pro business, supporting sustainable economic development, I think that supporting the measures that we have before us today and the next several days to reduce regulations is the way to go.

"I sent out a survey, Mr. Speaker, to my community, asking what are the barriers to small business in the

community. And far and above anything else was government regulations. And so the Regulatory Flexibility Act that we'll deal with in a separate measure, I think is a very strong message to our business community that we're serious about making Hawaii a better place to do business.

"Mr. Speaker, there are some positive parts to this measure, and I honor the Finance Committee and the Finance Chair for working on this and coming out with some. But I believe this is a mixed message, and this is not the time to send mixed messages, Mr. Speaker. We need to be very clear. They may be modest steps that I'm suggesting in terms of taxes, but the regulatory approach to reduce regulations, I believe, is the strongest message we can send forward with some modest decreases in our tax system.

"Thank you, Mr. Speaker."

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

"Though I agree with some of the other speakers about not liking the increase in GET, I don't think anyone here wants to increase the GET. If at all, we probably all here want to decrease the GET. But I have to remind you that this is a tax package. And the package, to me, is like a car. He has to take it in total and look at it in total. Without a distributor that car doesn't run. Take away a tire, maybe the car runs a little bit but doesn't run very well. We have to look at the package in total.

"This is the halfway point. I am extremely confident in the Finance Chair and the Committee that they will do the right thing, and try to get the best tax package we can. Thank you, Mr. Speaker."

Representative Takamine then rose and requested that the Clerk register a "no" vote, and the Chair "so ordered."

Representative Fox then rose to speak in opposition to the measure, stating:

"Mr. Speaker, I want to thank you for providing us this early opportunity on Second Reading to begin the discussion of an extremely important measure. I think it's noteworthy that we're having this opportunity to go over some of the problems of this measure. Perhaps by Third Reading we can do what we really should do, which is to remove the excise tax from this package.

"Mr. Speaker, this package provides a \$229 million income tax cut in its first year, coupled with a \$162 million increase in the excise tax. That's basically what this package is about. If we simply remove the excise tax from the table and halve, that is cut in half, the amount of money that we are trying to reduce the income tax, we would get to the same total for economic stimulation that is in this package. Wouldn't that be a simpler, better way to do it? Cut in half our income tax reduction and take the excise tax off the table, and come out with the same overall economic stimulation.

"Mr. Speaker, if you bear with me, I would like to go through some of the reasons why keeping Part 3 which raises the excise tax from 4 percent to 4.5 percent is, I believe, a serious mistake. First, raising a consumption tax causes two-thirds of the economy -- consumer spending, that portion of the economy -- to go into a bad reaction. It discourages consumer spending.

"We need to look no farther than Japan for an example. We need to look no farther than last April when Japan raised its sales tax from 3 to 5 percent, and the

economy took an 11.2 percent dive in the second quarter of last year. Japan has yet to recover from that increase in its consumption tax. And the worldwide community, experts from all around the world including Japan, have said you never should have raised your consumption tax. It was a serious mistake and what you should do now is lower your taxes.

"Second, business has a serious problem with raising the excise tax. There are expenses that it cannot pass on to consumers and will have to eat itself. And that's a terrible thing to ask for in this kind of economy.

"Third, we call the people that come to Hawaii, visitors. We treat them with aloha. Hitting them with an excise tax increase is not treating them with aloha and it's a serious, serious problem in an economy that is ever more turned on retail sales. Many people come to Hawaii in order to buy. Raising the costs of goods in our stores is not a way to treat tourists with aloha.

"Fourth, low income people will suffer if we raise the excise tax. We hear lots of talk about credits and how they cover that gap, but I ask you, Mr. Speaker, what do we have when we have a credit? We go through 12 months of higher cost and then at the end, we file for a credit that comes back to us. By then we may be seriously under, a year later, when we finally see the credits that we get.

"And there's another problem. The credits that we're providing are twice for people over 65 what they are for people under 65. Doubling the credits for over 65 takes care of a group that has a lot of political influence over this body. What about the people under 65? They're not getting the credits they need to deal with the excise tax increase.

"Mr. Speaker, we have the second highest taxes in the nation, state and local combined. That's the reason business is staying away from Hawaii. We need to lower our taxes. We're told at the beginning by the Economic Revitalization Task Force that by taking our top rate down from 10 to 7 percent, we'd attract new business. Unfortunately, we're now taking it down to only 8.5 percent. We were told at the beginning that by doing away or cutting corporate income tax in half, that we would send a positive signal. Unfortunately, with this package there is no reduction in corporate income tax.

"The right signal to send, though, is to reduce our total tax burden. And we can do that by cutting the income tax and leaving the excise tax alone. I hope all of us in this body will seriously consider the right course to take. I ask all members to consider what the sentiment is in their community about this excise tax increase. I will tell you, in Waikiki, in the Waikiki Neighborhood Board poll where we had a phenomenal return rate, 89 percent of the people said they're opposed to an excise tax increase.

"Thank you, Mr. Speaker."

Representative Goodenow then rose to speak in support of the measure, stating:

"You know there's two things I've heard about not raising the general excise tax so far. First is cut the budget: in this situation, no one provides any real details about any cuts that would be needed to go along with that. The second situation is people say, let's not lower the personal income tax. But let's talk about real numbers here. This bill is part of our budget package. We are required, and it is our duty, to pass a balanced, responsible budget.

"There still are some options out there as far as other bills, but we can at least stand proud that we have a balanced, responsible budget. We've heard a lot of numbers again tonight, but we had a process and in the Finance Committee we heard a lot of proposals. But I have not seen any numbers add up yet, except for the proposal that we're putting forward today.

"You talk about attrition or reduction. Yet, even if we had a lot of changes to our collective bargaining laws (we could do a lot of things, and we could start that tomorrow), we still would have to fund what we have now as we go through the process, and that brings me to the point where we are now.

"There are a lot of numbers floating around, but where are we now? We have this measure. A measure that still will give substantial personal income reduction to stimulate our economy. What's the alternative if we do not put this measure forward now? I guess waver and throw in the towel and say: 'okay, forget it, we won't do anything.' Is that what the public wants -- the status quo? Just forget the personal income tax, general income tax. Unless we have real numbers, as far as expenditures that can be reduced which I do not see, I feel we only have one option today, and if we move forward, when the Finance Committee goes to the Conference Committee table, we can be proud that we have a document that is balanced and still provides a great deal of relief. Thank you."

Representative McDermott then rose to speak against the measure, stating:

"I'll keep it brief. I'm going to cast a 'no' vote, Mr. Speaker. This is a well-intended measure, Mr. Speaker, but it has a tax increase in it, the GET, and I can't support that.

"Mr. Speaker, I'm not a very bright guy and most of my colleagues will verify that. But one thing I do know is that my constituents told me: 'no tax or fee increases.' So I listen to them. Another thing they tell me every time I walk through the neighborhood is to shrink the size of government. 'Shrink the size of government. Shrink the size of government.' That's what they tell me. I want to come back here so I'm going to listen to them. Thank you."

Representative Halford then rose to speak in opposition to the measure, stating:

"Unfortunately, I didn't get a chance to look at this 91-page bill until 10 or 15 minutes before session when it arrived. But I do want to say that I'm aware of it enough to know that it's a very complex message of arriving at a small tax cut. I favor the cut in income taxes. I have for years. I think this is a good thing. It's a positive element in this bill to stimulating our economy.

"However, included is the general excise tax increase that raises, over the next couple of years, hundreds of millions of dollars of tax revenue from the people of Hawaii. This tax, Mr. Speaker, is a broad-based or regressive tax that stresses the fabric of our communities. It includes, for example, an increase in taxes on food and medicine -- the essentials of life. Mr. Speaker, this tax increase will be derogatory to the economy, and derogatory to the fabric of our community. Thank you."

Representative Yoshinaga then rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, since I ran for office three years ago, I have introduced in every session measures for tax reform. And although this measure is not one of my proposals, I

do want to credit the Finance Committee for bringing it forward and having the courage to continue debate on major tax reform issues that our State needs to face over the next millennium.

"I also have not had an opportunity to review in detail the fine points of this measure, but I have been reading the Committee Report. My understanding is that this is a balanced approach to addressing a number of concerns about relief on personal income tax reforms to our residents, which I have been supportive of. Balanced with a responsible measure in terms of tax credits to reducing the impact on low-income families as well as the elderly who are in my district.

"And for those reasons, I do believe that it is important to keep this measure alive for a debate in terms of balancing our budget and the Senate's review.

"Thank you very much, Mr. Speaker."

Representative Stegmaier then rose and stated:

"Mr. Speaker, I must ask the Clerk to enter a 'no' vote for me. I'd also like to have the remarks of the Representatives from Manoa and South Kohala, North Kona entered into the Journal as if they were my own," and the Chair "so ordered." (By reference only)

Representative White then rose to request that the Clerk register a "no" vote for him, and the Chair "so ordered."

Representative Whalen then rose to request that the Clerk register a "no" vote for him, and the Chair "so ordered."

Representative Saiki then rose to request that the Clerk register a "no" vote for him, and the Chair "so ordered."

Representative Meyer then rose to speak in opposition to the measure, stating:

"While this bill originated with the Economic Revitalization Task Force and the Finance Committee worked very hard on it to try to improve it to make it less onerous, it still contains an increase in the general excise tax. For the most part I support the Economic Revitalization Task Force's recommendations, but in this matter I cannot support it.

"It is not clear that a GET increase coupled with an income tax decrease will help to jump start our economy. The income tax reduction only helps businesses which are profitable while the GET is paid regardless of profitability. It's taken right off of every gross dollar that comes in. This will not stimulate new business ventures which often produce little if any profit from the start-up years, but will have to pay a higher GE tax immediately.

"Existing businesses which are struggling to stay above the break-even point will have to pay more GET. Although our 4 percent GET rate appears low when compared to other states' sales tax rates, this is really comparing apples and oranges. Unlike most sales taxes, our unique GET is a pervasive tax which is levied at all levels in the economic chain as well as on all services. Thus the GET rate may seem low but, in fact, many more transactions are subject to the tax.

"Just the hotel industry alone, with an extra 5 percent comes up, you think 5 cents on a dollar, but it equals about \$10 million. And that's not loose change. That's a lot of money. I would have preferred that the Economic Revitalization Task Force had taken the recommendation of the Taxation Work Group, which included a number of experts in the tax field. They expressed consensus on four

basic options: reduce the personal income tax, reduce the corporate income tax, eliminate pyramiding of the GET on goods and services, and improve the competitive position of Hawaii's service providers.

"Thank you, Mr. Speaker."

Representative Morihara then rose to request that the Clerk register an aye with reservations, and the Chair "so ordered."

Representative Takai rose in opposition to the measure and asked that his comments be inserted into the Journal, and the Chair "so ordered."

Representative Takai's remarks are as follows:

"The current proposal increases the general excise tax from 4 to 4.5 percent. I appreciate the Finance Committee's efforts to lower the increase from an initial 5.35 percent, however, I still do not believe that an increase in the GET is in the best interest of the State and our residents.

"An increase in the GET will not enhance the spending confidence of our residents. In fact, I'm afraid that an increase in the GET will throw our State's economy in a rapid downward spiral.

"I strongly believe that we can provide for a reduction in individual income taxes and at the same time keep the GET at 4 percent. How can we do this? Simple. We can provide a 5 percent reduction of income taxes for the next two years and a 10 percent reduction of income taxes for the third year. Additionally, we can reduce the corporate and franchise tax by 15 percent for the next three years. Finally, since under this proposal there is no increase of GET, there should be no additional tax credits for low income persons.

"The cost of this proposal for the first two years is \$57 million (\$45 million for the individual income tax and \$12 million for the corporate and franchise tax). The cost of this proposal for the third year is \$103 million (\$91 million for the individual income tax and \$12 million for the corporate and franchise tax).

"Please note that the \$57 and \$103 million are still cheaper (cost less in terms of the real costs to the general fund) than the proposal in the latest draft of H.B. 2568. In other words, we could save the residents the agony of a GET increase, provide for a modest individual income tax reduction, and preserve their spending confidence."

Representative Thielen then rose to speak against the measure, stating:

"Thank you, Mr. Speaker. I listened to the Representative from Waimanalo who didn't see a problem with raising the general excise tax. I've surveyed the Windward district on this issue as we've been dealing with it going through the legislative process. And the responses I get, sometimes in writing, sometimes just on the survey with checking a box, are that people can't handle any more taxes. They can't handle the .5 percent increase in the general excise tax, that they are struggling to hang on. Those that have small businesses are struggling to keep them open. Those that are trying to put food on the table are struggling to do that.

"I came into this with what I hope was an open mind, Mr. Speaker, looking at the way that the whole situation would work together with a reduction in income tax and an increase in the general excise tax. Frankly, it's the GE tax that hits people the hardest just in their daily lives. And that was the message that came to me from

the Windward community loud and clear. It wasn't a bit ambiguous, it was just loud and clear, Mr. Speaker.

"I'd like to have the remarks also of the Representative from Waikiki and the Representative from Manoa included in the Journal as if they were my own. Thank you."

The Chair "so ordered." (By reference only)

Representative Marumoto then rose to speak against the measure, stating:

"My colleagues did such an excellent job laying out the detrimental effects of the increase in the general excise tax, so at this time I just would like to register a no."

Representative Moses then rose to speak in opposition of the measure, stating:

"First of all, I have to say that I'm rising in opposition only to that portion, at this time, that is for the GE tax increase. I do favor the cuts in income tax, and I think that's a proper thing we should be doing. In deference to the Chair of Finance and the members of the Committee, I know they worked very hard and tried to come up with a good package, but I have to point out also that I have a responsibility to those who sent me here. I think we all do, to thoroughly review any measure before us, before we vote on it, and this measure was just put on our table after 3:30 this afternoon while we were already sitting here, and we have not had time to read it or discuss it. And I don't consider myself as smart as my colleague here, but I think I can come up with the right answers if given enough time to at least read it. I don't think it's proper for us to be voting, even though this is only Second Reading, without having read it. It is Second Reading after all, Mr. Speaker, I haven't read it once yet.

"Okay, that aside, I would say that we've heard a lot of talk today about how low this tax increase is. It's only from 4 to 4.5 percent, but everybody in this room knows, nobody pays 4 percent GE tax. By the time it gets to the consumer, it's what, 14 percent, 18 percent, some say as high as 22 percent. What is a half a percent increase on that? I don't know. I don't have a calculator here on the floor with me, and there's nobody to talk to and nobody to ask the questions again, but we're supposed to vote on it.

"So I think that this may be something that we should review a little more before we vote. But I can say this just based on the knowledge I do have, you can't tax your way into prosperity. Just can't do it. It's never been done...it's been tried many times, been tried in countries, it's been tried in municipalities, it's been tried in states. It's never worked once. Are we that different in Hawaii? Are we that different to believe that it'll work here, but it has never worked anywhere else?

"What has worked over and over again, what has never failed, is to lower taxes, and you will increase revenue. People will not put the money under their pillow and leave it there. They will spend it. When they spend it, it goes through the economy, and you all know it goes through many times, and each time it gets taxed a little bit, and every time that happens the government entity gets more money. It works. It's been tried. It's worked. I challenge my colleagues, anybody out there, tell me one place where it hasn't worked. If you can't do it now, call me at my office later. Tell me where it hasn't worked.

"A previous speaker noted that no one here wants to increase taxes. I say, hallelujah. Then vote no. Another speaker said he supports the tax increase and we should stand proud. Stand proud for this measure. I say, if

you're that proud, I'll make badges for you that looks like mine, but with a thumbs up and you can say: 'I voted to increase your taxes,' and wear it next time you walk through your district, and be proud.

"Thank you, Mr. Speaker."

Representative M. Oshiro then rose to speak in support of the measure, stating:

"I'll be hearing a lot of things this afternoon, and some of them are amusing and some of them are in a way rather sad. Because I hear so many contradictory statements being made and I think it could give the community a perception that we're being less than honest.

"I hear people talking about cutting the personal income tax and cutting the size of government, but yet providing for the needs of our community, our schools, our prisons, and so on. What I appreciate from those people are ideas, when people come forward with some idea and specificity on where these cuts will come from. I believe the Finance Committee has made tremendous efforts in the current budget, especially in looking at the out years from 1999 on, for the next biennium budget.

"And we should know where we're going to get the money to pay for these essential programs -- to take care of the elderly, to take care of the sick, to take care of the students, to take care of the needs of our core services. So let's be specific and not speak in generalities because we're here to fish or cut bait for our people.

"Mr. Speaker, I know that there have been much said this afternoon so I'll keep my remarks brief. I'll just throw out this idea that: if you have an idea, if you have a plan, then bring it forward, share it with the membership, and do it right away so you can educate us, and we can all do the right thing.

"Mr. Speaker, there's been some members talking about going out to the community and getting the opinion of the public at large. I think I need to share some information with the membership here. Recently there was a poll conducted, and this was done February 20 through 24, 1998. This poll was a telephone survey conducted by Omnitrak. The purpose of the poll was to measure public opinion of the Economic Revitalization Task Force Plan, and to analyze the public perception of priorities facing the State Legislature. Briefly on methodology.

"As some of you who have done polls know or know how to read polls, you look at a target market. In this case it was registered voters and not yet registered voters who will certainly or probably vote in the 1998 election. Another part of the market was those residents 18 or older. Sample distribution: 453 completed the interview. On Oahu, the Big Island, Maui, Molokai, Kauai, 453 people were interviewed. The results were weighed by class, ethnicity and island.

"What was interesting and very profound, Mr. Speaker, according to the executive summary, that never in the recent history of opinion surveys in Hawaii, spanning a quarter century of polling, and mass media and prior clients, has there been such universal agreement among voters of a single issue. And that is the economy. In fact, the economy is stated as being more important than education, tax reform, crime and drugs, insurance and the cost of living. It was the economy.

"Now let's get to the ERTF or tax proposals. When voters were asked top of the mind opinion about the ERTF proposals, two out of three expressed support for the package. In other words, nearly 40 percent of the

voters expressed support. When the question was asked of the interviewees: 'Do you strongly favor, somewhat favor, somewhat oppose, or strongly oppose the Economic Revitalization Task Force plan to improve the economy?', 42 percent of the people were in favor; 39 percent, undecided; 19 percent, opposed.

"The next question was asked: 'Now I'd like to read you a description of the major recommendations of the Task Force plan. The largest percent income tax cuts in the history of the State is ours with 35 percent, a GET increase, hotel room tax increase...'"

At this time, Representative Okamura rose and yielded his time to Representative M. Oshiro.

Representative M. Oshiro continued, stating:

"...autonomy for the University of Hawaii, streamlining government regulation,' the question was asked: 'Do you strongly favor, somewhat favor, somewhat oppose, strongly oppose the Task Force plan?' Thirty-three percent said they oppose; 52 percent said they favor; and 14 percent were undecided.

"The next question is raised. In this part the interviewer would share the impact of the Task Force plan, and that would be to..."

Representative Whalen rose on a point of order, stating:

"I'm not sure if we're speaking about the bill or this poll."

The Chair responded: "What he is speaking is relevant to the tax bill. It's been addressed."

Representative Whalen: "I'm not sure that the speech is directly related to the bill, Mr. Speaker."

The Chair responded: "The Chair finds that it is not in conflict with the bill."

Representative M. Oshiro continued, stating:

"The question was raised regarding the tax components as well as the other ERTF elements. Lower income taxes overall will have an impact on personal income when GET are combined. So together, when you look at the personal income tax reduction and a slight GET increase, individuals will have more money to take home.

"Number 2, it will create between 4,500 to 13,000 new jobs. Number three, as the increase rolls into the islands, it will result in an additional \$300 million of revenue for the State. A question was asked: 'Do you strongly favor, somewhat favor, somewhat oppose, or strongly oppose the Task Force plan?' In opposition, 20 percent, but those in favor, 77 percent.

"What this poll tells me, Mr. Speaker, and it's true of my own experience when I go out to my community, as I sit down and take the time to explain the package, the tax proposal in totality, to my constituents. They understand that the bottom line is that they will receive a net tax decrease, which will then go into the economy where it will create jobs, it will create additional tax revenues so we can pay for all necessary services, that one-third of it will be exported to our visitors, and they will pay that for us. When I explain that, as reflected in this poll, people support it. Again, 77 percent of them support the tax plan. Mr. Speaker, for these reasons I ask for the members' support."

Representative Kahikina then rose to speak in support of the measure, stating:

"Mr. Speaker, I am very grateful that I serve under Chairman Say in the Committee on Finance. In that Committee I've been educated very well that our State Constitution requires us to pass out a sound, balanced budget.

"Mr. Speaker, nobody wants to raise taxes and quite frankly the truth is, it'll hurt people but people are hurting now already. Businesses are closing. In the Committees on Health and Human Services we see cuts to General Assistance, to Pre-Natal, Zero to Five, not even a dollar funding. They're considering an increase in classroom sizes, less the concerns on education, the elderly, and businesses.

"Mr. Speaker, I believe, as a member on the Committee on Finance, that we are sound, and the recommendation on this bill is a balanced budget. We've read about what the Senate wants to do. If we could do it we'd want to recommend that, but none of the recommendations balance the budget, and that is the bottom line. So let's compare, let's say what really is hurting us. If we give 25 percent income reduction on their taxes, that means for every \$100 of taxes that you would have paid, you'll be paying \$75, so you'd have \$25 more in your pocket. Then you go to the store and you buy \$100 of groceries and now you pay an extra 50 cents. That is the comparison.

"Nobody wants to raise taxes but, definitely, I surely don't want to cut any more of the essential benefits or essential services to our very frail and needy in our community. And for those reasons, Mr. Speaker, I support the bill."

Representative Okamura then rose and stated:

"Mr. Speaker, I wasn't going to speak. I was going to say that, you know, we've discussed this for way over an hour now. This is only Second Reading. We have another day to have full discussion on this, so I was going to call for the question."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2568, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Case, Fox, Halford, Kawanakoa, Marumoto, McDermott, Meyer, Moses, Pendleton, Saiki, Stegmaier, Takai, Takamine, Tarnas, Thielen, Ward, Whalen and White voting no.

At 4:51 o'clock p.m., Representative Okamura asked for a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 4:58 o'clock p.m.

SUSPENSION OF RULES

On motion by Representative M. Oshiro, seconded by Representative Marumoto and carried, the rules were suspended for the purpose of considering certain bills on Third Reading on the basis of a modified consent calendar.

UNFINISHED BUSINESS

Stand. Com. Rep. No. 491-98 and H.B. No. 2854, HD 1:

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2854, HD 1, pass Third Reading, seconded by Representative M. Oshiro.

Representative Stegmaier rose to speak in support of the measure with reservations, stating:

"My reservations has to do with the fact that this is another huge emergency appropriation for Child Adolescent Mental Health Services. My belief is that this amount could be significantly lowered if we were to restructure mental health services, consolidating service providers into teams at our schools rather than allowing them to remain separate in different programs and agencies in three different Departments of Education, Health, and Human Services.

"This reason is why I realize that it's important to pass this measure to provide the services. I am concerned and have reservations about the enormity of this amount. And especially realizing that there are things that we can do to streamline services to children and adolescents and, therefore, lower the price tag.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2854, HD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE CHILD AND ADOLESCENT MENTAL HEALTH DIVISION," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 492-98 and H.B. No. 2858, HD 2:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2858, HD 2, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR EMERGENCY MEDICAL SERVICES," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 493-98 and H.B. No. 2901, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2901, HD 1, entitled: "A BILL FOR AN ACT MAKING EMERGENCY APPROPRIATIONS FOR THE UNIVERSITY OF HAWAII," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 494-98 and H.B. No. 2997, HD 2:

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2997, HD 2, pass Third Reading, seconded by Representative M. Oshiro.

Representative Cachola rose to speak in support of the measure, stating:

"Mr. Speaker, this bill makes an emergency appropriation that will enable Hawaii to host the 1998 Miss Universe Pageant. This is a pro-business, economic revitalization bill, Mr. Speaker. The chance to host this

event would be a tremendous opportunity at any time. And all the more fortunate during this period of economic hardship.

"For this, Mr. Speaker, we owe much to Governor Ben Cayetano, Senate President Norman Mizuguchi, you Mr. Speaker, as well as the negotiating committee.

"The \$7 million total cost of the pageant includes: one, the \$3.3 million appropriation contained in this bill; almost \$4 million from the private sector is also included, especially lead sponsor Hilton Hawaii Village and many other retailers, tourism companies, banks, and restaurants. Of the \$3.3 million, \$1 million will go to the Miss Universe Pageant, and about 80 percent of the remainder will be spent locally for costs related to the event.

"From our investment of \$3.3 million we expect the following: one, more than \$9 million in immediate, direct economic benefits; two, much more from additional visitors to Hawaii whose travel decisions were influenced by pageant telecast; third, tremendous promotional value from the two hour Miss Universe Pageant television program, estimated at \$100 million. In addition, Mr. Speaker, this will be the premier of the pageant under its new ownership which includes CBS as a partner, ensuring that it will receive heavy promotion to boost its viewership.

"The climax of the Pageant, the coronation, will take place in our brand new Convention Center. This will enable Hawaii to more effectively promote one of the best convention centers in the nation as a venue for large events. With many of our economic revitalization efforts depending on the Convention Center, we must seize all opportunities for maximizing success. Like any economic development project, our sponsorship of the Pageant is an investment. We stand an excellent chance of gaining tremendous economic benefits, but only if we spend this money up front. I urge my colleagues to vote in favor of this bill."

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

"I commend the Chair of the Tourism Committee for bringing this worthy Pageant here. I also commend you, Mr. Speaker, and the President. I also commend the Governor. But I'd ask that the Clerk enter the words of my learned colleague as if they were my own," and the Chair "so ordered" (By reference only).

"I'd like to add one more 'thank you', and that would be to our very own Miss Universe to whom this Pageant would not be located here in Hawaii, Miss Brook Lee. I think she deserves a lot of the credit also so I'd like to recognize her also.

"Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. I believe that the Chair of the Tourism Committee probably expected me to stand up and speak against this bill again. My concern is, Mr. Speaker, we're appropriating \$3,300,000 for the Miss Universe Pageant. We've just finished over an hour's worth of discussion about the economic crisis that we're facing in our State.

"Yes, this may bring in more money. Yes, money may go into the economy, but right now we need that \$3,300,000 for a lot of other programs that are addressing

much more critical needs. So I am speaking in opposition to this bill."

Representative Santiago then rose to speak in support of the measure with reservations, stating:

"I'd like to have those reservations also recorded because as the previous speaker had just mentioned, I cannot for the remainder of this session remain silent. And I will continue to speak out because I'm not sure to the extent to which the rest of the members are aware of the cuts that are occurring in the. . . I can't speak to all the Committees but at least from the Committee that I oversee, in the Health Committee, cuts that I think we will be reeling from for years to come.

"So when I see appropriations like this, I am also reminded by my colleague to the right in our discussion I just had, that if we don't start to do something pretty soon, these programs that many of us care so much about will not be funded. Therefore, I'm torn. I feel I need to voice my reservations and say: how can you not support something that's going to bring in so much money? And at the same time watch so many of the programs that are absolutely needed not get funded. So I need to voice my reservations.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2997, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR TOURISM MARKETING," passed Third Reading by a vote of 45 ayes to 2 noes, with Representatives Arakaki and Thielen voting no, and Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 495-98 and H.B. No. 3032, HD 2:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3032, HD 2, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR PUBLIC SAFETY," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 496-98 and H.B. No. 2357, HD 2:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2357, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INDEMNIFICATION OF COUNTY AGENCIES," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 497-98 and H.B. No. 2985, HD 1:

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2985, HD 1, pass Third Reading, seconded by Representative M. Oshiro.

Representative Jones rose to speak in support of the measure, stating:

"This bill will enable the Department of Agriculture to hire staff to operate and maintain water systems throughout the State. It is designed to resolve problems presently encountered by farmers throughout the State to

ensure them of a steady source of reasonable rates on water supplies on a long-term basis.

"This is part of the Department of Agriculture's plan to develop a strong economic base for Hawaii, and it is part of the State's economic revitalization efforts. I urge your support of this measure. Thank you."

Representative Abinsay then rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. As stated by the Chairman of the Committee on Agriculture, the purpose of this measure is to empower the Board of Agriculture to contract for operation and maintenance of project facilities to qualified contractors for the county water supply departments.

"Mr. Speaker, this bill will give the Department of Agriculture needed authority on how to manage the irrigation and water utilization projects. In support of our priorities that are in line with what our Chairman of the Agriculture Committee, Chairman Jones asked for, and the strong commitment of the Vice Chair of Agriculture to our economy, I will ask this honorable body to support the passage of this measure. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2985, HD 1, entitled: "A BILL FOR AN ACT RELATING TO IRRIGATION AND WATER UTILIZATION PROJECTS," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 498-98 and H.B. No. 3207, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3207, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 499-98 and H.B. No. 2685, HD 2:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2685, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL-TO-WORK OPPORTUNITIES," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 500-98 and H.B. No. 3087, HD 2:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3087, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SEARCH AND RESCUE COSTS," passed Third Reading by a vote of 46 ayes to 1 no, with Representative McDermott voting no, and Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 501-98 and H.B. No. 3002, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3002, HD 1,

entitled: "A BILL FOR AN ACT RELATING TO INVESTMENTS OF THE EMPLOYEES' RETIREMENT SYSTEM," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 502-98 and H.B. No. 3416, HD 2:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3416, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PRISONS," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 503-98 and H.B. No. 2792, HD 2:

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2792, HD 2, pass Third Reading, seconded by Representative M. Oshiro.

Representative Herkes rose to speak in support of the measure, stating:

"Mr. Speaker, two years ago this House recognized the need to bring some relief for small business long before it was popular to do so. After consultation with leaders from the small business community, this House established the Small Business Task Force on Regulatory Relief.

"Mr. Speaker, with all due respect to the Economic Recovery Task Force, this group of small business owners, without the media attention given to the ERTF, labored over 18 months in relative obscurity and have given us this well thought out, far-reaching, trend setting piece of legislation.

"From everything that I have heard and know from personal experience as a small business owner, Hawaii's regulatory gridlock plays a bigger part in 'choking' Hawaii's small business growth than Hawaii's tax policy. This is really where you look to see if government is friendly to business.

"This bill, coupled with the Business Action Center and last session's efforts to reform the building permit process, is significant. I repeat, it is significant. And it's meaningful for its efforts to improve Hawaii's small business climate.

"We know what can happen when business is allowed to operate. After this House led the effort to improve the competitive climate for telecommunications, 130 new companies have lined up to compete with GTE Hawaiian Tel.

"This bill puts small business on the front line to review new and existing regulations. It also provides for a small business impact statement. The advisory committees called for in this bill impact every department in State and County governments whose rules impact small business.

"This bill has been hailed nationally as a road map for other states to follow. Isn't that a switch?

"Mr. Speaker, when the House had its bi-partisan retreat last summer, one of the top issues was massive deregulation of business. This bill puts the State on the road to deregulation.

"Mr. Speaker, this bill, the telecom competition bill, and the building permit bill were all developed by this House. And they're all significant efforts to improve Hawaii's small business climate. I urge the members to support this bill."

Representative Yoshinaga then rose to speak in support of the measure, stating:

"I would ask the Clerk to insert the comments of the former speaker as my own," and the Chair "so ordered," (By reference only).

"I also wanted to applaud this measure and point out that this is the one that I believe is the most significant measure that this House is proposing, that is creative and innovative to assisting our small businesses. And I think that the Chair of EDB deserves a great applause for that. I ask the members to support this measure."

Representative Ward then rose to speak in support of the measure, stating:

"From the point of one of the co-chairs of the Small Business Caucus, everything the previous two speakers have said are true and even more so. In fact, Mr. Speaker, I would submit that even if there was no ERTF, this, in the long run, will put small business back on the map. This, in the long run, will make Hawaii user friendly to business. This, in the long run, will put an even playing field between the big guys and the small guys."

"And if the political will follows through from this Third Reading onward into the Senate and the signature, there is great hope just on the basis of this one bill. And at the 1995 White House Conference on Small Business, this was on a national level -- right, front and center. So I think we are following with a good precedent and one that, if we get it through, is going to make a really big difference. So Representative Herkes, thank you very much."

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

"This, as I mentioned in comments on an earlier bill, I think is a key piece of legislation to address what my constituents have clearly stated is the major hurdle facing small business in Hawaii, and that is government regulation."

"I want to point out one key feature of this. There are many wonderful provisions, but one key feature I think is something that we should look at is all rule making done within the State. And that is something that is called negotiated rule making, where the affected parties are involved with the government agencies in drafting of the proposed rules prior to going to public hearing. By doing that, Mr. Speaker, we can come up with proposed rules that make sense, that accomplish the goals and objectives that are shared between the agency and the affected parties. And then once going to public hearings, we can make sure that all the concerns are aired and properly addressed in the final rule."

"But this negotiated rule making process, I think, is something that we should look at applying throughout State government, because I think it would be much more beneficial. But here's a great place to start, and I do support this measure and encourage other colleagues to do the same."

"Thank you, Mr. Speaker."

Representative Thielen then rose and stated:

"Thank you, Mr. Speaker. I'm rising in strong support of this same bill, and to ask for your advice on a potential conflict. Mr. Speaker, my Democrat son, Greg Thielen, president of Mouse Builders, a construction company, is a member of the Small Business Task Force on Regulatory Relief, and they're the ones that really worked very hard on putting this bill together."

The Chair responded: "Certainly, especially since he's a Democrat, no conflict."

Representative Thielen continued, stating:

"Thank you, Mr. Speaker. I would like to echo the words of my colleagues in support of this bill, Mr. Speaker. I think it is one of the best moves that we can make to get our economy moving. Thank you."

The motion was put to vote by the Chair and carried, the report of the Committee was adopted and H.B. No. 2792, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HAWAII SMALL BUSINESS REGULATORY FLEXIBILITY ACT," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 504-98 and H.B. No. 2992, HD 2:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2992, HD 2, entitled: "A BILL FOR AN ACT RELATING TO NOTARIES PUBLIC," passed Third Reading by a vote of 44 ayes to 3 noes, with Representatives Marumoto, McDermott and Whalen voting no, and Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 505-98 and H.B. No. 2714, HD 2:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2714, HD 2, entitled: "A BILL FOR AN ACT RELATING TO UNCOLLECTIBLE ACCOUNTS IN THE JUDICIARY," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 506-98 and H.B. No. 2760, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2760, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SALARY PERIODS," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 507-98 and H.B. No. 2655, HD 1:

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2655, HD 1, pass Third Reading, seconded by Representative M. Oshiro.

Representative Yoshinaga rose in support of the measure and asked that her comments be inserted into the Journal, and the Chair "so ordered."

Representative Yoshinaga then stated:

"I just would like to congratulate the sponsors of this bill as well as the Committees that have passed it out. I sincerely believe that this measure is, again, a demonstration of the House's leadership in terms of proposing exciting new projects for, frankly, global excellence in having Hawaii at the cutting edge in terms of demonstration of leadership and promoting new projects with little funding. And my understanding is that DBEDT has already been receiving phone calls of interest in capital markets that show that there is world interest on this measure. And my only wish is that I had signed on to this bill had I known it existed. Thank you, Mr. Speaker."

Representative Yoshinaga's additional remarks are as follows:

"I rise to speak in support of HB 2655 HD1. We are at a time when our economy is in serious trouble. As legislators, and therefore promoters of our state's economy, we need to aggressively seek innovative long-term solutions for Hawaii's economy. If we fail to do this, we are going to fall even further behind the rest of the country.

"We know that we need to look at solutions that can benefit Hawaii now and for posterity. HB 2655 HD1 qualifies as one of these solutions. Through our State, this measure seeks to utilize an export market for U.S. technological and planning expertise.

"By establishing project finance seminars, HB 2655 HD1 directs the State of Hawaii to serve as a facilitator in the exchange of knowledge and technology for Asia-Pacific infrastructure development. It also encourages partnerships between Hawaii firms and Asian agencies and companies. Most significantly, however, it serves as a gateway to an economic prize that we have here in Hawaii: the opportunity to share our earned knowledge and technology with international Asian-Pacific businesses and agencies.

"With the successful passage of this measure, Hawaii's economy will benefit from the development and application of our knowledge of international infrastructure development. And in looking towards the future, we will have a strong starting point for the evolution of other opportunities to export our knowledge, such as the development of an export market for Hawaii's environmental technology for which there is an undeniable need worldwide.

"I see the potential impact of this bill as I do a system of irrigation ditches in a field. If done right, when the rain does come, our field will be irrigated and we can raise a crop. I urge my colleagues to recognize this bill as one of the innovative economic solutions that can make up the irrigation system of our economy. By doing so, we may soon enjoy with our constituents the bounty of our having been responsible and aggressive lawmakers."

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

"This bill would direct the DBEDT to enter into negotiations to put together, I guess, seminars and other events at the old Marks Estate. My concern, Mr. Speaker, again goes to finances. The Marks Estate is in a really sad state at this point. The maintenance is sorely needed. There's a lot of money that would have to be put into that property to bring it up to, really, present day standards.

"It is maintained, as I understand, I mean I could have someone correct me if I'm wrong, but it's maintained, as I understand, out of the Highway Special Fund. And

there is some talk of raising gas taxes to build up that very fund. It's going to be a drain, Mr. Speaker. And it's a drain when these very same activities could and should be taking place at the East-West Center. On the one hand, we want to see the East-West Center thrive and expand, and we would do that by having these very activities be based out of the East-West Center. We also have on our desks a Legislative Auditor's report that is extremely critical of the Highways Division of DOT. And yet we're putting money into, or will be putting money into a project to maintain that property to be able to go ahead with the seminars.

"I think it would be a lot wiser if we were to put the property on market, sell it, get the money, put that into the State coffers and hold these events at the East-West Center. Thank you."

Representative Marumoto then rose to speak in opposition to the measure, stating:

"The previous speaker outlined the arguments against this measure quite well. Although we are in favor of seminars for economic development and international pride, we are concerned about the cost in renovating the facility and it should have been undertaken by maybe a foreign government. Well, perhaps that would be a very good idea but if the State must undertake this with either the General Fund or the Highway Special Fund, then it is indeed a bad idea.

"In addition to the East-West Center, we also have very fine hotel facilities in which to hold seminars, and the new Convention Center which has excellent translation facilities. So I would hope that these other alternatives are considered. Thank you."

Representative Ward then rose to speak in support of the measure, stating:

"I rise with trepidation, having three females speak prior to my speaking. In the days when I spoke and lost the battle on the Office of International Relations on this very floor with my very colleagues; however, I am moved for the sake of the global economy to speak out for this measure. Because, Mr. Speaker, there is \$300 billion worth of infrastructure in Asia and the Pacific that these seminars, which really don't tell you what it's about, are bringing in those people who are the high government officials who have all of this money waiting for akamai contractors like we've got in Hawaii.

"I don't want to nitpick where we should have it -- at the East-West Center, at the Hilton Hawaiian Village or the Marks Estate -- but let's keep our eyes on the goal of stimulating the economy, getting into the Asian/Pacific area, and making money on it because we've got a gold mine out there. This is a bill that leverages that amount of money. Having said that, I am prepared to be leveraged by my colleagues after this speech. Thank you."

Representative Say then rose to speak in support of the measure, stating:

"I believe, Mr. Speaker and members of this House, this particular measure did come out of the EDB Committee. And in Finance, Mr. Speaker, the concern of the Chair and the members of the Committee was utilization and the maximization of the Marks Estate. You're absolutely right. Last year, members of the House, in August or September, the Department of Transportation, Highways Division, did put a request for a proposal of a bid out for the auction of the Estate, which I felt is a very sacred area for the people of the State of Hawaii.

"I agree with most of the speakers here that the Estate is in a state of disarray as far as the repair and maintenance. It is also owned by the Department of Transportation, Highways Division. When we acquired the Eastman's or the access of Pali Highway, the Estate was acquired by the Department of Transportation.

"In discussion with Representative Suzuki, who went to a major conference developed by the U.S. Commerce Department in conjunction with DBEDT, I personally felt that this would be an excellent site in promoting Hawaii as an international market for these types of activities. I hope DBEDT and DOT can get together to work out a deal with the Department of Commerce at the U.S. level so that they can take over the Estate on behalf of the programs that they are providing here in the State of Hawaii. And the cost to the U.S. Department of Commerce, I hope and wish will be very nominal so that these activities can take place. Immediately after, Representative Suzuki should say a few words because he's gone to these seminars.

"People from throughout the Far East, and Representative Ward is correct, have come to be educated in the area of financing. I take the blame if the members are upset about the Estate, but someday I think you should all go up there to take a look at this beautiful area which was known as 'High Mag' in the past, which is now in total disarray. Thank you."

Representative Suzuki then rose to speak in support of the measure, stating:

"I'd just like to add a clarifying information that was mentioned earlier. That is, according to Seiji Naya, there's \$1 trillion worth of improvements in China alone that needs to be made in the next ten to fifteen years. Thank you."

Representative Thielen then rose and stated:

"Thank you, Mr. Speaker. To continue my remarks in opposition to the measure, I've been up there. I would like the Chair of Finance to know that. I've been up to the property and it is in serious disrepair. We have limited money. This may be part of the highway, the Department of Transportation, Highway Special Fund, but we have limited money and we have many more projects than money at this point.

"We also have a real need to promote other properties in this State, one of which was mentioned by the Representative from Kahala, and that is the Convention Center. If we're not focusing on using the Convention Center to show the Hawaii sense of place to people from other nations, then we're really falling down on our job to promote that locale. The other thing is, we need to support our own East-West Center. I said put this Marks property on the market, get the money, and use the money more appropriately. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2655, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," passed Third Reading by a vote of 42 ayes to 5 noes, with Representatives Fox, Halford, Marumoto, Moses and Thielen voting no, and Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 508-98 and H.B. No. 3616, HD 1:

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 3616, HD 1, pass Third Reading, seconded by Representative M. Oshiro.

Representative Abinsay rose to speak in support of the measure, stating:

"Mr. Speaker and members of the House, we all know the problems prevailing at school campuses throughout the State today. Everyday students are exposed to all kinds of distractions. Some may be minor instances, but others are serious exceptions as those of drugs, serious injuries, or even death.

"As legislators, parents, teachers, and school administrators, it is incumbent upon us, all of us, to ensure that our children are protected from these dangers. As parents, everyday when we drop off our children to school, we want to leave them with the assurance and peace of mind that they are safe and able to concentrate and learn. I believe it is time that we take action, Mr. Speaker, for we cannot completely remove such dangers in our schools. Of course, ultimately, that would be our goal. But right now immediate steps need to be taken to maintain safety and security in our schools.

"House Bill 3616, House Draft 1, will provide the safety measures by employing highly trained and experienced retired police officers. These police officers have enforcement experience. They have the knowledge and expertise that is so necessary in ensuring the safety and security of our children while in school. Because of these reasons, I fully support passage of House Bill No. 3616, House Draft 1, and I urge all of you to do the same. It is the right thing to do for our children's sake.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3616, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL SAFETY," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 509-98 and H.B. No. 2648, HD 2:

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2648, HD 2, pass Third Reading, seconded by Representative M. Oshiro.

Representative Stegmaier rose to speak in support of the measure, stating:

"Mr. Speaker, over the years that I've been in the Legislature, I've noticed a significant shift in the Legislature's treatment of business and the Legislature's understanding of how important business is. This is another one of many pro-business measures that I've seen introduced and passed by the Legislature in the time that I've been in office. I want to just express my appreciation for the measure. It really addresses a problem coming out of a Supreme Court decision where an employee received workers' comp coverage for disciplinary action taken in good faith by an employer.

"This particular draft very strongly states that where an employer has taken disciplinary action or other personnel action in good faith, he or she will be protected from workers' compensation injury by the employee. I think that what we've done here is to state that in the interest of fairness and in support of business, is to try to lessen the burden on business. We're going to clarify that the employer, when he or she is in the right, will be protected in this way.

"I appreciate this measure. I hope it gets through the entire Legislature and that it will be added to other measures that we've passed of late to level the playing field between employer and employee where there has been in the past a tendency to support the employee. Now we're realizing that to support business, we need to look after the interest of the employers as well. Thank you."

Representative Yoshinaga rose in support of the measure and asked that her comments be inserted into the Journal, and the Chair "so ordered."

Representative Yoshinaga then stated:

"To just add to the previous speaker's comments that this bill is pro-business, but it's not at the expense of the employee, and it's a fair measure, Mr. Speaker. Thank you."

Representative Yoshinaga's remarks are as follows:

"Mr. Speaker I would like to rise and speak in support of HB 2648 HD2. This is a pro-business bill, but is fair to workers.

"Hawaii enacted its first workers' compensation statute in 1915. Both employers and employees gave up important rights in formulating these benefits. The employer gave up the right to deny a claim if the injury was caused by the employees own negligence. The employee gave up the right to sue the employer if the accident was caused by the employers negligence. Thus, this became a true NO FAULT system of benefit delivery.

"Hawaii's workers' compensation costs and insurance premiums were among the highest in the nation. Medical costs and adversity in the system were identified as major cost drivers. As a result, insurance companies were leaving Hawaii's market.

"This crisis directly resulted in the development of HEMIC. The passage of Act 234 significantly reduced the medical cost associated with workers' compensation claims and stabilized the insurance market. Insurance premiums were reduced by 28% and 10% during 1996 and 1998 saving Hawaii's employers 100 to 150 million dollars.

"In order for an employee to receive workers' compensation benefits, the injury or illness must arise out of, and in the course of employment. Over the years, the definition of what constitutes a work related injury has evolved to where it now covers conditions resulting from disciplinary and personnel actions. This was not contemplated nor intended by the original statute. Therefore, we as legislators must take it upon ourselves to correct this unfavorable trend and give deliberate and precise direction to the Judiciary. This will leave no further ambiguity regarding the laws intention to disallow stress claims due to good faith disciplinary actions.

"The Hawaii Supreme Court decided in Mitchell v. State of Hawaii, 85 Haw. 250 (1997) that stress injuries sustained on the job are compensable under workers' compensation law even though the stress arose out of Ms. Mitchell's misconduct. This case was based upon a teachers willful disregard of established DOE policy regarding corporal punishment. The Hawaii State Supreme Court found that even if Mitchell administered corporal punishment in violation of the work-rule prohibiting such conduct, thus warranting discipline, she nevertheless sustained a compensable injury because she was acting within the course of her employment at the time of the alleged misconduct.

"Interestingly the Hawaii Supreme Court went on to say, 'in the absence of an express exception in HRS Section 386-3, we cannot unilaterally pronounce one...If the Legislature should deem it advisable in the future, it can...amend HRS Chapter 386 to exclude from coverage those injuries resulting from disciplinary action or other personnel action taken in good faith is not compensable under HRS chapter 386.'

"Well Mr. Speaker the future is now, and I certainly find it advisable to amend the HRS Chapter 386 in excluding these unreasonable stress claims. In particular I take issue on those claims caused by or as the result of, the actions of the claimant. HB 2648, HD 2 corrects the unfortunate results of the Hawaii Supreme Courts misguided decision in Mitchell and correctly establish that physical or mental injuries resulting from disciplinary action or other personnel action taken in good faith is not compensable under HRS chapter 386.

"Mr. Speaker, I would like to say to all my colleagues, the Hawaii State Supreme Court has placed the responsibility to correct this aberration, onto this lawmaking body. Therefore, we must now move forward and correct this ambiguity within the HRS. We must adopt HB 2648 HD 2 for the good of the people, the State, and to restore fairness and equity into the workers' compensation statutes. HB 2648 HD 2 is the right answer for the protection of both the employee and the employer.

"Mr. Speaker, I would like to urge all my colleges to pass and adopt HB 2648, HD 2."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2648, HD 2, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 510-98 and H.B. No. 3613, HD 2:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3613, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Third Reading by a vote of 39 ayes to 8 noes, with Representatives Aiona, Fox, Halford, Marumoto, McDermott, Moses, Thielen and Whalen voting no, and Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 511-98 and H.B. No. 1813, HD 2:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1813, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 512-98 and H.B. No. 2358, HD 2:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2358, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHILD PASSENGER RESTRAINT SYSTEMS," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 513-98 and H.B. No. 2443, HD 2:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2443, HD 2, entitled: "A BILL FOR AN ACT RELATING TO REAL PROPERTY ENCROACHMENT," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 514-98 and H.B. No. 2598, HD 2:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2598, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AUTOMATIC EXTERNAL DEFIBRILLATORS," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 515-98 and H.B. No. 2486, HD 3:

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2486, HD 3, pass Third Reading, seconded by Representative M. Oshiro.

Representative Whalen rose to speak in opposition of the measure, stating:

"I know it's one of these real emotional, CPC type bills so I'll try to keep it as serious as I can. Basically it again comes back to a policy question. Mr. Speaker, once again we have a special interest group that came in, asked to stop everyone else from practicing or doing something that they have done for years and get licensed so that they could create a monopoly.

"And in CPC, the Chair, and I thank him for putting, basically put in there, that nobody could advertise as being licensed unless they were. I see in Finance that was taken out and now no one, including pastors or different churches, or priests who have that as part of their ministry for their congregation, they no longer can present themselves as doing such -- only if it's a very attenuating part of the overall practice. Mr. Speaker, I think we've been moving in the wrong direction here by creating all these little monopolies, forcing people to bow down, or comply with board certification in order to do what they've been doing for decades. And that's why I oppose this bill. Thank you."

Representative Stegmaier then rose to speak in support of the measure, stating:

"On the same measure and for the reasons stated by the previous speaker, I'd like to express my reservations. In support, but with reservations."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2486, HD 3, entitled: "A BILL FOR AN ACT RELATING TO MARRIAGE AND FAMILY THERAPISTS," passed Third Reading by a vote of 45 ayes to 2 noes, with Representatives Halford and Whalen voting no, and Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 516-98 and H.B. No. 3063, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3063, HD 1,

entitled: "A BILL FOR AN ACT RELATING TO EMPLOYEES RETIREMENT SYSTEM," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 517-98 and H.B. No. 3527, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3527, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR PROJECTS ON THE ISLAND OF HAWAII," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 518-98 and H.B. No. 2671, HD 2:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2671, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST UTILITIES SERVING THE GENERAL PUBLIC," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 519-98 and H.B. No. 3457, HD 2:

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 3457, HD 2, pass Third Reading, seconded by Representative M. Oshiro.

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

"You know, after many years of conflict between aquarium collectors and divers off the West coast of the Big Island, I congratulate the House for taking a very big step toward resolving the conflict. In brief, this sets up a fishery management framework for reducing the conflicts of use, but also ensuring that there are large areas set aside where no collecting of aquarium fish would take place so that there will be plenty of fish for people to be able to see under the water and also, in certain areas, they'll be able to leave plenty of fish for fishers to catch.

"These are both very important industries. And I think the community has wanted action to be taken to address this long-standing conflict. And finally, we're moving forward with some very effective legislation. So thank you very much, and I urge all the members here to support this."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3457, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE WEST HAWAII REGIONAL FISHERY MANAGEMENT AREA," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 520-98 and H.B. No. 3022, HD 2:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3022, HD 2, entitled: "A BILL FOR AN ACT RELATING TO YOUTH FACILITY," passed Third Reading by a vote of

47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 521-98 and H.B. No. 3072, HD 2:

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 3072, HD 2, pass Third Reading, seconded by Representative M. Oshiro.

Representative Ward rose to speak in support of the measure, stating:

"Mr. Speaker, I love this bill. This funds what, for the last seven years, we've been crying out for. And that's numbers which, when we were talking about the GE tax increase, probably would have prevented some smoke from being blown in some eyes and maybe some other things being blown back in the other.

"If we had our own number cruncher, we would be able to do this. The analogy in business if you don't have a CPA to at least do your taxes, you're jeopardizing your fiscal well-being. Mr. Speaker, we have been able to do this because of the likes of a very capable Representative Say and his staff, but he needs our help. He needs a number cruncher. He knows, when he's out working in his Kotake Shokai, that there's somebody there crunching numbers for him.

"This bill is so imperative for the long range well-being of the State fiscally that I would hope, as I spoke earlier, Mr. Speaker, that however it comes up and goes down each year, whether here in consultation with those in the Senate, that this year I would beg that we would pass this bill. We would put ourselves on sound footing and we would have sound data on which to base this.

"If we ever say, 'kodomo no tame ni,' -- for the sake of our children -- this is the bill that exemplifies that, Mr. Speaker. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3072, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE LEGISLATIVE ANALYST," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 522-98 and H.B. No. 2993, HD 2:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2993, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE CIVIL IDENTIFICATION PROGRAM," passed Third Reading by a vote of 44 ayes to 3 noes, with Representatives Marumoto, McDermott and Whalen voting no, and Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 523-98 and H.B. No. 3365, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3365, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONVENTION CENTER," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 524-98 and H.B. No. 2791, HD 1:

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2791, HD 1, pass Third Reading, seconded by Representative M. Oshiro.

Representative Herkes rose to speak in support of the measure, stating:

"Mr. Speaker, I back the BAC, the Business Action Center. We are making some changes to it to enable people to have a one-stop shop for permits and licenses. It's a good bill. It's pro-business. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2791, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE BUSINESS ACTION CENTER," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

Stand. Com. Rep. No. 525-98 and H.B. No. 3224, HD 2:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3224, HD 2, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," passed Third Reading by a vote of 47 ayes, with Representatives Hamakawa, Meyer, Takamine and Ward being excused.

At 5:36 o'clock p.m., Representative Thielen asked for a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 5:38 o'clock p.m.

The Chair directed the Clerk to note that H.B. Nos. 2854, 2858, 2901, 2997, 3032, 2357, 2985, 3207, 2685, 3087, 3002, 3416, 2792, 2992, 2714, 2760, 2655, 3616, 2648, 3613, 1813, 2358, 2443, 2598, 2486, 3063, 3527, 2671, 3457, 3022, 3072, 2993, 3365, 2791 and 3224 had passed Third Reading at 5:40 o'clock p.m.

At 5:40 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 5:42 o'clock p.m., the Vice Speaker assumed the rostrum.

STANDING COMMITTEE REPORTS

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 623-98) recommending that H.B. No. 2600 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the report of the Committee was adopted and H.B. No. 2600, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM TRANSFER-ON-DEATH (TOD) SECURITY REGISTRATION ACT," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 624-98) recommending that H.B. No. 2833 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the report of the Committee was adopted and H.B. No. 2833, entitled: "A BILL FOR AN ACT RELATING TO ISSUANCE OF UTILITY VOTING STOCK," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 625-98) recommending that H.B. No. 3293, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the report of the Committee was adopted and H.B. No. 3293, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TIME SHARING PLANS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 626-98) recommending that H.B. No. 3281, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the report of the Committee was adopted and H.B. No. 3281, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 627-98) recommending that H.B. No. 3102, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the report of the Committee was adopted and H.B. No. 3102, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM COMMERCIAL CODE," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 628-98) recommending that H.B. No. 2812, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the report of the Committee was adopted and H.B. No. 2812, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TIME SHARE IDENTIFICATION BADGES," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 629-98) recommending that H.B. No. 2808, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the report of the Committee was adopted and H.B. No. 2808, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ESCROW DEPOSITORIES," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 630-98) recommending that H.B. No. 3290, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the report of the Committee was adopted and H.B. No. 3290, HD 1, entitled: "A BILL FOR AN ACT RELATING TO UNFAIR AND DECEPTIVE TRADE PRACTICES," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 631-98) recommending that H.B. No. 2964, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the report of the Committee was adopted and H.B. No. 2964, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BOXING," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 632-98) recommending that H.B. No. 2831, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the report of the Committee was adopted and H.B. No. 2831, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII MEDICAL MALPRACTICE UNDERWRITING PLAN," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 633-98) recommending that H.B. No. 2829, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the report of the Committee was adopted and H.B. No. 2829, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAPTIVE INSURANCE," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro,

Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 634-98) recommending that H.B. No. 2678, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the report of the Committee was adopted and H.B. No. 2678, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 635-98) recommending that H.B. No. 3393, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the report of the Committee was adopted and H.B. No. 3393, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAPTIVE INSURANCE COMPANIES," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 636-98) recommending that H.B. No. 3467, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the report of the Committee was adopted and H.B. No. 3467, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR LICENSES AND PERMITS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 637-98) recommending that H.B. No. 3392, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the report of the Committee was adopted and H.B. No. 3392, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAPTIVE INSURANCE COMPANIES," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 638-98) recommending that H.B. No. 2458, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the report of the Committee was adopted and H.B. No. 2458, HD 1, entitled: "A BILL FOR AN ACT RELATING TO

MOTOR VEHICLE INSURANCE," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 639-98) recommending that H.B. No. 2827, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the report of the Committee was adopted and H.B. No. 2827, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 640-98) recommending that H.B. No. 2502, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the report of the Committee was adopted and H.B. No. 2502, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHARITABLE GIFT ANNUITIES," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 641-98) recommending that H.B. No. 2331, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the joint report of the Committees was adopted and H.B. No. 2331, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 642-98) recommending that H.B. No. 2825, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the joint report of the Committees was adopted and H.B. No. 2825, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE FRAUD," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 643-98) recommending that H.B. No. 3389, as amended in HD 1,

pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the joint report of the Committees was adopted and H.B. No. 3389, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURERS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 644-98) recommending that H.B. No. 2423, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the joint report of the Committees was adopted and H.B. No. 2423, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 645-98) recommending that H.B. No. 3181, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the joint report of the Committees was adopted and H.B. No. 3181, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR CONTROL ADJUDICATION BOARD," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 646-98) recommending that H.B. No. 2669, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the joint report of the Committees was adopted and H.B. No. 2669, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PAWNBROKERS AND SECONDHAND DEALERS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 647-98) recommending that H.B. No. 2821, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the joint report of the Committees was adopted and H.B. No. 2821, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INVESTIGATIVE SUBPOENAS," passed Second Reading and was placed on the calendar for Third Reading, with

Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 648-98) recommending that H.B. No. 2809 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the joint report of the Committees was adopted and H.B. No. 2809, entitled: "A BILL FOR AN ACT RELATING TO THE CODE OF FINANCIAL INSTITUTIONS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 649-98) recommending that H.B. No. 3045, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative Garcia and carried, the report of the Committee was adopted and H.B. No. 3045, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX EXEMPTION FOR AIRCRAFT SERVICE AND MAINTENANCE FACILITIES," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hamakawa, Meyer, M. Oshiro, Pendleton, Santiago, Souki, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 650-98) recommending that H.B. No. 2626, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 650-98 on H.B. No. 2626, HD 1, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2626, HD 1, were made available to the members of the House.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 651-98) recommending that H.B. No. 2767, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 651-98 on H.B. No. 2767, HD 1, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2767, HD 1, were made available to the members of the House.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 652-98) recommending that H.B. No. 3531, HD 2, as amended in HD 3, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 652-98 on H.B. No. 3531, HD 3, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 3531, HD 3, were made available to the members of the House.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 653-98)

No. 3141, HD 1, were made available to the members of the House.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 666-98) recommending that H.B. No. 2366, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 666-98 on H.B. No. 2366, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2366, HD 2, were made available to the members of the House.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 667-98) recommending that H.B. No. 2460, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 667-98 on H.B. No. 2460, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2460, HD 2, were made available to the members of the House.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 668-98) recommending that H.B. No. 3289, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 668-98 on H.B. No. 3289, HD 1, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 3289, HD 1, were made available to the members of the House.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 669-98) recommending that H.B. No. 2478, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 669-98 on H.B. No. 2478, HD 1, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2478, HD 1, were made available to the members of the House.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 670-98) recommending that H.B. No. 3082, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 670-98 on H.B. No. 3082, HD 1, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 3082, HD 1, were made available to the members of the House.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 671-98) recommending that H.B. No. 2883, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 671-98 on H.B. No. 2883, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2883, HD 2, were made available to the members of the House.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 672-98) recommending that H.B. No. 3403, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 672-98 on H.B. No. 3403, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 3403, HD 2, were made available to the members of the House.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 673-98) recommending that H.B. No. 3528, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 673-98 on H.B. No. 3528, HD 1, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 3528, HD 1, were made available to the members of the House.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 674-98) recommending that H.B. No. 2786, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 674-98 on H.B. No. 2786, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2786, HD 2, were made available to the members of the House.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 675-98) recommending that H.B. No. 2855, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 675-98 on H.B. No. 2855, HD 1, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2855, HD 1, were made available to the members of the House.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 676-98) recommending that H.B. No. 2345, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 676-98 on H.B. No. 2345, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2345, HD 2, were made available to the members of the House.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 677-98) recommending that H.B. No. 2346, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 677-98 on H.B. No. 2346, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2346, HD 2, were made available to the members of the House.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary,

presented a joint report (Stand. Com. Rep. No. 678-98) recommending that H.B. No. 2498, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 678-98 on H.B. No. 2498, HD 2, was deferred, and in accordance with Article III, Section 15, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2498, HD 2, were made available to the members of the House.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 679-98) recommending that H.B. No. 2785 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2785, entitled: "A BILL FOR AN ACT RELATING TO ROBBERY IN THE FIRST DEGREE," passed Second Reading and was placed on the calendar for Third Reading with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 680-98) recommending that H.B. No. 3192, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3192, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SUPPORT ENFORCEMENT," passed Second Reading and was placed on the calendar for Third Reading with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 681-98) recommending that H.B. No. 2921, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2921, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PENAL CODE," passed Second Reading and was placed on the calendar for Third Reading with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 682-98) recommending that H.B. No. 2935 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2935, entitled: "A BILL FOR AN ACT RELATING TO SENTENCING," passed Second Reading and was placed on the calendar for Third Reading with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 683-98) recommending that H.B. No. 2776, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2776, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RESTITUTION," passed Second Reading and was placed on the calendar for Third Reading with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 684-98) recommending that H.B. No. 3553 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3553, entitled: "A BILL FOR AN ACT RELATING TO FORFEITURE," passed Second Reading and was placed on the calendar for Third Reading with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representatives Tom and Garcia, for the Committees on Judiciary and Public Safety and Military Affairs, presented a joint report (Stand. Com. Rep. No. 685-98) recommending that H.B. No. 2354, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Okamura moved that the joint report of the Committees be adopted and H.B. No. 2354, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative M. Oshiro.

Representative Kawanakoa rose to speak in support of the measure with reservations, stating:

"This came before the Judiciary Committee in a joint hearing with the Public Safety and Military Affairs. This particular bill refers to predatory acts and predatory sexual offenders that prey upon our young, perhaps our children, and prey upon others.

"The problem we had was that the original bill, as drafted, was meant for a civil commitment bill. And it was a stopgap measure because we have certain sexual offenders in prison that are being let out of prison. And they're telling the warden, they're telling the paroling authorities: 'I'm going to commit again, I'm not cured, and I don't care.'

"So we drafted a bill, that day actually, drafted a bill to allow for life imprisonment if we find someone to be a sexual predator. The bill that is before us today is watered down, or has some difficult language in it. From an attorney's perspective, it's going to be hard to prove in court. And I draw your attention to the words, this is page 2, line 16, 'significant history'. In other words, you won't be able to sentence someone as a violent predator unless the court shall find, that in order to make us find him, they have to find out if the defendant has been subjected to a psychiatric or psychological evaluation that documents a 'significant history'.

"What does 'significant history' mean? If I were an attorney, I certainly could find ways to get my sexual predator off. I should also note that in the hearing, whenever we rose concerns on this particular wording, the Chair told us that why didn't we bring this up when we had the initial hearing? Why didn't we discuss this 'significant history' at that time? We had all this time to come and speak to him.

"And I know that I would have been shot down for putting a quote, perhaps in the wrong place. But when I look at the original language in House Bill 2354, I see no words 'significant history' anywhere. But I found it difficult to argue that night because this is a lengthy bill, as to whether or not we should have a 'significant history'.

"The original bill is some nine pages long, sixteen pages long, excuse me. So I took the benefit of the doubt. . .well, maybe I should have gone early and discussed 'significant history'. The words are not in the original measure. So I don't think there's been adequate discussion. At least my concerns have not been alleviated with the way we've set out all the means by which a sexual predator can be excused from the court, or otherwise escape being sentenced to a life imprisonment with a possibility of parole.

"I just don't see it as a fair, level playing field. And I wish that, hopefully, as this goes to the Senate, they can take a look at that. Take out all the roadblocks that were put in the way of locking up sexual predators for life with the possibility of parole.

"Thank you, Mr. Speaker."

Representative Tom then rose in support of the measure, stating:

"Mr. Speaker, I'd like to just make a very brief comment since this is not a Third Reading bill at this time. Mr. Speaker, the purpose of this bill is to keep sexually violent predators off our streets and in prison where they belong. I can empathize and understand all of the words that the previous speaker stated because it is important to keep them off the streets.

"Mr. Speaker, I also, when I'm wrong, I admit it. Okay. I made a statement at the hearing that this 'significant history' was in the original bill. It isn't in the original bill. I was wrong and I apologize.

"However, I'd like to state that our bill now requires a 'significant history'. And requiring a 'significant history' of sexually violent offenses, which our bill does have, conforms with our current law. It conforms with law. Section 706-662 of the Hawaii Revised Statutes requires a court to make this finding, this 'significant history' whenever a defendant is sentenced to an extended term of imprisonment.

"This bill mirrors that provision which has survived scrutiny by the courts. This is not a fatal flaw. When we sentence a person to life in prison, as this bill does any sexual predator, we should make sure that there are some safeguards. I believe that this would provide that safeguard. You have the pre-sentence report. The investigator will look at that thing. If that person has any kind of 'significant history' of sexual predatory offenses or actions, that these will be brought up as they are. Without that, there would be imbalance in this bill. So it merely conforms it with the statutes that we have in place now -- the language.

"Thank you, Mr. Speaker."

Representative Thielen then rose to speak in support of the measure, stating:

"I appreciate the Chair of the Judiciary responding to the memorandum that I sent to him and to other members of the Judiciary Committee. We looked through the original bill and couldn't find that language in that original bill at all which, of course, is why we didn't raise that issue then.

"There's another problem with this bill. In addition to the one that's requiring a 'significant history' of committing sexually violent offenses that's the first problem I'll address now. The 'significant history' is going to be very difficult to prove. The language is going to be difficult for the court to interpret. There's a lot of waffle room for a clever defense attorney defending a sexual predator.

"An equally troubling provision of the bill is that it states on page 3: 'Sexual motivation means that one of the purposes for which a person committed the offense was for the purpose of that person's sexual gratification.' Experts in the field can tell you that those people who commit violent sexual offenses are not doing that for sexual gratification. So if we're requiring that it be for sexual gratification, we're passing a defective bill.

"They don't rape for sexual gratification. They rape for power, control, and other deviant reasons. They don't molest a little child for those purposes. It's deviant behavior. I think we should take a look at this and maybe send a cover letter to the co-chairs of the Judiciary Committee in the Senate to say: Please correct the bill so we can get really tough on those sexual deviants that are committing crimes against our children and our people in our community. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2354, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SEXUALLY VIOLENT PREDATORS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 686-98) recommending that H.B. No. 2749, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2749, HD 1 pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative M. Oshiro.

Representative Marumoto rose to speak in support of the measure, stating:

"I voted this bill out of Committee with reservations and I think that requires an explanation. I was very happy with the measure because it lowers the travel agents' commissions to one-half percent. But upon opening the bill now, I'm greeted with a surprise. The one-half percent commission is only on airline tickets, and then they have to pay the full GET at 4 percent on all other gross commission income.

"Then the Chairman of Finance had told us that he would include taxi drivers and realtors into this favorable tax treatment by reducing their GET from the present 4 percent down to one-half percent, and lo and behold, they're greeted here with blank percent. So I suppose I should be very happy that they're at zero percent but more than likely, when the dust settles at the end of session, they could easily be paying 4.5 percent.

"So I do hope that they will be able to also receive a one-half percent GET because I think it would really help them -- travel agents and all other commissioned people who have to make a living on commissions and then also paying income tax on it. So I'm very happy for the inclusion of taxi drivers and realtors, but I think the

travel agents should be given a one-half percent on all their income, and all other sales reps and people who have to live on commissions should be added into this measure. Thank you."

Representative Kawanakoa then rose to speak in support of the measure with reservations, stating:

"Yes, just very briefly, I echo the concerns and I guess, accolades of the Minority Floor Leader. As much as this is hopefully the intent to give a tax reduction, I certainly would be in support of it.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2749, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 687-98) recommending that H.B. No. 2828 pass Second Reading and be placed on the calendar for Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2828 pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative M. Oshiro.

Representative McDermott rose and asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2828, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Second Reading and was placed on the calendar for Third Reading with Representative McDermott voting no, and Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 688-98) recommending that H.B. No. 2810, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2810, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CODE OF FINANCIAL INSTITUTIONS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 689-98) recommending that H.B. No. 2811, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2811, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LEMON LAW DISCLOSURE COMPLIANCE," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa,

Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 690-98) recommending that H.B. No. 2672, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2672, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAPTIVE INSURANCE COMPANIES," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 691-98) recommending that H.B. No. 2822, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2822, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE LEASE DISCLOSURE," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 692-98) recommending that H.B. No. 2818, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2818, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE REPAIRS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representatives Menor and Tom for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 693-98) recommending that H.B. No. 3147 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of the Committees was adopted and H.B. No. 3147, entitled: "A BILL FOR AN ACT RELATING TO APPEALS FROM THE PUBLIC UTILITIES COMMISSION," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representatives Menor and Tom for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 694-98) recommending that H.B. No. 2813, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of

the Committees was adopted and H.B. No. 2813, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ADMINISTRATIVE CITATIONS FOR VIOLATIONS OF THE PROFESSIONAL AND VOCATIONAL LICENSING LAWS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Takamine, for the Committee on Water and Land Use, presented a report (Stand. Com. Rep. No. 695-98) recommending that H.B. No. 3138, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3138, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE COUNTIES," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representatives Takamine and Yoshinaga, for the Committees on Water and Land Use and Energy and Environmental Protection, presented a joint report (Stand. Com. Rep. No. 696-98) recommending that H.B. No. 735, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Okamura moved that the joint report of the Committees be adopted and H.B. No. 735, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative M. Oshiro.

Representative Thielen rose and asked the Clerk to register a "no" vote for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the joint report of the Committees was adopted and H.B. No. 735, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GAME MAMMALS," passed Second Reading and was placed on the calendar for Third Reading with Representative Thielen voting no, and Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 697-98) recommending that H.B. No. 3427 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3427, entitled: "A BILL FOR AN ACT RELATING TO RISK RETENTION," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 698-98) recommending that H.B. No. 3167, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3167, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was placed on the calendar for Third Reading, with Representatives

Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 699-98) recommending that H.B. No. 3548, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of the Committees was adopted and H.B. No. 3548, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PAWNBROKERS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 700-98) recommending that H.B. No. 2369, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of the Committees was adopted and H.B. No. 2369, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representatives Menor and Tom, for the Committee on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 701-98) recommending that H.B. No. 3568, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of the Committees was adopted and H.B. No. 3568, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FRAUDULENT USE OF CREDIT CARD," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 702-98) recommending that H.B. No. 2942 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2942, entitled: "A BILL FOR AN ACT RELATING TO OFFENSES AGAINST PROPERTY RIGHTS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 703-98) recommending that H.B. No. 1595, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1595, HD 1, entitled: "A BILL FOR AN ACT RELATING TO VICTIMS OF SEXUAL ASSAULT," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 704-98) recommending that H.B. No. 2693, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2693, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 705-98) recommending that H.B. No. 3165, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3165, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 706-98) recommending that H.B. No. 2836, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2836, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL ATTENDANCE," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 707-98) recommending that H.B. No. 2507, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2507, HD 1 pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative M. Oshiro.

Representative McDermott rose and asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2507, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM SECURITIES ACT," passed Second Reading and was placed on the calendar for Third Reading with Representative McDermott voting

no, and Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 708-98) recommending that H.B. No. 2537, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of the Committees was adopted and H.B. No. 2537, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representatives Menor, Tom and Say, for the Committees on Consumer Protection and Commerce and Judiciary and Finance, presented a joint report (Stand. Com. Rep. No. 709-98) recommending that H.B. No. 2823, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Okamura moved that the joint report of the Committees be adopted and H.B. No. 2823, HD 1 pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative M. Oshiro.

Representative McDermott rose and asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the joint report of the Committees was adopted and H.B. No. 2823, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE," passed Second Reading and was placed on the calendar for Third Reading with Representative McDermott voting no, and Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representatives Yoshinaga and Takamine, for the Committees on Energy and Environmental Protection and Water and Land Use, presented a joint report (Stand. Com. Rep. No. 710-98) recommending that H.B. No. 3255, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of the Committees was adopted and H.B. No. 3255, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL IMPACT STATEMENTS IN WAIKIKI," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 711-98) recommending that H.B. No. 2355, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2355, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL TRESPASS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina,

Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 712-98) recommending that H.B. No. 3262, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3262, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TRUSTS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 713-98) recommending that H.B. No. 1241, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1241, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL ASSAULTS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 714-98) recommending that H.B. No. 2675, HD 1, as amended in HD 2 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2675, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 715-98) recommending that H.B. No. 2869, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2869, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AMUSEMENT RIDES, INCLUDING BUNGEE JUMPING," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 716-98) recommending that H.B. No. 2482 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2482, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS,"

passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 717-98) recommending that H.B. No. 3278, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3278, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE IN CREDIT SALES," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 718-98) recommending that H.B. No. 3288, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 3288, HD 1 pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative M. Oshiro.

Representative McDermott rose and asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3288, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PLANNED COMMUNITY ASSOCIATIONS, CONDOMINIUMS, COOPERATIVE HOUSING CORPORATIONS, AND TIME SHARE PLANS," passed Second Reading and was placed on the calendar for Third Reading with Representative McDermott voting no, and Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 719-98) recommending that H.B. No. 3163, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of the Committees was adopted and H.B. No. 3163, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 720-98) recommending that H.B. No. 3433, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the joint report of the Committees was adopted and H.B. No. 3433, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PLATINUM JEWELRY," passed Second Reading and was placed on the calendar for Third Reading, with

Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 721-98) recommending that H.B. No. 2506, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Okamura moved that the joint report of the Committees be adopted and H.B. No. 2506, HD 1 pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative M. Oshiro.

Representative Thielen rose and asked the Clerk to register a "no" vote for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the joint report of the Committees was adopted and H.B. No. 2506, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FORECLOSURES," passed Second Reading and was placed on the calendar for Third Reading with Representative Thielen voting no, and Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 722-98) recommending that H.B. No. 2426, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2426, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 723-98) recommending that H.B. No. 3229 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3229, entitled: "A BILL FOR AN ACT RELATING TO THE PROCUREMENT CODE," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 724-98) recommending that H.B. No. 3246, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3246, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONCESSIONS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 725-98)

recommending that H.B. No. 2750, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2750, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE BONDS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 726-98) recommending that H.B. No. 2758, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2758, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 727-98) recommending that H.B. No. 1160, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 1160, HD 1 pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative M. Oshiro.

Representative Kawanakoa rose to speak in opposition of the measure, stating:

"As I understand this measure, it's best that we don't pass this measure. It seems to be directed at a particular rationale. I think the newspapers picked up rather well. I think you're all well aware of it. It seems to be heavy handed action on the part of the Majority to try to, I don't know, hamstring the Minority just when they finally get into the game. Don't you folks want some competition?"

The Chair interrupted Representative Kawanakoa and reminded him to "stick to the merits of the bill please."

Representative Kawanakoa continued, stating:

"Well I think it is part of the merits because of the direction that this will do. I understand the arguments and I'm sure that the Honorable Chair of the Judiciary Committee will stand up and say: 'this is equal on all basis.' But come on, let's look at the practical effect. We all know what's going on.

"Why did this come out at the last minute? Right after the Republican Party had their Lincoln Day Dinner and effectively raised a quarter million dollars. There's more money coming. You all should be well aware of that because the people of Hawaii and others are pretty upset with what is happening with our economy. The polls that were taken earlier. There's other polls out there discussing the dissatisfaction with the current leadership. I think it's up to us to keep the Majority on their toes, to add to the competition.

"I think it's blatantly unfair at this late hour, in the mid-stream of a game, at half-time so to speak, to come out with a rule change. This just doesn't seem to be the American way. I would have asked for a conflict of interest seeing as I'm a Republican. And it could be construed that this bill, if passed, would hurt me, but as you all well know, I am running for Congress.

"So this isn't going to hurt me. This is going to affect State legislative races. I feel it incumbent upon myself to stand in opposition to this for my fellow colleagues because they'll be the ones receiving the brunt of this sort of legislation. I know that it's been greased and it's going to potentially pass. I would hope the Senate will find, I guess, a more equitable means of playing the games of politics and allowing the people to have their right to freedom of speech to support whom they please, or otherwise adjusting the rules in favor of one party over another.

"Thank you, Mr. Speaker."

Representative Tom then rose to speak in support of the measure, stating:

"Again this bill is not for Third Reading, so I'm not going to go into long detail. I want to just explain what this bill is for now. The purpose of this bill is to reduce the influence of soft money on Hawaii's elections by limiting campaign contributions by parties and individuals.

"Soft money is money given to a national party that cannot be used in national campaigns because it exceeds contribution limits, or it comes from sources which are not allowed to contribute. As you know, Mr. Speaker, in 1996 this issue dominated the national elections. They couldn't do anything there in Congress to close this loophole.

"Now, national parties are funneling this money down to the State level. Members, this money may influence our local elections because of a big loophole in our campaign contribution laws. This loophole allows candidates to circumvent contribution limits by receiving soft money through their political parties. This loophole also allows political parties to circumvent limits by receiving soft money from their national affiliates.

"You know, we have an obligation to plug this loophole before candidates and parties are able to exploit it and defeat the purpose of our campaign spending laws. This bill closes this loophole by reducing the amount individuals and national affiliates can give to local political parties, and by reducing the amounts that local political parties can give to candidates.

"For example, Mr. Speaker, a local political party currently can contribute \$50,000 per year to a candidate for Governor. This bill limits that amount to \$6,000 per election period. Likewise, a party currently can contribute \$15,000 per year to a candidate for State Representative. This bill limits that to \$2,000 per election period. Finally, individuals or entities other than national affiliates currently can give a political party \$50,000 a year. This bill limits it to \$6,000 in any two year election period.

"Mr. Speaker, what's wrong with these changes? What is wrong with preventing big money from infiltrating our local campaigns? To my critics I ask: 'Are you for campaign contribution reform or not?' The answer I hear is that they want reform, but they don't want it yet. Somehow reform is only okay after critics have a few years to abuse and exploit the loophole.

"Mr. Speaker, the Republicans accuse me of passing a bill that targets Republican candidates and parties. Whenever I consider any bills before my Committee, I always examine them to determine what they will accomplish. And I always look to see if the bill is, on its face, fair to all parties. This bill is fair to all parties.

"Show me a provision in the bill allowing Democrats to contribute more than Republicans. Show me a section in the bill allowing Democratic candidates to receive more than Republican candidates. I didn't see it. When I read this bill, Mr. Speaker, I wasn't thinking about the Lincoln Day Dinner. I wasn't thinking about how much money Ben Cayetano has or how much money Linda Lingle is raising.

"This is not a Cayetano bill. This is not a Lingle bill. This is not a Fasi bill. This bill is party neutral, candidate neutral, incumbent neutral. This bill does not treat me any differently than any one else in this chamber. This bill doesn't treat us any differently than newcomers. All this bill does is to level the playing field.

"Critics of this bill said that it hurts newcomers. Where were these same critics last year when I wanted to protect newcomers by preserving higher loan amounts from friends and supporters? Last year I was blasted for not limiting the amount newcomers could receive. And this year I am blasted for not keeping it high enough.

"Again I ask: 'Do those who speak against this bill want campaign reform or not?' The answer I hear is that they don't want reform, no matter how just or sensible, because they are not the ones who discovered and are exploiting the loophole. I guess they feel it just isn't fair because it's their loophole. Pride of ownership, I suppose.

"The Republicans also accuse me of having a hidden agenda. I am disappointed by this accusation. You know, for sixteen years I've held this very worthy office in the House of Representatives. For the past six years I've been honored to be House Judiciary Chair.

At this point, Representative M. Oshiro rose and yielded his time to Representative Tom.

Representative Tom thanked the Chair and continued, stating:

"During this time, I have seen my Committee pass some of the most sweeping, meaningful and historic legislation reforming our laws on campaign spending and ethics. Wherever there was a loophole, I sought to close it. Wherever someone could evade campaign spending limits, I recommended that we change the law and close the loophole.

"We have done this for the simple reason that we as public officials must remain accountable to the people of Hawaii, not special interests. This bill is just another step in that direction. There is no hidden agenda.

"The Republicans also accuse me of bad timing. When is it good timing to pass a law? Timing shouldn't matter if the law is beneficial for the people of Hawaii. They say that this is a good bill, but let's not implement it until after the election. If this bill is so good, why wait? If this bill is so good, why shouldn't it take effect immediately? You can't have your cake and eat it too.

"We're not changing the rules of the game. This bill, in its current form, does not apply retroactively. It takes effect upon approval. And at that time, the same rules will apply to everyone. Members, the public has lost confidence in our political system because money

dominates. We are the legitimate interest in trying to reduce the importance of money in this election process.

"The integrity of our political system is undermined when big money secures 'quid pro quo' for public officials. Our system works best when people trust the process and their representatives. When we close the loopholes that allow huge donations, and when we, as legislators, are free to vote based on the public's interest rather than on the need to gather campaign funds.

"Mr. Speaker, all of you in this chamber, I ask you to support this bill."

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

"I'm completely outraged. The previous speaker said this is not an anti-Lingle bill. That's approximately the same category as Richard Nixon saying, 'I am not a crook.' This is the most obvious anti-Lingle bill. This is equivalent to a bill saying: the Mayor of Maui shall not raise any money in the upcoming election campaign, and having the bill title that way.

"A bill that's designed to uneven the situation that existed in 1994 when Governor Cayetano defeated Pat Saiki with \$18,000 from the Democratic National Committee while Pat Saiki had \$450,000 from Republican organizations. This time he doesn't want his Republican opponent to have anything except \$6,000. And you know, I don't know why.

"This is really an outrageous situation. He's looked at the situation. He's figured out a way to uneven the playing field even more than it already is when he has access to all the money from architects, contractors, everybody else who has to pour money in the pockets of an incumbent, and Linda Lingle is struggling on the outside. The only thing going for her is the situation nationally.

"Let's talk about the situation nationally because it's extremely uneven. The Democratic Party is \$13 million in debt. The Democratic Party is running up law bills defending its improper campaign practices in the 1996 elections. They can't even raise enough money to come even. There's going to be no Democratic money for Hawaii.

"The Republican Party, on the other hand, is having no trouble raising money, and is not having to pay money to deal law firms. So the situation is extremely uneven at the national level. It's extremely at the local level. Governor Cayetano has come in and is using the power that he has in both houses of the Legislature to essentially put..."

At this point, Representative M. Oshiro rose on a point of order and asked Representative Fox to "speak to the merits of the bill in its current draft form."

The Chair responded: "The Chair will ask all members of the House, in addressing this bill, to understand the dynamics of this bill, that all members of the House try their best to stick to the merits of the bill. There was certainly ample discussion here and the Chair asks for everyone to abide by that."

Representative Fox continued, stating:

"Thank you very much, Mr. Speaker. We were all privileged to hear the remarks of the previous speaker which ranged wide and far on the subject of money and its influence in campaigns. I, and many members of this body, would go for a true campaign reform law. If

anybody wants to put that on the table in the form of an amendment for Third Reading, I would seriously entertain it. This is not a true campaign reform law. It is clearly a 'get Lingle' law, and it's embarrassing in its present context to this whole body. We are not the Soviet Union. We are not a Banana Republic. We are the State of Hawaii. Let's play fair.

"Thank you, Mr. Speaker."

Representative Moses then rose to speak in opposition to the measure, stating:

"I didn't intend to speak on this, but then I heard some remarks on the floor which I think cannot go unanswered. First of all, I'd have to ask the Speaker to make a ruling of a possible conflict of interest on my behalf."

The Chair asked Representative Moses to "state your conflict."

Representative Moses responded:

"My potential conflict is, I've never received any money from any political party in my campaigns and I'd like some, so I think that may be a conflict."

The Chair ruled "no conflict."

Representative Moses continued, stating:

"I'd like to correct one portion of the record so far, and that is that the Republican Party is very privileged to have more than one candidate for Governor at this time. I think we ought to say, the anti-Lingle bill and the anti-Fasi bill. If we're going to name it, let's name it correctly.

"My point is that I also believe this is really a bill that is directed toward restricting Republicans from having the benefit that the other guys have had forever. And it was the Governor I heard on the radio, I think it was just yesterday, that said he got the idea for this bill when he was on the mainland. Then he brought it back here to the House. So I guess the Chair we heard earlier talking about he decided to do this, maybe he decided to do it with a little prodding. I'm not sure. One of them may have misspoken. I'm not sure which one.

"Now I'm all for campaign reform -- true campaign reform. But I also disagree with changing the rules in the middle of the game. Either we have to go back and make it retroactive to a couple of years ago, or we're going to have to say at the beginning of the next election cycle, and I think that would be fair.

"Thank you, Mr. Speaker."

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

"We're all for campaign finance reform, Mr. Speaker, and we've heard a lot of rhetoric about big money. Well, I could probably support this if we made it retroactive to \$1,000 a plate fundraisers at high 'maka maka' houses here in the islands. That's big money. I don't even raise a thousand dollars at my own fundraiser. But this is a two-edged sword because the party that controls Washington Place has access to power and all the other contributors in town. So if I was the Majority Party, I would tread carefully because, based on the economy, they may not have Washington Place after November. Thank you."

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

"Thank you, Mr. Speaker. The Judiciary Chair tried to cast this in a different light. As stated in the editorial of the Honolulu Star-Bulletin, this is 'the Democrats cynical campaign reform' bill. They saw it, they saw through it. They said, 'defeating incumbents can be an awesome challenge.' Among other things, it usually takes lots of money. Imposing limits on campaign contributions that mainly affect the people who are trying to oust incumbents is not true reform. It's hypocrisy. I think that's what we have before us here today. The Democrat majority, tyranny and hypocrisy. Thank you."

Representative Meyer then rose to speak in opposition to the measure, stating:

"I'd like to speak to the merits of the bill, but I see no merits in the bill. This bill has been called the Lingle bill, the Fasi bill. I'd like to call it the Tanya Harding bill. It's like you take your closest competitor and you just knock their legs out from under them and try to make them so that they can't possibly compete."

"The public is concerned about undue influence by political action groups, special interest groups who are trying to get favorable legislation for their best use. Political parties are not special interest groups. They are not lobbying groups. They are simply parties made up of the grass roots citizens that happen to agree with their particular philosophies. These are not special interest groups."

"So I don't think they have a clamoring of the citizens saying, 'hey stop this, we don't want political parties to contribute to their candidates.' As I say, I see no merits in the bill. I hope that as this moves along, fair play and good conscience will put this bill to bed. Thank you."

Representative Tarnas then rose to speak in support of the measure with reservations, stating:

"It's a great bill. My reservations is the timing of the effective date."

Representative Stegmaier then rose to speak in opposition to the measure, stating:

"I've been contacted by constituents who are Democrats, who are Republicans, and who are Independents, who have expressed to me concerns about the fairness of this bill. From the outset, in responding to them, I have said that I agree with them. There's something unfair about this bill. Not the specific items, but when this would take effect. For that reason, I am opposing this measure. Thank you."

Representative Marumoto then rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. As politicians, I think we all believe in political parties and thus we should support and nurture them. If we weaken them, we increase the influence of other groups. I think in politics we really increase the influence of political action committees, and that is where you really get your big money. I think that we should be protective of our parties. In registering a 'no' vote on Second Reading, Mr. Speaker, I would simply like to note that this bill tramples all over First Amendment rights. I think the Majority should be ashamed of this measure. Thank you."

Representative Okamura then rose to speak in support of the measure, stating:

"Mr. Speaker, I've been very proud to be part of a Legislature that over the past few years, under the able

leadership of our Judiciary Chair Representative Tom, has made great strides in campaign spending reform. All House Bill 1160 does is to continue this reform trend. My fellow colleagues, this is a soft money reform bill as he stated.

"House Bill 1160 seeks to limit affiliate party contributions at the same level that the law imposes on all other citizens and entities. Everyone would be on equal ground. Contribution limits exist to ensure that no person or entity buys a candidate for office. If a candidate receives all or most of his or her campaign funding from a few deep pockets, it can be fairly assumed that these wealthy individuals or corporations or labor unions might be thought to own the candidate."

"The League of Women Voters supports this measure. Common Cause supports this measure. Bob Watada, the Executive Director of the Hawaii Campaign Spending Commission, has said that 'soft money contributions are a growing concern in local Hawaii politics'. In the last gubernatorial election, over half a million dollars were funneled into the State from the national level. We must stop this practice of national politics or national dollars influencing Hawaii politics."

"Mr. Speaker, a few years back there were federal laws passed which prohibited foreign dollars from coming into campaigns, both nationally and locally. We didn't want foreign dollars influencing Hawaii politics, and we don't want national dollars influencing Hawaii politics."

"Opponents say that amending campaign spending laws during an election year would be unfair, but is it not unfair to close campaign loopholes whenever we identify them? Is it not unfair to prevent anyone from carrying out a plan to violate or evade the law, or at least violate the spirit of laws that ensure the integrity of our electoral process? The only people harmed by implementation of this bill would be those who intend to use the loopholes."

"If this is the intent of the bill's opponents, they should say so now and in public. If it is your plan to launder excess contributions, use party covered deep pockets to finance elections or funnel untraceable soft money into Hawaii, please say so now so that this body and the public can truly judge this bill on its merits. I urge my colleagues to support this measure."

The Chair then stated: "As we proceed with Second Reading on this bill, the Chair would ask for final comments."

Representative Morita then rose to speak in opposition to the measure, stating:

"While I support campaign reform, timing is everything in giving this measure any credibility."

Representative Halford then rose to speak in opposition to the measure, stating:

"I think that this bill would have a lot more credibility if its effective date were at the same time that this body proposes to stimulate our economy with a tax cut -- that is January 1999. I am sincerely disappointed that all of the arguments I've heard in favor of this bill are insincere. Thank you."

Representative Lee rose in support of the measure and asked that her comments be inserted into the Journal, and the Chair "so ordered."

Representative Lee's remarks are as follows:

"I rise to speak in favor of H.B. 1160, Relating to Elections.

"HB 1160 started life as a bill on sign-waving. Miraculously, it became a campaign reform plan.

"Great idea! Set limits on contributions. But why now, in the middle of the 1998 campaign?

"Campaign spending reform is good, but to use it to change the rules midstream and handicap an opponent or opponents is unfair.

"Let's continue to reform campaign contributions and spending. Let us correct HB 1160 by simply making it effective January 1, 1999 or at the beginning of the next campaign cycle.

"However, there is a larger question which we have to answer--sooner or later.

"All of us have received a letter from the Hawaii Insurers Council which reads as follows:

'Dear Representative Lee:

Please be advised that the Hawaii Insurers Council and its members will await the end of the legislative session before distributing the Hawaii Insurers Council PAC monies. We will coordinate such distribution with those of corporate PAC and individual contributions from those working in or with our member companies.

At the close of the session, we will be compiling voting records on issues affecting the economy and our business. Through our efforts we have raised significantly more funds than in the past and thus, we expect that our coordinated efforts could result in significantly larger contributions per candidate.

We wish you great success during the balance of the session.'

"Richard Borreca concluded in his Star-Bulletin column on March 4--

'There's some good in all this new-found candidness. First it shows us what exactly will prompt a level-headed business operator to donate to a politician.

It also puts an end to the tacky practice of legislators hustling money at campaign fundraisers during the legislative session.

You don't hear from these folks all year long and then just before they are to vote on a crucial piece of legislation, there they are standing by the door with their palms out.

Now, at least, instead of selling tickets to the ball, legislators won't get paid until after they dance.'

"Please note that the Hawaii Insurers Council is going to coordinate with other corporate PAC's.

"The message is clear: 'You politicians are for sale. You take our money and then vote your conscience, but we are going to change that. Now you vote first, and then we pay you.'

"I am not for sale. Are you? That is the question before us."

Representative Whalen then rose to speak in opposition to the measure, stating:

"I realize we're in a rush and I'll make it brief. Briefly, we've heard this thing referred to as stopping a loophole and a way to launder money and things that are patently illegal. I would like to take us back in history for a moment. When the first big men started playing basketball, goal tending was legal, so teams started trying to get real tall guys, not because they were doing something illegal or they were breaking the rules, it was simply the rules hadn't evolved to that point.

"When did they change the rule? After the season was over. So the next season, you can either get rid of your tall guys who couldn't play basketball or you do whatever you want to do. But halfway through the season they didn't change the rules to say everyone over seven feet can't block the basket anymore. And that's what this bill is about, not about closing the loophole. It's absolutely legal what's been done. Certainly, we want to take the effect of that out, but to do it after a campaign strategy has already been developed, taking advantage of the rules that are already present, smacks of partisanship and I'll reserve further comment till Third Reading. Thank you."

Representative Aiona then rose to speak in opposition to the measure, stating:

"Mr. Speaker, as I look across the room, I see some very intelligent minds here. I think we all know what's going on with this bill. I think we all know the games that are being played. I hope that those of you who are going to support this bill are as ashamed to support the bill as I am to be a part of a body that does this sort of thing. Thank you."

Representative M. Oshiro, in rebuttal, stated:

"I'd just like to state for the record that this bill reminds me of someone who notices a problem and existing evil that we'd seek to cure. And it's one of: do we wait until a more convenient time to operate on the person and remove the cancer, remove the problem? I think this is a problem that we see. As much as we would despise some foreign interests from overseas influencing our government, determining our destiny and our course, as much as we would despise that, so too would we despise people from another state, another culture, another belief system, imposing their will and influence upon our government.

"So I think, for both the incumbent and for the challenger, we're all putting them on notice that the people of Hawaii and its Legislature recognize that the influence by foreign monies, be it foreign in the global sense or foreign as far as out-of-state monies, is something that we will not condone. We think it's wrong. They should cease and desist the practice now and stop being influenced by outside foreign influences.

"Thank you, Mr. Speaker."

Representative Kawanakoa, in rebuttal, stated:

"Again, I noted earlier that this is not going to affect my race. I have no personal interest in this, just earnest. I cannot believe the discussion that was given by a Judiciary Chair that this is fair on the face of it. It applies equally to both parties. That is a joke. At the Committee hearing, people were laughing. Police officers were laughing. They were disgusted. Think about it. All the people in the audience or at your hearing were laughing at you."

At this point, Representative M. Oshiro rose on a point of order, stating:

"The speaker should keep his remarks to the Committee Report and the measure before him, and as you've reminded all of us, to refrain from personalities and innuendos and motives."

Representative Thielen then rose and remarked:

"Mr. Speaker, we just heard quite a diatribe by the Majority."

The Chair called Representative Thielen "out of order," and asked Representative M. Oshiro to proceed.

Representative M. Oshiro then stated:

"Mr. Speaker, I think we need to be reminded that we should look at the measure before us -- that's the subject of the debate. We're not allowed to arraign or try to imply the motives of the members. We can speak very strongly against the consequences of the bill, the effect of the bill, but let's not get into the motives or intentions of the Committee's work. Stick to the bill at hand and the Committee's report. That's the proper discussion."

The Chair then responded: "Again, the Chair would like to ask all parties to try their very best to stick to the merits of the bill, understanding the dynamics of the bill and the implications. If we can try our best to stick to the merits of the bill, the Chair would sincerely appreciate that."

Representative Kawanakoa then continued, stating:

"Thank you, Mr. Speaker. I will attempt to stay strictly on the merits. One of the discussions that were held at the Committee hearing was a question on whether or not it would have been appropriate to change the effective date into the future. The Executive Director of the Campaign Spending Commission, Mr. Watada, was about to answer, but he was cut short.

"This is important information that the rest of the Committee of the Whole should understand. He wanted to answer. He was cut short. His response most certainly would have been: it would have been more fair to have this effective date after the election cycle. So it refers to the election, I mean the effective date of this measure."

Representative M. Oshiro then rose on a point of order.

At 6:29 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 6:30 o'clock p.m.

Representative Kawanakoa continued, stating:

"Thank you, Mr. Speaker. As I was mentioning, there is a better time to do this. There's been arguments about cancer. Do we know where the cancer lies? There's been arguments that this is not fair and there's going to be a bunch of special interest money. Well, I guess big money coming into the market of this soft money.

"This particular legislation is going to hurt the representatives that are going to be running for your seats. Perhaps running for my seat -- my vacated seat. It's going to affect them because they won't be able to get the \$15,000 that parties used to be able to offer. They're going to be limited to \$2,000 as I understand it. What is fair about that?

"As we know, as it's been mentioned by others at the hearing, it's very difficult for the Minority Party to raise money from businesses and constituents because they're in the minority. There was one other point made about no national dollars, foreign money. Last time I checked, we're part of the United States. So that's one thing. Number two, if you're sincere in limiting the money that comes from out of state to Hawaii, will we also enact a law that stops contributions from out of state to congressional candidates? I know that my counterpart has 70, 80, 90 percent of his money coming from outside of this State.

"Should we, therefore, limit the contributions to in-state? Because I'm willing to accept that. Would that be right? I think that would be unfair, blatantly unfair, to Representative Neil Abercrombie to otherwise retroactively or at the time of enactment create a new law that would take away all of his outside of the State money. That is unfair, and I would advocate on behalf of Mr. Abercrombie in this instance, because I want to play fairly. If I win the game, I want to win because it's right.

"Mr. Speaker, I'll save further remarks for Third Reading, if there is a Third Reading."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1160, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," passed Second Reading and was placed on the calendar for Third Reading with Representatives Aiona, Fox, Halford, Kawanakoa, Marumoto, McDermott, Meyer, Morita, Moses, Thielen and Whalen voting no, and Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 728-98) recommending that H.B. No. 2552, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2552, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 729-98) recommending that H.B. No. 2399, HD 1, as amended in HD 2, pass Second Reading and be placed on the calendar for Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2399, HD 2, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative M. Oshiro.

Representative McDermott rose and asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

Representative Marumoto then rose and asked the Clerk to register a "no" vote for her, and the Chair "so ordered."

Representative Meyer then rose and asked the Clerk to register a "no" vote for her, and the Chair "so ordered."

Representative Tarnas then rose and asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

Representative Morita then rose and asked the Clerk to register an aye vote with reservations for her, and the Chair "so ordered."

Representative Halford then rose and asked the Clerk to register an aye vote with reservations for him, and the Chair "so ordered."

Representative Fox then rose and asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

Representative Moses then rose and asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

Representative Kawanakoa then rose and asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

Representative Takai then rose and asked the Clerk to register an aye vote with reservations for him, and the Chair "so ordered."

Representative Aiona then rose and asked the Clerk to register an aye vote with reservations for him, and the Chair "so ordered."

Representative Stegmaier then rose and asked the Clerk to register an aye vote with reservations for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2399, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX," passed Second Reading and was placed on the calendar for Third Reading with Representatives Fox, Kawanakoa, Marumoto, McDermott, Meyer, Moses and Tarnas voting no, and Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 730-98) recommending that H.B. No. 2558, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Okamura moved that the report of the Committee be adopted and H.B. No. 2558, HD 1 pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative M. Oshiro.

Representative Morita rose and asked the Clerk to register a "no" vote for her, and the Chair "so ordered."

Representative Tarnas then rose and asked the Clerk to register a "no" vote for him, and the Chair "so ordered."

Representative Thielen then rose and asked the Clerk to register a "no" vote for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2558, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," passed Second Reading and was placed on the calendar for Third Reading with Representatives Morita, Tarnas and Thielen voting no, and Representatives Ahu Isa, Hamakawa, Herkes, Kahikina, Lee, Pendleton, Santiago, Takamine and Ward being excused.

At 6:35 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 6:44 o'clock p.m., the Speaker resumed the rostrum.

THIRD READING

H.B. No. 2362, HD 1:

Representative Okamura moved that H.B. No. 2362, HD 1, pass Third Reading, seconded by Representative M. Oshiro.

Representative Kawanakoa offered the following amendment to H.B. No. 2362, HD 1:

SECTION 1. House Bill No. 2362 HD1 is amended by deleting sections 1 through 5, page 1, line 1 through page 2, line 15 of HD 1 and replacing them with the following sections 1 through 3 to read:

"SECTION 1. Section 607-20, Hawaii Revised Statutes, is amended to read as follows:

§607-20 Charitable trusts, special provisions. (a) Notwithstanding any other provisions, in the case of an estate of a charitable trust, the [commissions] compensation of the trustees shall be limited to [the following schedule of percentages on all moneys received in the nature of revenue or income of the estate, such as rents, interests, and general profits: ten per cent on the first \$1,000; seven per cent on the next \$4,000; five per cent on the next \$100,000; three per cent on the next \$100,000; and two per cent on all over \$205,000. This schedule of percentages shall be applied not often than once a year] an amount that is reasonable under the circumstances. [The trustees shall also be entitled to just and reasonable allowances for bookkeeping, clerical, and special services and expenses incidental thereto.]

(b) This section shall apply [as well to future accounting in existing estates as to new estates.] to existing and new charitable trusts established after the effective date of this Act.

SECTION 2. Statutory material to be repealed is bracketed."

New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval."

Representative Kawanakoa moved that the amendment be adopted, seconded by Representative Aiona.

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

"Thank you, Mr. Speaker, for giving me the privilege to speak first on this particular amendment. I think we'll find it necessary to look to the ages of our colleagues in the neighboring chamber, in the Senate, because they basically passed this bill earlier this afternoon.

"This measure provides for 'reasonable compensation' for trustees of a charitable trust. There's been a lot of discussion, a lot of concern in the community, as to whether or not certain individual trusts have been overpaying their trustees. But whether or not it's a charitable trust, trustees should serve more in a pro bono or a charitable nature, for that matter, as opposed to being paid upwards of a million dollars.

"This particular remedy would allow for 'reasonable compensation'. Each year the trustees would go to court, provide their analysis for why they should receive what they believe they should receive, and the court would say whether or not that's reasonable. I should note this is mirrored off of what most of your guardian ad litem and your various pro bono attorneys do today when they're court appointed. They put in a request for reasonable fees.

"It's a similar thing. I practice in the area of probate, and it's a similar situation for your attorneys who are representing an estate, who are representing a decedent, for completing their final affairs. When they go to court, they ask for reasonable fees to come from the estate, if possible. They show the court: I work twenty hours. I'm worth \$100 an hour. I'm submitting a request for reasonable fees of \$2,000. The court will look at that and say whether or not that's right.

"Now here we are in probate court again, in the arena of probate, in trusts, in this area of the law, and as I understand it, all the testimony that was provided, there was somewhat of a consensus that this would be the best way to go to have a 'reasonable' compensation. What I find difficult and should be aired with the rest of the Committee members is that all of this testimony went on in the Committee hearing, and yet there was an amendment, the HD 1. It was already drafted. It was already printed. It was already etched in stone. They knew which direction they were going."

The Chair interrupted Representative Kawanakoa and reminded him "to please stick to the merits of the amendment."

Representative Kawanakoa continued, stating:

"In this HD 1, I believe it doesn't incorporate the feelings or intent or desires of the testifiers or the community at large. More importantly, I would hope we could pass this floor amendment. If we did, we would be done with the issue. Basically, it would be in compliance with the Senate, therefore we wouldn't have to go to conference, and we'd be on our way to the more important issues at stake -- our economy.

"As the polls tell us, the number one issue is the economy not charitable trusts. I've made my point clear."

Representative Yamane then rose to speak in opposition to the amendment, stating:

"Mr. Speaker, the amendment reads: 'An amount that is reasonable under the circumstances.' Now in the hearing, we had a hard time with just coming up with a definition, and we couldn't for 'reasonable'. Now, under what circumstances, whose circumstances, some circumstances -- I'm doubly confused now, Mr. Speaker.

"I hope the members here have looked at the Committee Report that I asked you to read before and have looked at the idea behind the Task Force, and are willing to support what some others aside may be, hopefully more learned than ourselves will come up with what the Senate and the former speaker mentioned as 'reasonable.' The problem is, I personally do not feel comfortable with the word 'reasonable', especially when testimony was brought up that it could lead to more lawsuits.

"Now, whether that's going to help the legal industry, I'm not sure. The charitable trusts here, and the point is arbitrary cap whose reasonableness, and under whose such and such circumstances. Thank you, Mr. Speaker."

Representative Thielen then rose to speak in support of the amendment, stating:

"Mr. Speaker, the acting Judiciary Chair was at the hearing and heard the testimony from all of the people that were there. There was a strong consensus to go toward the 'reasonable' approach. 'Reasonable' is recognized by the Internal Revenue Service. It's a standard that is much more able to be defined in light of what the activity is that is taking place.

"Trustee Henry Peters had an expert in this field with him. The expert in the field was very comfortable with 'reasonableness.' He is the person that gives the advice, I guess across the nation, about what the level of compensation should be for people in rather critical and important positions. There are a number of companies that give this same kind of advice and analysis. 'Reasonableness' is a standard that is accepted.

"I think what we have done today is just duck a very important issue. This amendment before us gives us an opportunity to remedy that situation. I, too, was really very disturbed, Mr. Speaker, when all of a sudden the prepared bill, HD 1, was presented to us. It wasn't..."

The Chair interrupted Representative Thielen and asked her to "please speak on the merits of the amendment that's before us and not digress."

Representative Thielen continued, stating:

"I will, Mr. Speaker, you know how when a bill has just been run off of a Xerox machine -- it's really still warm to the touch."

The Chair responded: "Representative, again, I'm going to caution you that you're out of order. Will you please confine yourself to this amendment that's before you. Stick to this amendment, please."

Representative Thielen continued, stating:

"Thank you, Mr. Speaker. This amendment before us will correct a serious defect in the other bill which I hope we won't get to because I hope we will pass this amendment. It makes sense, Mr. Speaker. It moves us ahead on a way that was very acceptable to everyone at the hearing, including a trustee that was there. It sends a message out to the community that we've been listening to the beneficiaries of the Bishop Estate Trust, and we've heard you, and we're trying to take action to further your objective. This amendment before us does that, Mr. Speaker. The House Draft does not. Thank you."

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

"Thank you, Mr. Speaker. I think of a lot of emotions, I'm mostly just embarrassed right now. I'm embarrassed to oppose my classmate, colleague, and acting Chair. I'm embarrassed to stand up in front of this body, for the second time tonight, and speak out in favor of a position, a correct position, that was articulated by the minority party as opposed to my own party. I'm embarrassed that the Senate did the right thing rather than us. I'm embarrassed that, without this amendment, this bill does not do what the public wants us to do.

"Let me speak to the merits of this amendment very briefly. Essentially the situation we have with charitable trustees right now is that they are paid a certain amount on a statutory percentage of commission basis. They are paid that amount whether they do a good job or not. They are paid that amount whether their trust does a

good job or not. And that has led to a deterioration in incentive, to a deterioration in the ability to reward based on performance.

"This same system had existed previously in situations involving the probate of wills where the executor, now known as the personal representative, was being paid on the same statutory sliding scale. It didn't matter whether they did a good job or not, they got paid the money.

"In the last few years, we went with the Uniform Probate Code approach to this situation. We said that what those people would be paid would be 'reasonable compensation' under the circumstances. If you had a simple probate, you wouldn't be paid as much as a personal representative as if you had a complicated probate. You would be paid according to what your services were worth, as approved by the Probate Court.

"What is wrong with the system right now with charitable trustees is that there's no supervision, no right, no entitlement, no legal ability by the Probate Court to say whether a trustee's compensation is either excessive or not enough. Therefore, there is no check and balance against the compensation that is being paid to trustees.

"By going with this amendment, we are not going with anything that is unusual or untested. This 'reasonableness' approach is utilized today in the other situations described above under the Uniform Probate Code. It is a term of art in the legal community. There are procedures that are well established in the Probate Court for handling what is reasonable. And parties with standing are entitled to go down to the Probate Court and argue to the Probate Court on what is and is not reasonable.

"So there's no magic in terms of the language that is being utilized in this bill. This is established procedure. This will fit seamlessly into a process that is already underway in the Probate Court and has been for many years. To use the argument that this is somehow ambiguous or untested is to misunderstand the existing procedures in the Probate Court. Under this approach, trustees could end up being highly compensated. I don't have any problem with charitable trustees making a lot of money if they're doing a good job, as long as somebody else has some say over whether they're doing a good job.

"Furthermore, the Probate Court is fully entitled to set standards, guidelines, or benchmarks for application to the evaluation of compensation for charitable trustees. Or if we want to do it by statute, we can do it too. In fact, another bill, HB 3116, signed by 21 members of this House, had suggested certain statutory standards for the Probate Court to apply. And perhaps those standards could be applied as this bill moves through the process.

"But I think this amendment is the right way to go. I think we better just get it over with and do it. I hope that we send it on to the Senate in a form that we can all agree on. There's no magic to this proposal. Thank you."

Representative Moses then rose to speak in support of the amendment, and asked that the words of Representative Case be entered into the Journal as his own, and the Chair "so ordered." (By reference only)

Representative Moses continued, stating:

"I'd like to add just a few other comments, Mr. Speaker. This may be the only time that I think maybe it's bad that I don't have a law degree or some legal background, because I'm listening to a lot of lawyers tonight talking about what is established procedure and

what is not. I'm agreeing with those that say there is an established procedure. I've always thought the courts have developed procedures for reasonableness in many other cases. It's unfortunate that I can't quote to you the laws because I'm not a lawyer. But in this case I'm going to listen to some of what I've heard, and take what they're telling me at face value.

"Thank you, Mr. Speaker."

Representative Halford then rose to speak in support of the amendment, stating:

"The current system and message for trustees' pay is quite arbitrary and excessive. In the legal realm, large amounts of considered thought have been given to the concept of 'reasonableness', and is a dependable concept. If 'reasonableness' is not a habit of thought, 'reasonable' may seem as a synonym for arbitrary. Thank you."

At this time, Representative Kawanakoa requested a roll call vote.

The request for a roll call was put to vote by the Chair and upon a show of hands, the request was granted.

At 6:59 o'clock p.m., Representative Kawanakoa asked for a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 7:00 o'clock p.m.

Roll call having been requested, the motion to adopt the amendment was put to vote by the the Chair and failed to carry on the following show of Noes, Ayes and Excused:

Noes, 26: Representatives Abinsay, Ahu Isa, Arakaki, Cachola, Chang, Garcia, Goodenow, Hiraki, Ito, Jones, Kanoho, Kawakami, Lee, Menor, Morihara, Nakasone, Okamura, M. Oshiro, P. Oshiro, Say, Suzuki, Takai, Tom, White, Yamane and Souki.

Ayes, 16: Representatives Aiona, Case, Fox, Halford, Kawanakoa, Marumoto, McDermott, Meyer, Morita, Moses, Saiki, Stegmaier, Takumi, Tarnas, Thielen and Whalen.

Excused, 9: Representatives Hamakawa, Herkes, Kahikina, Pendleton, Santiago, Takamine, Ward, Yonamine and Yoshinaga.

Representative Case then rose and asked the Clerk to register an aye vote with reservations for him, and asked that his remarks on the previous amendment be incorporated by reference, and the Chair "so ordered."

Representative Kawanakoa then rose and asked the Clerk to register an aye vote with reservations for him, and asked that his remarks on the previous amendment be incorporated by reference, and the Chair "so ordered."

Representative Kawanakoa then stated:

"I believe with the same reasons stated before, they understand there's a necessity for this issue to be addressed. We had only hoped that it would have been addressed immediately and been taken care of on this floor tonight. I see that we perhaps have to deal with it at a later date."

Representative Thielen then rose to speak in opposition to the measure, stating:

"Mr. Speaker, basically it's the same reasons that have been expressed. We should deal with the issue now, and

I believe, Mr. Speaker, that we are doing a disservice to the beneficiaries of the Bishop Estate Trust."

Representative Morita rose in support of the measure with reservations and asked that her comments be inserted into the Journal, and the Chair "so ordered."

Representative Morita's remarks are as follows:

"Mr. Speaker, I have reservations about this bill because I believe that this body has all the information necessary to make informed decisions on selection and compensation issues regarding trustees of charitable trusts beneficiaries.

"This body has not demonstrated leadership in resolving these issues. Yes, we just ducked."

Representative Meyer then rose and asked the Clerk to register an aye vote with reservations for her, and the Chair "so ordered."

Representative Stegmaier then rose and asked the Clerk to register an aye vote with reservations for him, and the Chair "so ordered."

Representative Tarnas then rose and asked the Clerk to register an aye vote with reservations for him, and the Chair "so ordered."

Representative Moses then rose and asked the Clerk to register an aye vote with reservations for him, and asked that his remarks on the previous amendment be incorporated by reference, and the Chair "so ordered."

Representative M. Oshiro rose in support of the measure and asked that his comments be inserted into the Journal, and the Chair "so ordered."

Representative M. Oshiro's remarks are as follows:

"On February 17, 1998, the House Judiciary Committee held a public hearing on three bills relating to charitable trusts. One bill, HB 2362, sought to repeal provisions for the **compensation of trustees** of a charitable trust. Another, HB 2387, sought to change fee schedules for trustees of charitable trusts and place a ceiling on compensation at no more than three times the Governor's annual salary. The third sought to clarify the **computation** of trustees' commissions and to limit the compensation payable to the salary of the Chief justice of the Hawaii Supreme Court. Testimony from these three bills were heard all at once, and testimony was received from representatives of Na Pua a Ke Ali'i Pauahi, Na Kia'i, Strategic Compensation Associates, the Hawaii Bankers Association, a trustee of Kamehameha Schools/Bishop Estate, and several community members. As each bill had the same title, HB 2362 was used as a vehicle to express the Committee' legislative intention. According to House Standing Committee Report No.469-98, HB 2362 was amended to: (1) establish a task force to review the statutory for trustees of charitable trusts and make recommendations; (2) require the task force to be comprised of six members, of which three would be chosen by the Speaker and three by the Senate President; (3) require that the task force submit a written report of their findings and recommendations to the Legislature prior to the Regular Session of 1999, which would allow adequate time to review the issue of trustee compensation; and (4) mandate a sunset date of February 1, 1999.

"There is little doubt that these measures, as originally introduced, were written with a certain well-known charitable trust in mind. This particular trust has had the distinction of receiving an inordinate amount of press and negative publicity over the past year, with the debate over

the actions of its board generating a tremendous amount of emotion, accusation, alarm, and cynicism.

"This, however, is not the proper time for this body to be discussing this controversy. This emotional debate has engendered a climate where passing any of these three bills out unamended would have been a politically popular thing to do, but without the deliberation, analysis, and fact-finding necessitated by the legislative process. Indeed, while it is always easy to do what's popular, that doesn't necessarily translate into doing what is right.

"First, by taking aim at this one particular trust in order to purportedly satisfy the public will, these bills, as introduced, may have impacted all charitable trusts. These include not only Bishop Estate, but others such as the Liliuokalani Trust, McInerny Foundation, G. Wilcox Trust, Lunalilo Trust, Charles Bishop Trust, G Straub Trust, Charles Hemingway scholarship Trust, Lucy Henriques Trust and Kaulani Trust.

"Second, the duty of any legislative body in a representative democracy is to act deliberately, and gather together all relevant and pertinent facts and data before making a decision on either a new law or on amendment to present law. History shows time and time again that the worst decisions and biggest mistakes by any lawmaking body are made when done in haste and on the basis of emotion. It is my understanding that the Bishop Estate Trust has been in existence for about 113 years, so why the hurry and rush? Why do we forsake the deliberative method and study as usually imposed on similar legislation? Unlike a few issues requiring immediate attention and remedy, this particular issue is not time-sensitive.

"Certainly, it is not my intention to defend any alleged actions of the Board of Trustees of Princess Pauahi's trust. That will be left for the courts and the beneficiaries to decide. Nor am I saying the the Legislature has no authority to cap compensation due trustees of charitable institutions, because it most certainly does if the facts bear out a need to do so. And that is what HB No. 2362, as amended by the Judiciary Committee, will do--allow us to gather the necessary information so that we might make an informed decision based on that information, rather than a hasty judgement which relies on hearsay and preconceived notions. So if we act, let's do it right and not set ourselves up where we need to repeatedly revisit this issue again in the future.

"Finally, should HB 2362 pass, we will be given the tools by which we can make our decision. And then the Legislature must decide the issue."

Representative Takai then rose and asked the Clerk to register an aye vote with reservations for him, and the Chair "so ordered."

Representative Suzuki then rose and asked the Clerk to register an aye vote with reservations for him, and the Chair "so ordered."

Representative Takumi then rose and asked the Clerk to register an aye vote with reservations for him, and the Chair "so ordered."

Representative Saiki then rose and asked the Clerk to register an aye vote with reservations for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and H.B. No. 2362, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHARITABLE TRUSTS," passed Third Reading by a vote of 42 ayes to 1 no, with Representative Thielen voting no, and Representatives

Hamakawa, Herkes, Pendleton, Santiago, Takamine, Ward, Yonamine and Yoshinaga being excused.

H.B. No. 2544, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2544, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL JUSTICE REFORM," passed Third Reading by a vote of 43 ayes, with Representatives Hamakawa, Herkes, Pendleton, Santiago, Takamine, Ward, Yonamine and Yoshinaga being excused.

H.B. No. 2649, HD 2:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2649, HD 2, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT," passed Third Reading by a vote of 43 ayes, with Representatives Hamakawa, Herkes, Pendleton, Santiago, Takamine, Ward, Yonamine and Yoshinaga being excused.

H.B. No. 3056, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 3056, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL SERVICE AND EXEMPTIONS," passed Third Reading by a vote of 43 ayes, with Representatives Hamakawa, Herkes, Pendleton, Santiago, Takamine, Ward, Yonamine and Yoshinaga being excused.

H.B. No. 3132, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 3132, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WAGE AND HOUR LAW," passed Third Reading by a vote of 43 ayes, with Representatives Hamakawa, Herkes, Pendleton, Santiago, Takamine, Ward, Yonamine and Yoshinaga being excused.

H.B. No. 2790, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2790, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY," passed Third Reading by a vote of 43 ayes, with Representatives Hamakawa, Herkes, Pendleton, Santiago, Takamine, Ward, Yonamine and Yoshinaga being excused.

H.B. No. 2401, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2401, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR TAX LAW," passed Third Reading by a vote of 42 ayes to 1 no, with Representative McDermott voting no and Representatives Hamakawa, Herkes, Pendleton, Santiago, Takamine, Ward, Yonamine and Yoshinaga being excused.

H.B. No. 2424, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2424, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONVEYANCE TAX," passed Third Reading by a vote of 43 ayes, with Representatives Hamakawa, Herkes, Pendleton, Santiago, Takamine, Ward, Yonamine and Yoshinaga being excused.

H.B. No. 2764, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2764, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL SERVICE," passed Third Reading by a vote of 43 ayes, with Representatives Hamakawa, Herkes, Pendleton, Santiago, Takamine, Ward, Yonamine and Yoshinaga being excused.

H.B. No. 2765, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2765, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," passed Third Reading by a vote of 43 ayes, with Representatives Hamakawa, Herkes, Pendleton, Santiago, Takamine, Ward, Yonamine and Yoshinaga being excused.

H.B. No. 2892, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2892, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL FACILITY REVENUE BONDS FOR AIRPORTS," passed Third Reading by a vote of 43 ayes, with Representatives Hamakawa, Herkes, Pendleton, Santiago, Takamine, Ward, Yonamine and Yoshinaga being excused.

H.B. No. 3044, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 3044, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX SUBLEASE DEDUCTION," passed Third Reading by a vote of 43 ayes, with Representatives Hamakawa, Herkes, Pendleton, Santiago, Takamine, Ward, Yonamine and Yoshinaga being excused.

H.B. No. 2912, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2912, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAXATION," passed Third Reading by a vote of 43 ayes, with Representatives Hamakawa, Herkes, Pendleton, Santiago, Takamine, Ward, Yonamine and Yoshinaga being excused.

H.B. No. 3054, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 3054, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PERFORMANCE RATINGS OF EMPLOYEES IN THE CIVIL SERVICE," passed Third Reading by a vote of 43 ayes, with Representatives Hamakawa, Herkes, Pendleton, Santiago, Takamine, Ward, Yonamine and Yoshinaga being excused.

H.B. No. 2459, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2459, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SEARCH WARRANTS," passed Third Reading by a vote of 43 ayes, with Representatives Hamakawa, Herkes, Pendleton, Santiago, Takamine, Ward, Yonamine and Yoshinaga being excused.

H.B. No. 2438, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2438,

HD 1, entitled: "A BILL FOR AN ACT RELATING TO DRIVING UNDER THE INFLUENCE OF INTOXICATING LIQUOR," passed Third Reading by a vote of 43 ayes, with Representatives Hamakawa, Herkes, Pendleton, Santiago, Takamine, Ward, Yonamine and Yoshinaga being excused.

At 7:07 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 7:09 o'clock p.m.

H.B. No. 2967, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2967, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SURFING," passed Third Reading by a vote of 43 ayes, with Representatives Hamakawa, Herkes, Pendleton, Santiago, Takamine, Ward, Yonamine and Yoshinaga being excused.

H.B. No. 2711, HD 1:

On motion by Representative Okamura, seconded by Representative M. Oshiro and carried, H.B. No. 2711, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE MANAGEMENT OF FINANCING AGREEMENTS," passed Third Reading by a vote of 43 ayes, with Representatives Hamakawa, Herkes, Pendleton, Santiago, Takamine, Ward, Yonamine and Yoshinaga being excused.

The Chair directed the Clerk to note that H.B. Nos. 2362, 2544, 2649, 3056, 3132, 2790, 2401, 2424, 2764, 2765, 2892, 3044, 2912, 3054, 2459, 2438, 2967 and 2711 had passed Third Reading at 7:11 o'clock p.m.

H.B. No. 2519:

By unanimous consent, action was deferred until Tuesday, March 10, 1998.

H.B. No. 2887:

By unanimous consent, action was deferred until Tuesday, March 10, 1998.

H.B. No. 3010:

By unanimous consent, action was deferred until Tuesday, March 10, 1998.

H.B. No. 2851:

By unanimous consent, action was deferred until Tuesday, March 10, 1998.

H.B. No. 2932:

By unanimous consent, action was deferred until Tuesday, March 10, 1998.

H.B. No. 3252:

By unanimous consent, action was deferred until Tuesday, March 10, 1998.

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolution (H.R. No. 21) and concurrent resolutions (H.C.R. Nos. 70 and 71) were referred to Printing and further action was deferred:

H.R. No. 21, entitled: "HOUSE RESOLUTION REQUESTING CONGRESS TO GIVE FILIPINO VETERANS FULL RECOGNITION AS VETERANS OF THE UNITED STATES ARMED FORCES," was jointly offered by Representatives Whalen, Abinsay, Cachola, Kanoho and Pendleton.

H.C.R. No. 70, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEVELOPMENT OF A RESOURCE CENTER FOR SCIENCE TEACHING," was offered by Representative Morita.

H.C.R. No. 71, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE UNITED STATES CONGRESS TO PROPOSE AN AMENDMENT TO THE UNITED STATES CONSTITUTION ON THE SUBJECT OF JUDICIAL TAXATION," was jointly offered by Representatives Souki, Yamane, Cachola, Hiraki, Jones, Lee and Yoshinaga.

ANNOUNCEMENTS

Representative Say rose and requested waiver of the 48-hour hearing notice requirement to hear H.B. Nos. 2500, HD 1 and 2710, HD 1, at 8:00 o'clock p.m. in the Finance Room, and the Chair "so ordered."

Representative Marumoto: "Mr. Speaker, we have some birthdays among our colleagues this weekend. I just wanted to wish the following Representatives a 'Happy Birthday' who are celebrating a birthday on March 8, Representative Nakasone, Representative Meyer and Representative Cachola. And on March 9, we wish Gene Ward and David Morihara a 'Happy Birthday'."

Representative Okamura: "Mr. Speaker, this is just to inform all of the members that the Committee Reports will be on your desks by 12:00 noon tomorrow. Also there'll be a Majority caucus Monday morning at 10:00 a.m. in Room 325."

Representative Marumoto: "Thank you, Mr. Speaker. Republicans will be caucusing Monday, in Room 309 at 10:00 a.m."

At this time, Representative M. Oshiro moved to keep the Journal open until 12:00 o'clock midnight this legislative day for the purpose of receiving Standing Committee Reports and House Bills transmitted thereby, seconded by Representative Marumoto and carried. (Representative Hamakawa Pendleton, Santiago, Takamine, Yonamine, Yoshinaga and Ward were excused.)

At 7:13 o'clock p.m., the House of Representatives stood in recess for the purpose of receiving Standing Committee Reports.

STANDING COMMITTEE REPORTS

In accordance with the motion made earlier, the following Standing Committee Reports (Stand. Com. Rep. Nos. 732-98 through 803-98) were received in the Clerk's Office up until 12:00 o'clock midnight this legislative day, and subsequent to its recessing at 7:13 o'clock p.m., the following actions were taken:

Stand. Com. Rep. No. 732-98 (CPC) and H.B. No. 2814, entitled: "A BILL FOR AN ACT RELATING TO SENIOR PSYCHOLOGISTS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 733-98 (CPC) and H.B. No. 2768, entitled: "A BILL FOR AN ACT RELATING TO MILK," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 734-98 (CPC) and H.B. No. 2627, entitled: "A BILL FOR AN ACT RELATING TO PRIVATE TRADE, VOCATIONAL, OR TECHNICAL SCHOOLS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 735-98 (JUD) and H.B. No. 2866, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT ON PUBLIC WORKS PROJECTS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 736-98 (JUD) and H.B. No. 3185, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ADMINISTRATIVE REVOCATION OF DRIVER'S LICENSE," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 737-98 (OMR) and H.B. No. 3291, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN FISH PONDS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 738-98 (CPC) and H.B. No. 2816, entitled: "A BILL FOR AN ACT RELATING TO PHARMACIST LICENSURE EXAMINATIONS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 739-98 (CPC) and H.B. No. 2817, entitled: "A BILL FOR AN ACT RELATING TO PHARMACIES," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 740-98 (JUD) and H.B. No. 2529, as amended in HD 1, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE III, SECTION 6, OF THE HAWAII CONSTITUTION, TO CHANGE THE ELIGIBILITY TO SERVE AS A MEMBER OF THE SENATE OR HOUSE OF REPRESENTATIVES," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 741-98 (JUD) and H.B. No. 2878, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO AQUATIC RESOURCES," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 742-98 (JUD) and H.B. No. 2867, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT ON PUBLIC WORKS PROJECTS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 743-98 (JUD) and H.B. No. 2332, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE TRAFFIC CODE," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 744-98 (JUD) and H.B. No. 2843, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO DRUG DEMAND REDUCTION ASSESSMENTS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 745-98 (JUD) and H.B. No. 2847, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO SOLID WASTE

MANAGEMENT," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 746-98 (JUD) and H.B. No. 3257, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL HISTORY CHECKS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 747-98 (JUD) and H.B. No. 3494, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HOUSING AUTHORITY," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 748-98 (JUD) and H.B. No. 3581, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATEWIDE TRAFFIC CODE," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 749-98 (FIN) and H.B. No. 2862, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO SERVICES FOR DEVELOPMENTAL DISABILITIES," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 750-98 (FIN) and H.B. No. 3033, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 751-98 (FIN) and H.B. No. 3106, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 752-98 (FIN) and H.B. No. 3200, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES HEALTH FUND," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 753-98 (FIN) and H.B. No. 3437, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO FUNDING THE HAWAII HURRICANE FUND," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 754-98 (FIN) and H.B. No. 3452, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 755-98 (FIN) and H.B. No. 3461, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO A REVOLVING LOAN PROGRAM FOR BUSINESS OPPORTUNITIES ON THE ISLAND OF HAWAII," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 756-98 (FIN) and H.B. No. 2449, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO COMMUNITY REHABILITATION PROGRAMS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 757-98 (FIN) and H.B. No. 2646, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO COORDINATED CARE ORGANIZATIONS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 758-98 (FIN) and H.B. No. 2547, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 759-98 (CPC) and H.B. No. 2470, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO SECURITIES," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 760-98 (CPC) and H.B. No. 2670, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO PSYCHOLOGISTS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 761-98 (CPC) and H.B. No. 2852, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO TELEHEALTH," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 762-98 (CPC) and H.B. No. 3183, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO MOTOR CARRIERS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 763-98 (CPC) and H.B. No. 3331, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO HISTORIC PRESERVATION," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 764-98 (CPC/JUD) and H.B. No. 1099, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO OCCUPATIONAL THERAPISTS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 765-98 (CPC/JUD) and H.B. No. 2490, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO TELECOMMUNICATIONS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 766-98 (CPC/JUD) and H.B. No. 2701, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO TELECOMMUNICATION," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 767-98 (CPC/JUD) and H.B. No. 3127, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 768-98 (CPC/JUD) and H.B. No. 3302, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO DEGREE GRANTING INSTITUTIONS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 769-98 (FIN) and H.B. No. 2680, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO STUDENT-CENTERED SCHOOLS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 770-98 (FIN) and H.B. No. 3443, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO LOANS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 771-98 (FIN) and H.B. No. 2971, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WASTEWATER," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 772-98 (FIN) and H.B. No. 3367, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH TOURISM," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 773-98 (FIN) and H.B. No. 2702, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC UTILITIES COMMISSION," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 774-98 (FIN) and H.B. No. 3021, as amended in HD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE HAWAII HEALTH SYSTEMS CORPORATION," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 775-98 (FIN) and H.B. No. 3361, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO CHILD PROTECTION," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 776-98 (FIN) and H.B. No. 2518, entitled: "A BILL FOR AN ACT RELATING TO HILO COMMUNITY SCHOOL FOR ADULTS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 777-98 (FIN) and H.B. No. 1533, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO STATE FUNDS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 778-98 (FIN) and H.B. No. 2422, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO TRAUMATIC BRAIN INJURY," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 779-98 (FIN) and H.B. No. 2441, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 780-98 (FIN) and H.B. No. 2647, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYER'S MUTUAL INSURANCE COMPANY," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 781-98 (FIN) and H.B. No. 2824, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE PREMIUM TAXES," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 782-98 (FIN) and H.B. No. 2990, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 783-98 (FIN) and H.B. No. 1966, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO ADULT RESIDENTIAL

CARE HOMES," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 784-98 (FIN) and H.B. No. 2435, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HOMELESS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 785-98 (FIN) and H.B. No. 2541, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO A COMPREHENSIVE STUDENT SUPPORT SYSTEM," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 786-98 (FIN) and H.B. No. 2565, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATIONAL OFFICERS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 787-98 (FIN) and H.B. No. 3142, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR TEACHER EDUCATION," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 788-98 (FIN) and H.B. No. 3363, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE OPTIMAL HEALTH OF AT-RISK PREGNANT WOMEN AND THEIR BABIES," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 789-98 (FIN) and H.B. No. 144, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO RETIREMENT BENEFITS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 790-98 (FIN) and H.B. No. 3037, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS DEVELOPMENT CORPORATIONS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 791-98 (FIN) and H.B. No. 2487, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HURRICANE RELIEF FUND," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 792-98 (FIN) and H.B. No. 2572, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO DISASTER RELIEF," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 793-98 (FIN) and H.B. No. 3110, as amended in HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE TREATMENT OF TEENAGERS DEPENDENT ON DRUGS," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 794-98 (FIN) and H.B. No. 2560, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 795-98 (FIN) and H.B. No. 3625, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT REORGANIZATION," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 796-98 (FIN) and H.B. No. 2499, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO FOREIGN CAPITAL DEPOSITORIES," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 797-98 (FIN) and H.B. No. 3071, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYEES HEALTH FUND," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 798-98 (FIN) and H.B. No. 2564, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 799-98 (FIN) and H.B. No. 2557, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO REGULATORY PROCESSES," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 800-98 (FIN) and H.B. No. 2566, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO STATE GOVERNMENT," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 801-98 (FIN) and H.B. No. 2567, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE DUPLICATION OF GOVERNMENTAL SERVICES," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 802-98 (FIN) and H.B. No. 3199, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO PRIVATIZATION," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

Stand. Com. Rep. No. 803-98 (FIN) and H.B. No. 2554, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO TOURISM," were placed on the calendar for Third Reading on Tuesday, March 10, 1998.

ADJOURNMENT

At 12:00 o'clock midnight, the House of Representatives adjourned until 9:00 o'clock a.m., Tuesday, March 10, 1998.