

TWENTY-SIXTH DAY

Friday, March 5, 1999

The House of Representatives of the Twentieth Legislature of the State of Hawaii, Regular Session of 1999, convened at 3:09 o'clock p.m., with the Speaker presiding.

The invocation was delivered by Representative Colleen Meyer, after which the Roll was called showing all members present with the exception of Representatives Kaho'ohalahala, Moses, Okamura, Stegmaier, Takamine and Yoshinaga, 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. 190, transmitting copies of the Hawaii Paroling Authority's Annual Report, July 1, 1997 - June 30, 1998, prepared pursuant to Chapter 353, Hawaii Revised Statutes, was received and announced by the Clerk and was placed on file.

DEPARTMENTAL COMMUNICATION

Dept. Com. No. 8 from Marion M. Higa, State Auditor, Office of the Auditor, State of Hawaii, informing the House that the Auditor's Office was unable to conduct the review requested by Section 2 of Act 90, SLH 1992 which states: "Academic standards shall be adopted by the Board of Acupuncture and shall be reviewed by the Office of the Auditor who will report to the Legislature twenty days before the convening of the 1999 Regular Session," in the absence of adopted rules. The Director of Commerce and Consumer Affairs has informed the Auditor's Office that the directive relates to Section 436E-13(c), HRS, which requires the Board of Acupuncture to establish standards for certain academic designations in its rules, and the rule adoption procedures of Chapter 91, HRS have not been completed, was received by the Clerk and was placed on file.

SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 28 through 36) were received and announced by the Clerk and were placed on file:

Sen. Com. No. 28, transmitting Senate Bill No. 40, entitled: "A BILL FOR AN ACT RELATING TO PHYSICIAN ASSISTANTS," which passed Third Reading in the Senate on March 4, 1999.

Sen. Com. No. 29, transmitting Senate Bill No. 206, entitled: "A BILL FOR AN ACT RELATING TO WAGES AND COMPENSATION," which passed Third Reading in the Senate on March 4, 1999.

Sen. Com. No. 30, transmitting Senate Bill No. 480, entitled: "A BILL FOR AN ACT RELATING TO MEASUREMENT STANDARDS," which passed Third Reading in the Senate on March 4, 1999.

Sen. Com. No. 31, transmitting Senate Bill No. 810, entitled: "A BILL FOR AN ACT RELATING TO NOXIOUS WEED CONTROL," which passed Third Reading in the Senate on March 4, 1999.

Sen. Com. No. 32, transmitting Senate Bill No. 1063, entitled: "A BILL FOR AN ACT RELATING TO

AQUACULTURE," which passed Third Reading in the Senate on March 4, 1999.

Sen. Com. No. 33, transmitting Senate Bill No. 1132, entitled: "A BILL FOR AN ACT RELATING TO THE INSURANCE CODE," which passed Third Reading in the Senate on March 4, 1999.

Sen. Com. No. 34, transmitting Senate Bill No. 1262, entitled: "A BILL FOR AN ACT RELATING TO CAPTIVE INSURANCE," which passed Third Reading in the Senate on March 4, 1999.

Sen. Com. No. 35, transmitting Senate Bill No. 1280, entitled: "A BILL FOR AN ACT RELATING TO MOTOR CARRIERS," which passed Third Reading in the Senate on March 4, 1999.

Sen. Com. No. 36, transmitting Senate Bill No. 1478, entitled: "A BILL FOR AN ACT RELATING TO PLANTS," which passed Third Reading in the Senate on March 4, 1999.

On motion by Representative Yonamine, seconded by Representative Pendleton and carried, S.B. Nos. 40, 206, 480, 810, 1063, 1132, 1262, 1280 and 1478 passed First Reading by title and further action was deferred. (Representatives Kaho'ohalahala, Moses, Okamura, Stegmaier, Takamine and Yoshinaga were excused.)

INTRODUCTION

Representative P. Oshiro, on behalf of Representative Hamakawa and himself, introduced the attorneys in the Judiciary and Hawaiian Affairs Committee: Mr. Jeff Masatsugu, Mr. James Miura and Ms. Lori Kaizawa.

At 3:15 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 4:01 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>
27	Committee on Transportation, then to the Committee on Consumer Protection and Commerce
461	Committee on Water and Land Use, then to the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
680	Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
1018	Committee on Consumer Protection and Commerce, then to the Committee on Finance
1098	Committee on Water and Land Use, then to the Committee on Judiciary and Hawaiian Affairs
1125	Committee on Consumer Protection and Commerce
1403	Committee on Transportation, then to the Committee on Judiciary and Hawaiian Affairs

DEFERRED RESOLUTIONS

The following resolutions (H.R. Nos. 48 through 55) and concurrent resolutions (H.C.R. Nos. 61 through 66) were referred to committee by the Speaker:

H.R.**Nos.****Referred to:**

- 48 Jointly to the Committee on Public Safety and Military Affairs and the Committee on Health, then to the Committee on Finance
- 49 Committee on Public Safety and Military Affairs, then to the Committee on Finance
- 50 Committee on Public Safety and Military Affairs
- 51 Committee on Agriculture, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance
- 52 Committee on Health, then to the Committee on Finance
- 53 Committee on Public Safety and Military Affairs
- 54 Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
- 55 Jointly to the Committee on Consumer Protection and Commerce and the Committee on Legislative Management, then to the Committee on Finance

H.C.R.**Nos.**

- 61 Committee on Agriculture, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance
- 62 Committee on Health, then to the Committee on Finance
- 63 Jointly to the Committee on Human Services and Housing and the Committee on Public Safety and Military Affairs, then to the Committee on Legislative Management, then to the Committee on Finance
- 64 Committee on Public Safety and Military Affairs
- 65 Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
- 66 Jointly to the Committee on Consumer Protection and Commerce and the Committee on Legislative Management, then to the Committee on Finance

COMMITTEE REASSIGNMENTS

The following House Bills were re-referred to committee by the Speaker:

H.B.**Nos.****Re-referred to:**

- 247 Committee on Economic Development and Business Concerns, then jointly to the Committee on Consumer Protection and Commerce and the Committee on Judiciary and Hawaiian Affairs
- 367 Committee on Water and Land Use

645 Committee on Public Safety and Military Affairs

1028 Jointly to the Committee on Economic Development and Business Concerns and the Committee on Transportation

SUSPENSION OF RULES

On motion by Representative Yonamine, seconded by Representative Pendleton and carried, the rules were suspended for the purpose of considering bills on Third Reading on the basis of a modified consent calendar. (Representatives Goodenow, Kanoho, Morihara, Moses, Nakasone, Okamura, Takai, Takamine, Takumi and Yoshinaga were excused.)

UNFINISHED BUSINESS**Stand. Com. Rep. No. 749 and H.B. No. 180, HD 1:**

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 180, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AN ALIEN SPECIES COORDINATOR," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 750 and H.B. No. 1144, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1144, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE TRAINING OF EMERGENCY MEDICAL SERVICES PERSONNEL," passed Third Reading by a vote of 47 ayes to 1 no, with Representative McDermott voting no, and Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 751 and H.B. No. 1454, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 1454, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Marumoto rose and stated:

"I speak in favor but would like to express a reservation.

"I am opposed to one part of the bill which imposes a five dollar fee for the administrative cost of the District Court which is associated with the processing of traffic citations. I wonder whether this fee is excessive or should be abolished totally.

"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. 1454, HD 2, entitled: "A BILL FOR AN ACT RELATING TO FEES," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Rath voting no, and Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 752 and H.B. No. 992, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 992, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF CERTIFICATES OF IDENTIFICATION," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 753 and H.B. No. 1660, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1660, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HIGHER EDUCATION," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 754 and H.B. No. 139, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 139, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Whalen rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, the bill is designed to give legal effect to the federal law to require hiring locally for unemployment when the unemployment rate is above the national average. And the way it is written, obviously it's a Senator Inouye bill that basically affects Hawaii and Alaska.

"In reading the bill, it deals almost entirely with a business. It has nothing to do with employment. It's in our State Procurement Code, and it has to do with businesses that are operated out of the State. It has almost nothing to do with what is a local resident in terms of hiring an employee.

"I believe the intention of this Legislature is to put something in our law to define it so that we can require that local people are hired. However, we are sticking it in the Procurement Code with a local resident being defined basically as a business.

"My fear is one, that we won't be able to accomplish the purpose for the federal legislation; and two, that this will grow into a 'monster' that will give benefits to particular businesses here in Hawaii to the exclusion of others.

"Thank you, Mr. Speaker."

Representative Herkes rose in support of the measure, stating:

"A lot of what the previous Representative says is true. We have been struggling with how to properly word this bill and whether or not it should be in the Procurement Code or not.

"This bill has a long way to go and there's still a lot of work to do on it. I acknowledge that. But we felt it was very, very important to keep it alive, even if there are some changes that need to be made to it.

"I urge your support."

Representative Rath rose in opposition to the measure and requested that the comments of the Representative from South Kona be inserted 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. 139, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FEDERAL CONSTRUCTION," passed Third Reading by a vote of 46 ayes to 2 noes, with Representatives Halford and Rath voting no, and Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 755 and H.B. No. 461, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 461, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative McDermott rose in opposition to the measure, stating:

"My concern with this is, we are putting it on the back of drivers' licenses, as I recall, and my concern is down the road. If someone gets in a car accident and they go to a hospital, will the doctors first feel compelled to look for this guy's driver's license and try to pull out the advanced health care directives before they give him emergency medical treatment? And if they don't, will they be sued by attorneys? That is my concern.

"I am sure that the folks who prepared this measure don't envision that happening right now, but as we know the business for lawyers is awfully bad right now, so I am sure they could meander some kind of way to put their foot in the door on that.

"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. 461, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MEDICAL DECISIONS," passed Third Reading by a vote of 47 ayes to 1 no, with Representative McDermott voting no, and Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 756 and H.B. No. 1061, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1061, HD 2, entitled: "A BILL FOR AN ACT RELATING TO GRANTS AND SUBSIDIES," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 757 and H.B. No. 152, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 152, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR HIGHER EDUCATION," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 758 and H.B. No. 1274, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1274, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TRAUMATIC BRAIN INJURY," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 759 and H.B. No. 532, HD 3:

Representative Case moved that the report of the Committee be adopted and H.B. No. 532, HD 3, pass Third Reading, seconded by Representative Yonamine.

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

"Mr. Speaker, this legislation mirrors in part the Florida State Educational Equity Act passed in the Florida Legislature over three years ago. The historical changes in Florida have ensured the State's compliance with Title IX, avoided Title IX lawsuits at the high school level, and at last ended the systemic discrimination against girls in athletics. This is not a bill that blames anyone -- its purpose is to state that we need to do better and we need to work together to do it.

"Meda Chesney Lind of the Women's Studies Department of the University of Hawaii states that a comprehensive study of 112 youth-oriented programs for both delinquent and non-delinquent youth in Hawaii show that less than 8 percent provide services to girls between the ages of 9 and 15.

"On a basic level, girls are at a disadvantage in a world that favors male modes of being. Therefore, programs should start early to address not only academics, but also sports, to give

girls exposure to non-gender-limiting career, vocational and sports opportunities.

"This is a very important bill for those girls, boys, an important bill for all of us. And it is a bill that is very important to the Women's Caucus here in our Legislature.

"I just would like to close with a quote from Elizabeth Cady Stanton as she addressed the New York State Legislature on Women's Rights in 1854, and she said: 'Many times and often, it has been asked with unaffected seriousness: "What do you women want? What are you aiming at?"Let us say, in behalf of the women of this state; we ask for all that you have asked for yourselves.'

"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. 532, HD 3, entitled: "A BILL FOR AN ACT RELATING TO GENDER EQUITY IN SPORTS," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 760 and H.B. No. 988, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 988, HD 2, pass Third Reading, seconded by Representative Yonamine.

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

Representative Pendleton's remarks are as follows:

"Mr. Speaker and honorable colleagues of the House, this bill is in regards to an act making an emergency appropriation for state government to implement Year 2000 compliance efforts.

"I am normally a bit skeptical of emergency appropriations that come before the House. We generally should plan for enough money in advance to be able to rely on the biennial budget appropriations. However, HB 988 HD2 is one bill that I believe will fund an effort that is critical to a smooth transition into the new millennium.

"On today's OD, there is also a bill that will offer the State immunity from any liability that may arise from errors in State-owned computer-based systems. As I have mentioned before, I fully support HB 1105 HD2, provided that it is implemented in tandem with a continually aggressive effort by DAGS to test, modify, and support the State's computer systems for Year 2000 compliance. It is my understanding that this bill provides the necessary additional funding to do that.

"Potential consequences of the so-called Y2K bug, or the incapability of older computer-based systems to accommodate a four-digit delineation of the year 2000, are far-reaching and serious. Non-compliance with Y2K standards poses frightening risks to State agencies should even half of the predictions that have been made come to fruition. This is not a matter that the State of Hawaii can remain passive on.

"We must take immediate action in the remaining nine months of the year to update and replace, where necessary, all computer-based systems that are a threat to the safekeeping of State records, accounts, data, and calculations. We must also evaluate imbedded chip systems.

"The fabric of American society is heavily interwoven with high-technology. Each of us here today in this chamber have bank accounts, investments, and travel plans that we rely upon daily and do not want disrupted. Neither do we want next year's budget even further disabled by Y2K complications, computer malfunctions, or liability. This appropriation will

ensure that the ohana and keiki of Hawaii are protected and that the State's interests remain untouched by the Y2K bug.

"For the above reasons, Mr. Speaker, I urge that we pass HB 988 HD2. Such an appropriation of funding for the Y2K compliance efforts by DAGS can only be a wise investment for a safe transition from December 31, 1999 to January 1, 2000.

"Thank you for this opportunity to speak in support of this bill."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 988, HD 2, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR STATE GOVERNMENT TO IMPLEMENT YEAR 2000 COMPLIANCE EFFORTS," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 761 and H.B. No. 1018, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1018, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 762 and H.B. No. 895, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 895, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY MEDICAL SERVICES," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 763 and H.B. No. 1575, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 1575, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Arakaki rose in strong support of the measure, stating:

"I just want to add some comments because I think a lot of our colleagues may not know about the Millennium Young People's Congress.

"Mr. Speaker and colleagues, this October will mark one of the most auspicious events that may well determine the fate of this planet and those who live on it as we move into the next millennium. And it will happen right here in Hawaii.

"The Millennium Young People's Congress assembles one thousand of the world's most talented young people, ages 15 to 18, from 189 countries to set the priorities for the 21st century. These youths, including 250 of Hawaii's young people, will meet with 50 adult mentors and United Nations dignitaries here in Honolulu to determine key priorities for sustaining and improving life in every nation in this world. The Congress is sponsored by the Peace Child International, a London-based nonprofit organization, and endorsed by the UNESCO and other United Nation agencies.

"The Congress is seen as a young people's Earth Summit to rekindle the momentum of the real Earth Summit of 1992. And since 1992, youths in 120 countries have been actively monitoring the progress of Agenda 21 Implementation, using sustainability indicators.

"And, Mr. Speaker, like the Miss Universe Pageant of a year ago, which the Legislature provided \$6 million in emergency funds, the Millennium Young People's Congress will provide for extensive collateral economic benefit, including worldwide exposure for Hawaii and Hawaii's convention center.

"Unlike the Pageant, however, it will not focus on or involve competition based on beauty and bodies. Instead, it will highlight the ideals, creativity, and intelligence of a generation that we will pass the torch of humanity's sake to.

"And unlike the Pageant of a year ago, you will not see young women traipsing around town, flaunting their physical attributes. Instead, you will see energetic young people planting a peace garden, cleaning our streams, feeding our homeless and hungry, and making friends with their peers.

"Finally, unlike the Pageant of a year ago, it will not involve a \$6 million emergency appropriation from the State. The greatest portion of funding will come from corporate sponsors and charitable trusts. All the bill asks for is a modest contribution of \$500,000 as a demonstration of our willingness to be host and partners, a small price to pay when you consider the ripple effect it will have on the future of this world, this country, and our State. The money, if granted, will help to provide a base of volunteers, including host families, for the thousand or so visitors who will take part in this Congress.

"The results of this Congress will be presented to government, business and community leaders. And products of this Congress include a one hour television documentary, a CD-Rom game, two books to be published in Hawaii, and an action fund for future youth projects.

"And the potential for the future of Hawaii, Mr. Speaker and colleagues, is we can establish Hawaii as a center for children and youth, health, education and welfare here in the Pacific. I urge all of you not only to support it, but, if possible, to take part in this Congress.

"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. 1575, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE MILLENIUM YOUNG PEOPLE'S CONGRESS," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 764 and H.B. No. 1119, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1119, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD PROTECTIVE SERVICES," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 765 and H.B. No. 1663, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1663, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 766 and H.B. No. 1181, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1181, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AQUATIC RESOURCES," passed Third Reading by a vote of 48 ayes,

with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 767 and H.B. No. 512, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 512, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 768 and H.B. No. 986, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 986, HD 2, entitled: "A BILL FOR AN ACT RELATING TO REMEDIES OF PART VII, CHAPTER 103D, HAWAII REVISED STATUTES," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 769 and H.B. No. 1017, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1017, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAM," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 770 and H.B. No. 221, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 221, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII TOURISM AUTHORITY," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 771 and H.B. No. 274, HD 3:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 274, HD 3, entitled: "A BILL FOR AN ACT RELATING TO FAMILIES," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 772 and H.B. No. 307, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 307, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HIGHER EDUCATION," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 773 and H.B. No. 1117, HD 3:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1117, HD 3, entitled: "A BILL FOR AN ACT RELATING TO THE CHILD PROTECTIVE ACT," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 774 and H.B. No. 163, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 163, HD 2, entitled: "A

BILL FOR AN ACT RELATING TO JURORS," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 775 and H.B. No. 1012, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1012, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CLEAN HAWAII FUND," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 776 and H.B. No. 550, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 550, HD 1, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS AND MAKING AN APPROPRIATION FOR THE RENTAL HOUSING TRUST FUND," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 777 and H.B. No. 1338, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1338, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC CONTRACTS," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 778 and H.B. No. 842, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 842, HD 2, entitled: "A BILL FOR AN ACT RELATING TO GLASS CONTAINER RECOVERIES," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 810 and H.B. No. 1153, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1153, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RETAIL LIQUOR SALES TO MINORS," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 811 and H.B. No. 374, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 374, HD 2, pass Third Reading, seconded by Representative Yonamine.

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

Representative Abinsay's remarks are as follows:

"Mr. Speaker, in order to advance the Agriculture Committee's goal in helping to promote Hawaii's agriculture industry, we needed to address different issues that are essential to achieve this purpose.

"One of the many difficult issues that the industry and farmers face is the issue of marketing and promotion. Because of the high cost of transportation, Hawaii's farmers really are at a disadvantage in the area of making their products competitive in the Mainland markets. It would be nearly impossible, cost-

wise, for each commodity to market and promote its product independently. So it has become very clear that the State must provide the agriculture industry some kind of assistance in establishing the necessary infrastructure for the efficient distribution and delivery of their products. We hope to accomplish this and get this project moving by having a distribution and consolidation center here in Hawaii and on the Mainland.

"This is what House Bill 374, House Draft 2, proposes to do. Therefore, Mr. Speaker and members, I ask all of you to support this very important 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. 374, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 812 and H.B. No. 248, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 248, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 813 and H.B. No. 1043, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1043, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES HEALTH FUND," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 814 and H.B. No. 1632, HD 3:

Representative Case moved that the report of the Committee be adopted and H.B. No. 1632, HD 3, pass Third Reading, seconded by Representative Yonamine.

Representative Herkes rose in support of the bill, stating:

"The ring spot virus decimated our market share on papayas, and this is an effort to try to get our market share back both in the Mainland United States and other world markets. It's unbelievable, the millions of pounds that we have lost. And now that we have solved the ring spot virus, it's time to get our market share back."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1632, HD 3, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 815 and H.B. No. 522, HD 3:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 522, HD 3, entitled: "A BILL FOR AN ACT RELATING TO THE SCHOOL-TO-WORK OPPORTUNITIES PILOT PROJECT," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 816 and H.B. No. 1165, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1165, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE OCCUPATIONAL SAFETY AND HEALTH TRAINING AND ASSISTANCE FUND," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 817 and H.B. No. 1035, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1035, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 818 and H.B. No. 1136, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1136, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE DRUG FORMULARY," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 819 and H.B. No. 460, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 460, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHECK CASHING," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 820 and H.B. No. 1036, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1036, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INVESTMENTS OF THE EMPLOYEES' RETIREMENT SYSTEM," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 821 and H.B. No. 557, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 557, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR TROPICAL FLOWER RESEARCH AND PROGRAMS," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 822 and H.B. No. 1064, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1064, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAII HURRICANE RELIEF FUND BONDS," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 823 and H.B. No. 1166, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1166, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYMENT AND TRAINING FUND PROGRAM," passed Third Reading by a vote of 46 ayes to 2 noes, with Representatives Herkes and

Stegmaier voting no, and Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 824 and H.B. No. 948, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 948, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE AGRICULTURAL WATER USE AND DEVELOPMENT PLAN," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 825 and H.B. No. 1042, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1042, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES HEALTH FUND," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 826 and H.B. No. 1380, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1380, HD 1, entitled: "A BILL FOR AN ACT MAKING AN INTERIM APPROPRIATION FOR THE DEPARTMENT OF AGRICULTURE, AGRICULTURAL RESOURCE MANAGEMENT DIVISION," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 827 and H.B. No. 980, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 980, HD 2, entitled: "A BILL FOR AN ACT RELATING TO IRRIGATION WATER DEVELOPMENT," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 828 and H.B. No. 98, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 98, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Meyer rose and requested that her comments be inserted into the Journal, and the Chair "so ordered."

Representative Meyer's comments are as follows:

"I am rising in opposition to House Bill 98. The reasons for my no vote are threefold: the bill increases the Employees' Retirement System's unfunded liability, and severely increases the State and County governments' ERS appropriations.

"Act 339, passed in 1990, was in effect a pension bonus for pensioners who served the government for ten or more years. House Bill 98 is aimed at extending this bonus to June 30, 2001. Although the bill asks to merely extend these benefits for another two years, this extension will increase the Employees' Retirement System unfunded liability by \$37.5 million! In addition, annual State and County governments' appropriations to the Employees' Retirement System will be increased \$3.7 million. These appropriations will come from the general fund.

"With the State of Hawaii's declining economic condition as well as shrinking tax revenues, passing House Bill 98 is a dangerous proposition at this time."

Representative Rath rose in opposition to the bill, stating:

"Just a short comment. This is an unfunded liability and poor fiscal management. 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. 98, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PENSIONERS' BONUS," passed Third Reading by a vote of 46 ayes to 2 noes, with Representatives Meyer and Rath voting no, and Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 829 and H.B. No. 1088, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 1088, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Thielen rose to speak against the bill, stating:

"This is the bill that will authorize the Board of Education to determine the starting age for children entering kindergarten and the first grade. We dealt with this bill somewhat last year, and this is just a further implementation of the concept. It will allow the Board of Education to more specifically define when a child shall enter kindergarten.

"I am very concerned about the disproportionate impact that this bill can have, Mr. Speaker, on children whose primary language is not English, on children that may be being brought up in families where they are trying to primarily speak the Hawaiian language. The standards that the Board of Education could determine for whether or not a child of age five is ready for kindergarten could end up being quite discriminatory. It could have a very disproportionate effect upon youngsters who may be that their families or single parent don't have the resources available to read to the child, and do the other sorts of things that would prepare that child for school because that single parent is working such long hours.

"I think it is a mistake, Mr. Speaker. I think all of us are also aware of studies that have been done where a child that's a slow learner has been put into a class and the teacher has been told that child is really an exceptional student -- very intelligent. The dramatic results that come about when the teacher thinks that child is very intelligent, treats that child as very intelligent, that child then produces.

"So right now we are going to categorize a whole segment of our five-year olds as not ready for school. If it's not bad enough at the beginning, just think about the problems we are going to create at the end when you have youngsters that are a heck of a lot older and they're entering their high school years. They're much more mature than the students who are their classmates.

"I don't like this. We're segregating people, Mr. Speaker. I just don't like this concept, and we're taking steps backward instead of going forward.

"Thank you."

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

"Mr. Speaker, one of the biggest problems facing our elementary schools is the student lack of school preparedness. Both the principals and teachers across the State are being faced with a growing number of incoming kindergarteners who are not developmentally ready to attend school.

"The purpose of House Bill 1088 is to allow the Board of Education to determine the starting ages of both kindergarteners and first graders. Students entering school at too early an age are at a disadvantage to other students lacking the maturity needed to succeed in school. Research has shown that

attending school too early hampers progress and has far-reaching implications.

"The Committee finds that allowing the Board of Education to set the starting age will be beneficial to the students involved and the system in general. Better prepared students lead to better students.

"An important factor of success in school is readiness. Sending children to school too early is setting them up for failure. If we want to better ensure our students' success in school, we need to start them on the right foot and send them to school ready. This bill helps to make sure children come to school ready to succeed.

"Thank you, Mr. Speaker."

Representative Fox rose to speak against the bill, stating:

"The Good Beginnings Alliance has cautioned members of the Legislature to take a very close look at this bill. For one thing, they point out that the age at which somebody is developmentally appropriate for education varies from child to child. So you can easily have a situation, if you set up an arbitrary time period before which somebody should not attend school, essentially telling people that are developmentally ready for school, that they can't go there.

"The Good Beginnings Alliance also points out that the question of when somebody starts free and universal education is a policy question and one properly to be made by the Legislature and not to be left to the Board of Education.

"And the Good Beginnings Alliance also points out, as has the previous speaker, the Representative from Kailua, that the burden of going to school late will fall disproportionately on the shoulders of those who have less income and are less able to provide for their children.

"I think we are making a big mistake if we take this out of the hands of the Legislature and turn it over to people who are essentially driven by the concerns of teachers rather than by the concerns of the people who are entering school.

"Thank you, Mr. Speaker."

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

"Just to ask that the comments of the Chair of the Education Committee be included as though they were my own (the Chair 'so ordered'), and also to emphasize one point that he made, which is that this is a perfectly appropriate area for the Board of Education to decide. They have the deliberative process that they can use. They can consult with educational authorities. They can talk to parents. They can spend the time, as long as they need to, to come up with the policy that truly supports children. That's what the aim is -- not to support the people, not to support teachers, but what works for children.

"Thank you, Mr. Speaker."

Representative Pendleton rose in opposition to the measure and requested a potential conflict ruling, saying that his wife is a member of the Board of Education, and the Chair ruled "no conflict."

Representative Pendleton then spoke against the measure, stating:

"Mr. Speaker, the reason why I am voting in opposition to this is based on the remarks of the Chair of the Education Committee. Initially I felt, from reading the bill, that basically all this does is allow the Board of Education to look at this issue and for them to determine, and I feel comfortable and have full confidence in the Board of Education.

"But from the Chair of the Education Committee's remarks, it seems to me that we're either pushing them or edging them towards adjusting the birth date requirements so that you may have to, in fact, be older to be in kindergarten. If that's the intent and if that's the message we're sending with this bill, then I am opposed to that. Personally, I think we should leave the birth dates where they are to afford parents the latitude to either put them in kindergarten or keep them home a little bit longer, and I think that's a good thing to allow that decision to be made by the parents.

"I have confidence that the Board of Education has the skills and qualifications to address this issue. But again, I am voting no, and I want my no vote to be interpreted as in opposition to any kind of signal we may be sending to the Board of Education that we need to alter the requirements in terms of how old they should be, or tell them maybe have a one time savings of money by having them have to be old in order to go to school.

"So for those reasons, Mr. Speaker, I'm voting in opposition to this measure."

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

"I just want to briefly comment on the kind of testimony that we received in the Finance Committee on this measure. And I think for the studies that we have heard, they were really quite shocking. You know, I should maybe disclose that I was a four-year old student myself and I don't know what that says. But these studies were showing about suicides, young teenage girls, and that if they had been into kindergarten as four-year olds, they were about nine times more likely. We're not really studying figures.

"Again, this is something that we need to be careful about, especially as some of the experts testified that it's not an intellectual thing. Sometimes the psychological pressures, things like that, can add to problems and this goes maybe to even the Felix situation. So we need to be very careful about when we let children in, so I urge passage of this measure.

"Thank you."

Representative Whalen then rose in favor of the bill, stating:

"I'm sure that this isn't a partisan issue.

"Mr. Speaker, I'm a little bit confused by some of the speeches, shall we say. Some of the members who have spoken out have consistently said that what we need is an elected, empowered Board of Education. The way I read the bill, Mr. Speaker, is that it empowers the Board of Education to make this decision.

"There are some of us here who have been strong proponents of the Board of Education deciding their budget, having the authority to actually run our public schools. This, to me, is half of a drop in the bucket of what we should be giving the Board of Education to do. If we're going to trust them to run the budget, to dictate policy for schools, they make curriculum decisions, deciding what the age should be for children to enter school, if they can't handle that, then we shouldn't even have a Board of Education. And I would just like my support for the bill to be noted.

"Thank you, Mr. Speaker."

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

"I would just like to add one thing, that we're going to a different kind of school day nowadays. You have all kinds of schools -- all year-round, and you have some that go at different

intervals. Therefore, that has to be considered when you put children into school at the early age of five or six and so forth. And I think the right people to look at it should be the Board of Education who does the curriculum.

"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. 1088, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL ATTENDANCE," passed Third Reading by a vote of 42 ayes to 6 noes, with Representatives Ahu Isa, Fox, Meyer, Pendleton, Rath and Thielen voting no, and Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 830 and H.B. No. 979, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 979, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL LOANS," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 831 and H.B. No. 898, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 898, HD 2, pass Third Reading, seconded by Representative Yonamine.

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

Representative Abinsay's remarks are as follows:

"Mr. Speaker, this bill establishes a separate agricultural water supply and delivery system under the Board of Agriculture for the Upcountry Kula region on Maui. Kula's high elevation and favorable climate make it one of the most productive agriculture areas in the State. However, the area suffers from inconsistent and inadequate agricultural water supply. The shortage of irrigation water has forced farmers to cultivate smaller areas of their farms and has caused crop losses during periods of drought.

"Subdivisions and new construction continue to increase water demands in the Kula area. The development of the Department of Hawaiian Home Lands residential and agricultural subdivisions in Waiohole and Keokea will further decrease the available supply of agricultural water to the existing farmers in the Upcountry area.

"Mr. Speaker, again, this is in line with the Committee's thrust of helping to develop agriculture to its fullest potential. Therefore, I urge everyone to support this very important 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. 898, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE ESTABLISHMENT OF AN AGRICULTURAL WATER SYSTEM FOR UPCOUNTRY MAUI," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 832 and H.B. No. 333, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 333, HD 2, pass Third Reading, seconded by Representative Yonamine.

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

Representative Abinsay's remarks are as follows:

"Mr. Speaker, House Bill 333, House Draft 2, is an appropriation bill to continue research and development for various agricultural commodities. After the closing of sugar plantations, diversified agriculture has become one of Hawaii's fastest growing industry. And with the expansion of diversified agriculture, several commodities are faced with disease and pests that affected their crops, such as nematodes in anthuriums, the papaya ring virus or PRV, the banana chunchy top virus, and sailborne diseases and pests in ginger roots.

"The agriculture industry needs to continue the research and development in order to stimulate growth and develop new and improved products to sustain Hawaii's agricultural commodities.

"Mr. Speaker and colleagues, please join me in supporting this very important measure.

"Thank you very much."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 333, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR AGRICULTURE," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 833 and H.B. No. 547, HD 3:

Representative Case moved that the report of the Committee be adopted and H.B. No. 547, HD 3, pass Third Reading, seconded by Representative Yonamine.

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

Representative Arakaki's remarks are as follows:

"The Need for an Organ and Tissue Donation Program: The numbers fluctuate, but there are about 170 to 200 persons in Hawaii currently awaiting a solid organ, such as heart, liver, lungs, or kidneys. There are other patients for whom bond tissue or corneas or heart valves would help improve their quality of life. What can be done immediately to help these people obtain the needed solid organ, tissue, or cornea? From most accounts, the immediate solution is to obtain consent for an organ donation -- either from the dying themselves or their next of kin. Although the need for a solid organ has been the primary focus of this report, consent is still needed to retrieve tissue, bond, corneas, heart valves and other parts. The most efficient and publicly acceptable means of obtaining an organ would be without exception, to persuade every seriously injured and dying person or their families to consent to donate their organs. Determination of organ donation suitability can be made after the patient has agreed to donate.

"The Odds of Obtaining Consent: A review of the local Hawaii data indicates that the current odds for obtaining consent at the time of death (or just prior to death) is poor -- less than one percent, a far reach from the 26 percent of all motor vehicle drivers who have indicated they are willing to be donors when they die. But as will be described shortly, the shortage of donated organs can be explained as partly due to the necessity of seeking good, viable organs without relaxing rules for quality.

"According to the Organ Donor Center of Hawaii's estimates, about 56 percent of all deaths were reported to the ODCH in 1997 from the seventeen acute care hospitals in the

State. According to Executive Director Robyn Kaufman, a pilot project of routine referral that began in 1994 was applied statewide from 1995. Routine referral is a process provided by the UAGA whereby a hospital's medical personnel upon identifying a dying person who could be a suitable donor, notifies the ODCH and efforts are made to secure consent to retrieve that dying person's organs, tissue, or eyes.

"Donor organs from deaths on neighbor islands can be brought to Honolulu on commercial flights or air ambulance when necessary. Tissue recovery is possible as long as an operating room is available. The ODCH has five nurses who have been trained in how to approach families for donation. Hospital employees, including chaplains, social workers, and the like are also trained by ODCH personnel in the techniques of handling organ donation requests. Although recent news articles reported Hawaii at the bottom of the donation list among the 63 organ banks across the country, a state by state comparison is not a fair comparison because on the Mainland some OPOs may serve areas in several different but adjacent states. There are also five states with no transplant programs. Hawaii happens to have only one OPO and it serves the entire State of Hawaii. Only a few organs donated in Hawaii may be transported to a patient outside the State depending on the organs' viability and tissue match with the recipient.

"According to the Organ Donor Center of Hawaii, the number of donors has remained between 12-15 annually since the establishment of the Center in 1987. In 1995 from about 7,500 deaths statewide, there were 11 solid organ donors; in 1996, from 7,800 deaths, there were 13 donors of solid organs; in 1997, from 8,000 deaths, in addition to 18 donors of solid organs, there were 66 eye and 25 tissue donors. In the first half of 1998, of 4,000 deaths, only 6 donors of solid organs have been found. Any reader would agree that this is not a record that would gladden the heart of a person on the transplant waiting list. But realistically, the ODCH estimates that of 8,000 deaths statewide, only about 100 (1.25 percent) would be able to provide suitable solid organs. There are many reasons for the small number of suitable donors. First, a death must occur in an acute care hospital for organs to be properly maintained for transplantation. Second, there are diseases that may eliminate a donor, such as hepatitis, AIDS, and the like. Third, organs from persons over 70 years old may be eliminated as over age (although other parts such as corneas may still be recovered). Therefore, even under ideal conditions this State would probably still have patients on the waiting list for organs.

"While this appears to be dismal news, Hawaii is one of many states trying to find ways to increase organ donation. The nationwide shortage of solid organs can be explained by the growth of transplantation overall. In the United States since 1986 '...the number of organ donors has increased by only 33 percent, while the transplant waiting list has grown by 250 percent. As of June 3, 1998, 56,222 individuals were on the waiting list for a transplant, but the number of organs transplanted from cadaveric donors in 1997 numbered only 17,032. Preliminary 1997 data compiled by the Organ Procurement and Transplantation Network contractor indicates that the number of donors (5,475 in 1997) increased by only 54 donors or by less than one percent over the 5,421 donors in 1996.' This shortage of suitable donors for transplant recipients extends to foreign countries as well.

"If there is any consolation for transplant patients on the Hawaii waiting list, it is that no state has reached a level of surplus organs and that Hawaii's experience is not unique. Unfortunately, awareness of the national need for organs puts Hawaii's needs in perspective, but does not help to reduce demand for organs locally nor does it reduce the desperate condition of some ill individuals that can only be alleviated with a suitable organ match.

"House Bill 547 will provide the needed support and policy direction to assure appropriate matches. As a board member of

the Minority Organ Tissue Transplant and Education Program, I urge all of you to support the bill.

"Mahalo!"

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

"Mr. Speaker, together with some of our colleagues here, I have had the opportunity of working as a volunteer in the many drives of the Organ Donor Center of Hawaii, and I am currently serving also as a member of the Advisory Board of the MOTTE Program or the Minority Organ Tissue and Training Education Program.

"We have worked hard in this effort to increase the number of organ donors in Hawaii, and I have been involved in this effort for quite a number of years. I would say that it is very familiar to me, especially with the minority ethnic groups. Also, our cultural and religious beliefs prevent them from making this commitment. But the tissue and organ donors, Mr. Speaker, in this State of Hawaii has reached its critical point and I think we are all aware of that, especially among the minority.

"This bill would provide the necessary dollars to encourage and educate individuals and families in the importance of becoming an organ donor. It is a gift of life and you know, Mr. Speaker, it is very heartening for me to see that finally we have something in the form of legislation that aims to address this issue.

"Thank you, Mr. Speaker."

Representative Pendleton rose in strong support of this measure and asked that his remarks be inserted into the Journal, and the Chair "so ordered."

Representative Pendleton's remarks are as follows:

"Mr. Speaker, this bill seeks to facilitate a means to increase the supply of organs for transplant recipients. I support this bill wholeheartedly. I first learned about this bill from my friend Chris Pablo, and I thank him for educating me about what the State can do to help. By creating a funding mechanism, improving awareness, and better coordinating the resources of hospitals and the organ donor procurement organizations through an advisory committee, this bill has the potential to make a real difference in the lives of so many of Hawaii's citizens.

"I note with interest that throughout the process of bringing HB 547 HD3 before this legislative body, that there was not one vote in opposition. Some minor amendments have been made, but the spirit and intent of this bill are undeniably sound and just. The need for something like this was just plain good sense.

"Mr. Speaker, when you consider that 8-10 people die every day in this country because of the shortage of organs for transplantation, this really drives the issue home. And here at home in Hawaii, our unique ethnic makeup makes the matter even more serious. The best donor matches are between people of the same ethnicity. In Hawaii, where the many so-called minorities together form the majority, the pool of potential donors is severely limited. In our islands, 200 patients await organs and tissues that will save their lives and enhance their way of living. Even closer to home, for me as a Filipino, I was further alarmed to learn that of the 181 kidney patients in Hawaii, fifty-five are Filipinos. They constitute the largest number of patients waiting and yet have the least number of donors.

"Unfortunately, Mr. Speaker, many other factors, most of which are avoidable, such as lack of public awareness may mean the difference between life and death for some of these

people. None of the major religions practiced in Hawaii prohibit organ donation. Most of us get the opportunity to think about the subject, if only briefly, when we renew our drivers' licenses. However, most people don't really consider this issue seriously until it is too late. When the public learns, as we have, to view organ donation as a gift that can and has saved the lives of people they know and love, we will have made a lasting contribution to our State, a contribution whose legacy will span generations. House Bill 547 HD3 is the beginning of that legacy. By enacting this bill, we literally save lives. We will also give others the opportunity to make their lives even more meaningful.

"Thank you, Mr. Speaker, for the opportunity to speak in support of this important measure regarding anatomical gifts. I urge my colleagues to support HB 547, HD3."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 547, HD 3, entitled: "A BILL FOR AN ACT RELATING TO ANATOMICAL GIFTS," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 834 and H.B. No. 743, HD 3:

Representative Case moved that the report of the Committee be adopted and H.B. No. 743, HD 3, pass Third Reading, seconded by Representative Yonamine.

Representative Meyer rose in opposition to the bill and asked that her remarks be inserted into the Journal, and the Chair "so ordered."

Representative Meyer's remarks are as follows:

"Mr. Speaker, I would like to speak against the passage of House Bill 743, House Draft 3. The goal of this bill is to include advanced practice registered nurses (APRN) as providers of health care under workers compensation, no-fault, and prepaid health care plans.

"This is a dangerous bill for several reasons. For example, once we start covering costs for APRN's, costs that should be limited to medical doctors, we are opening the flood gates so that anyone who provides a medical service can be covered. In addition, if we include advance practice registered nurses as providers of health care, the cost of insurance will rise dramatically and so will the potential of fraudulent health care insurance claims.

"In these tough economic times, where the cost of health care is already out of the reach of many, we cannot afford to raise the cost of receiving care. If health care costs rise and effectively price people out of basic care, this will bring about highly detrimental results to the State of Hawaii. In short, we cannot afford to pass this bill."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 743, HD 3, entitled: "A BILL FOR AN ACT RELATING TO ADVANCED PRACTICE REGISTERED NURSES," passed Third Reading by a vote of 46 ayes to 2 noes, with Representatives McDermott and Meyer voting no, and Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 835 and H.B. No. 1006, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1006, HD 2, entitled: "A BILL FOR AN ACT RELATING TO A SENTENCING SIMULATION MODEL," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 836 and H.B. No. 622, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 622, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 837 and H.B. No. 1367, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1367, HD 2, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR THE PROTECTION OF CHILDREN AND FAMILIES," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 838 and H.B. No. 1352, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1352, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR OCEANOGRAPHIC RESEARCH," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

STANDING COMMITTEE REPORTS

Representative Takamine, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 886) recommending that H.B. No. 326, HD 1, pass Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 326, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Representative Takamine, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 887) recommending that H.B. No. 1121 pass Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1121, entitled: "A BILL FOR AN ACT RELATING TO THE SUNSET CLAUSE IN ACT 128, SESSION LAWS OF HAWAII 1997," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Representative Takamine, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 888) recommending that H.B. No. 1115, HD 2, pass Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1115, HD 2, entitled: "A BILL FOR AN ACT RELATING TO FOSTER BOARDING HOMES," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Representative Takamine, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 889) recommending that H.B. No. 81 pass Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 81, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A

NANOTECHNOLOGY CENTER," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Representative Takamine, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 890) recommending that H.B. No. 989, HD 1, pass Third Reading.

Representative Case moved that the report of the Committee be adopted and H.B. No. 989, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Luke rose and asked for a potential conflict ruling, saying: "One of the claimants was represented by the law firm that I work for," and the Chair ruled "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 989, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE RELIEF OF CERTAIN PERSONS' CLAIMS AGAINST THE STATE AND PROVIDING APPROPRIATIONS THEREFOR," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Representative Takamine, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 891) recommending that H.B. No. 133 pass Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 133, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO FUND THE SMALL BUSINESS DEFENDER POSITION AND OTHER SUPPORT PERSONNEL ESTABLISHED UNDER ACT 168, SESSION LAWS OF HAWAII 1998," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Representative Takamine, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 892) recommending that H.B. No. 634, HD 1, pass Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 634, HD 1, entitled: "A BILL FOR AN ACT ESTABLISHING A COMMISSION TO CELEBRATE THE ONE-HUNDRETH ANNIVERSARY OF THE ARRIVAL OF THE PUERTO RICANS TO HAWAII," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Representative P. Oshiro, for the Committee on Judiciary and Hawaiian Affairs presented a report (Stand. Com. Rep. No. 893) recommending that H.B. No. 1180 pass Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1180, entitled: "A BILL FOR AN ACT RELATING TO THE LICENSE FOR IMPORTED MARINE LIFE," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Representative Takamine, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 894) recommending that H.B. No. 1049, HD 1, pass Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1049, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES HEALTH FUND," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Representative Takamine, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 895) recommending that H.B. No. 164 pass Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 164, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE III, SECTION 6, OF THE HAWAII CONSTITUTION, TO CHANGE THE ELIGIBILITY REQUIREMENTS FOR MEMBERSHIP IN THE SENATE OR HOUSE OF REPRESENTATIVES," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Representative Takamine, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 896) recommending that H.B. No. 440, HD 2, pass Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 440, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLED SUBSTANCES," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Representative Takamine, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 897) recommending that H.B. No. 148 pass Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 148, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE OFFICE OF THE LEGISLATIVE ANALYST," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

Representative Takamine, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 898) recommending that H.B. No. 1436, HD 1, pass Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1436, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LEGISLATIVE FISCAL AND BUDGET ANALYSIS," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

The Chair directed the Clerk to note that H.B. Nos. 180, 1144, 1454, 992, 1660, 139, 461, 1061, 152, 1274, 532, 988, 1018, 895, 1575, 1119, 1663, 1181, 512, 986, 1017, 221, 274, 307, 1117, 163, 1012, 550, 1338, 842, 1153, 374, 248, 1043, 1632, 522, 1165, 1035, 1136, 460, 1036, 557, 1064, 1166, 948, 1042, 1380, 980, 98, 1088, 979, 898, 333, 547, 743, 1006, 622, 1367, 1352, 326, 1121, 1115, 81, 989, 133, 634, 1180, 1049, 164, 440, 148 and 1436 had passed Third Reading at 4:36 o'clock p.m.

Representative P. Oshiro, for the Committee on Judiciary and Hawaiian Affairs, presented a report (Stand. Com. Rep. No. 899) recommending that H.B. No. 533, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 533, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII RULES OF EVIDENCE," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Moses, Okamura and Takamine being excused.

Representative P. Oshiro, for the Committee on Judiciary and Hawaiian Affairs, presented a report (Stand. Com. Rep. No. 900) recommending that H.B. No. 1430, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1430, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATUTORY REVISION: AMENDING, REENACTING, OR REPEALING VARIOUS PROVISIONS OF THE HAWAII REVISED STATUTES AND THE SESSION LAWS OF HAWAII FOR THE PURPOSE OF CORRECTING ERRORS AND REFERENCES, CLARIFYING LANGUAGE, AND DELETING OBSOLETE OR UNNECESSARY PROVISIONS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Moses, Okamura and Takamine being excused.

Representative P. Oshiro, for the Committee on Judiciary and Hawaiian Affairs, presented a report (Stand. Com. Rep. No. 901) recommending that H.B. No. 995, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 995, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ATTORNEYS' FEES," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Moses, Okamura and Takamine being excused.

Representative P. Oshiro, for the Committee on Judiciary and Hawaiian Affairs, presented a report (Stand. Com. Rep. No. 902) recommending that H.B. No. 1003, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1003, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HABITUAL CRIMINAL BEHAVIOR," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Moses, Okamura and Takamine being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 903) recommending that H.B. No. 648, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 648, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM MAINTENANCE FEES," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Moses, Okamura and Takamine being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 904) recommending that H.B. No. 1623, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1623, 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 Moses, Okamura and Takamine being excused.

Representative Takamine, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 905) recommending that H.B. No. 1692, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1692, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second and was placed on the calendar for Third Reading, with Representatives Moses, Okamura and Takamine being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 906) recommending that H.B. No. 647, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Case moved that the report of the Committee be adopted and H.B. No. 647, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Yonamine.

Representative Cachola rose and said:

"I would like to request a ruling of a possible conflict. There are a lot of bills here relating to condominiums and I own a condominium."

The Chair ruled "no conflict."

Representative Thielen rose and stated:

"Mr. Speaker, because the Representative from the 30th District asked for a potential conflict, I also own a condominium and I'm not sure if that is something that we need to disclose on this."

The Chair ruled "no conflict."

Representative Takai rose and asked for a potential conflict ruling, saying that he is an owner of a condominium and President of the Association, and the Chair ruled "no conflict."

Representative McDermott rose and remarked:

"Mr. Speaker, I own no property and I have no money."

Representative Kawakami rose and asked for a potential conflict ruling, saying that she owns a condominium, and the Chair ruled "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 647, 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 Moses, Okamura and Takamine being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 907) recommending that H.B. No. 411, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Case moved that the report of the Committee be adopted and H.B. No. 411, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Yonamine.

Representative Rath rose in opposition to the measure, stating:

"I'm afraid what we're doing is we're making the assumption that all consumers are not responsible, don't know what they're

doing. It basically goes to mean anti-business and interfering too much into people conducting business.

"This would lead to any major purchase. You would have a right of rescission. So if you're going to buy a ring in a jewelry store and it's five thousand dollars, which we have a three-day right of rescission, it would have to be offered. Once we start down that road, it impedes commerce, and for that reason I am against it."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 411, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLES," passed Second Reading and was placed on the calendar for Third Reading with Representative Rath voting no, and Representatives Moses, Okamura and Takamine being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 908) recommending that H.B. No. 1276, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1276, 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 Moses, Okamura and Takamine being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 909) recommending that H.B. No. 1411, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1411, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ACUPUNCTURE PRACTITIONERS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Moses, Okamura and Takamine being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 910) recommending that H.B. No. 1072, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Case moved that the report of the Committee be adopted and H.B. No. 1072, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Yonamine.

Representative Rath rose and asked the Clerk to record a no vote for him, saying:

"Basically, this is concerning reverse mortgages which are generally taken by the elderly. And this makes the same assumption that people don't know what they're doing and have to be counseled.

"There are already federal statutes for some loans like Fannie Mae and the like that require that, so it's a bit redundant. Thank you."

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. 1072, HD 1, entitled: "A BILL FOR AN ACT RELATING TO REVERSE MORTGAGES," passed Second Reading and was placed on the calendar for Third Reading with Representative Rath voting no,

and Representatives Moses, Okamura and Takamine being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 911) recommending that H.B. No. 107, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 107, 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 Moses, Okamura and Takamine being excused.

Representatives Menor and P. Oshiro, for the Committees on Consumer Protection and Commerce and Judiciary and Hawaiian Affairs, presented a joint report (Stand. Com. Rep. No. 912) recommending that H.B. No. 1267, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the joint report of the Committees was adopted and H.B. No. 1267, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FORECLOSURES," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Moses, Okamura and Takamine being excused.

Representatives Menor and P. Oshiro, for the Committees on Consumer Protection and Commerce and Judiciary and Hawaiian Affairs, presented a joint report (Stand. Com. Rep. No. 913) recommending that H.B. No. 1344, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the joint report of the Committees was adopted and H.B. No. 1344, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ATTORNEYS' FEES," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Moses, Okamura and Takamine being excused.

Representative Abinsay, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 914) recommending that H.B. No. 336, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 336, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PLANT AND NON-DOMESTIC ANIMAL QUARANTINE," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Moses, Okamura and Takamine being excused.

Representative Abinsay, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 915) recommending that H.B. No. 945, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 945, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL PARKS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Moses, Okamura and Takamine being excused.

Representative P. Oshiro, for the Committee on Judiciary and Hawaiian Affairs, presented a report (Stand. Com. Rep. No.

916) recommending that H.B. No. 1529, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1529, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ROBBERY," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Moses, Okamura and Takamine being excused.

Representative P. Oshiro, for the Committee on Judiciary and Hawaiian Affairs, presented a report (Stand. Com. Rep. No. 917) recommending that H.B. No. 67, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 67, 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 Moses, Okamura and Takamine being excused.

Representative P. Oshiro, for the Committee on Judiciary and Hawaiian Affairs, presented a report (Stand. Com. Rep. No. 918) recommending that H.B. No. 1004, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1004, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOMICIDE," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Moses, Okamura and Takamine being excused.

Representative P. Oshiro, for the Committee on Judiciary and Hawaiian Affairs, presented a report (Stand. Com. Rep. No. 919) recommending that H.B. No. 1007, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1007, entitled: "A BILL FOR AN ACT RELATING TO FIREARMS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Moses, Okamura and Takamine being excused.

Representative P. Oshiro, for the Committee on Judiciary and Hawaiian Affairs, presented a report (Stand. Com. Rep. No. 920) recommending that H.B. No. 1471, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1471, 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 Moses, Okamura and Takamine being excused.

Representative P. Oshiro, for the Committee on Judiciary and Hawaiian Affairs, presented a report (Stand. Com. Rep. No. 921) recommending that H.B. No. 1501, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1501, HD 1, entitled: "A

BILL FOR AN ACT RELATING TO WIRETAPPING AND ELECTRONIC SURVEILLANCE," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Moses, Okamura and Takamine being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 922) recommending that H.B. No. 664, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 664, HD 1, entitled: "A BILL FOR AN ACT RELATING TO REQUIRED RESERVES FOR A DEPOSITORY FINANCIAL SERVICES LOAN COMPANY," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Moses, Okamura and Takamine being excused.

Representative Takumi, for the Committee on Ocean Recreation and Marine Resources, presented a report (Stand. Com. Rep. No. 923) recommending that H.B. No. 1296, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1296, HD 1, entitled: "A BILL FOR AN ACT RELATING TO KANEOHE BAY," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Moses, Okamura and Takamine being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 924) recommending that H.B. No. 658, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 658, 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 Moses, Okamura and Takamine being excused.

Representatives Menor and P. Oshiro, for the Committees on Consumer Protection and Commerce and Judiciary and Hawaiian Affairs, presented a joint report (Stand. Com. Rep. No. 925) recommending that H.B. No. 1622, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the joint report of the Committees was adopted and H.B. No. 1622, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INTOXICATING LIQUOR," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Moses, Okamura and Takamine being excused.

Representative Takamine, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 926) recommending that H.B. No. 185, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 185, 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 Moses, Okamura and Takamine being excused.

Representative Takamine, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 927) recommending that H.B. No. 199, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 199, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE OLD KAIMUKI PUBLIC LIBRARY," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Moses, Okamura and Takamine being excused.

Representative Takamine, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 928) recommending that H.B. No. 1683, HD 1, as amended in HD 2, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1683, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HIGH TECHNOLOGY," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Moses, Okamura and Takamine being excused.

Representative Takamine, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 929) recommending that H.B. No. 1040, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1040, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AN EMERGENCY AND BUDGET RESERVE FUND," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Moses, Okamura and Takamine being excused.

Representative Takamine, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 930) recommending that H.B. No. 1039, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1039, HD 1, entitled: "A BILL FOR AN ACT PROPOSING AMENDMENT OF ARTICLE VII OF THE HAWAII CONSTITUTION TO ESTABLISH AN EMERGENCY AND BUDGET RESERVE FUND," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Moses, Okamura and Takamine being excused.

Representative Takamine, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 931) recommending that H.B. No. 1682, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1682, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INCOME TAX," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Moses, Okamura and Takamine being excused.

Representative Takamine, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 932) recommending that H.B. No. 1055, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Case moved that the report of the Committee be adopted and H.B. No. 1055, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Yonamine.

Representative Pendleton rose to speak against the bill, stating:

"Mr. Speaker, this bill has been submitted with the intent to consider the possibility of a personal property tax on cars, a tax which, to my understanding, we have never had. Our Caucus is in strong opposition of new taxes or increasing taxes.

"I don't think that at a time when we are trying to stimulate economic growth and we are concerned about creating jobs and growing businesses, that this is the right approach to take. So I vote in opposition to this particular measure.

"Also, for efficiency's sake, Mr. Speaker, if the Clerk could register a no vote for all Republican members present on this measure," and the Chair "so ordered."

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

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

At 4:38 o'clock p.m., Representative Yonamine asked for a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 4:40 o'clock p.m.

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

Representative Goodenow rose and stated:

"Mr. Speaker, this is only Second Reading so I will be brief. I stand in support of the measure.

"All we've talked about is the problem that our counties cannot raise their own revenues unless it is by raising property tax. We are trying to look for flexibility -- maybe general excise tax, maybe something like this. But at this point, because of our budget situation and we haven't had the Council on Revenues' forecast, we need to keep some vehicle moving for the counties due to the very serious fiscal crisis they are in, and we can't fool ourselves.

"So at this point, please register a yes vote for me. Thank you."

Representative Kawakami rose in support of the measure, stating:

"Mr. Speaker, it is only one of many options that we are giving the counties, and they can go ahead and do it or they don't have to do it. So it's an option.

"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. 1055, HD 1, entitled: "A BILL FOR AN ACT RELATING TO VEHICLE TAXES," passed Second Reading and was placed on the calendar for Third Reading with Representatives Auwae, Fox, Halford, Kahikina, Leong, Marumoto, McDermott, Meyer, Pendleton, Rath, Stegmaier, Thielen, Whalen and Yamane voting no, and Representatives Moses, Okamura and Takamine being excused.

Representative Takamine, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 933) recommending that H.B. No. 1056, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Fox rose in opposition to the measure, stating:

"This will raise the rental car tax which is an onerous tax that already hits all residents and tourists and, by the way, 25 percent of the people who rent cars in Hawaii are residents, increasing it by 50 percent, from two dollars to three dollars.

"Hawaii is the highest taxed state in the country. We don't need this additional tax, and I oppose it for that reason."

Representative Pendleton rose in opposition to the measure and asked that the remarks of the Representative from Waikiki be inserted into the Journal as his own (by reference only), "and for the sake of efficiency, Mr. Speaker, if the Clerk would register a no vote for the entire Caucus," and the Chair "so ordered."

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

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

Representative Goodenow rose and stated:

"Mr. Speaker, as Vice Chair of the Transportation Committee, I rise in support of the measure.

"You know, this again is a difficult kind of thing that we need to address. But the fact is, the Highway Special Fund is . . .

Representative Pendleton rose on a point of order and stated:

"Mr. Speaker, is he speaking to the contents, the language of the bill?"

The Chair answered:

"Yes, he is, in regards to the increase in the rental car surcharge," and asked Representative Goodenow to "please proceed."

Representative Goodenow continued, stating:

"As that money would go to the Highway Special Fund, the problem is, at this point, we're going to have to raise that to four cents. We're at a crisis point and our budget again, the Council on Revenues has not come out with the forecast. We don't know what kind of money is there. . .

Representative Pendleton again rose on a point of order and stated:

"Mr. Speaker, does this bill relate to the Council on Revenues?"

The Chair answered:

"No, it does not. Representative Goodenow, could you confine your remarks to the increase of the rental motor vehicle surcharge tax."

Representative Goodenow continued, saying:

"I certainly will. I'm trying to point out that we need to keep our revenue options open for the special fund. Because if we don't, we don't do this measure, we'll have to raise gas taxes perhaps even more. Ten cents? And that's going to be a cost that is going to be directly paid by the taxpayers.

"All this bill at this point is considering, is spreading that out and looking at maybe passing some of that cost to the tourist industry. And I know it's an uncomfortable point, but at this point -- the halfway point -- I think we need to realistically keep

a vehicle open to addressing the serious problem in our highway special fund.

"Thank you."

Representative Whalen rose in opposition to the bill, stating:

"I'm not trying to pick a fight but it appears to me like what we're doing. . .if I read the committee report correctly, we will be transferring from the highway special fund to the general fund the entire tax revenues collected under the rental motor vehicle and tour vehicle surcharge law. And I guess I could ask Representative Goodenow since he spoke in favor of it and in regards to protecting the highway fund -- is that correct?"

Representative Goodenow answered:

"No, that's not correct. That bill is introduced perhaps. . .

Representative Whalen interjected:

"Mr. Speaker, I'm making reference to the committee report that was filed from the Finance Committee, and I would assume the Finance Committee report. . .excuse me, I see where it has been deleted.

"Thank you, Mr. Speaker, for letting me make a fool of myself."

The Chair responded:

"Representative Whalen, I don't believe you did, but you did your job in questioning the Standing Committee Report."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1056, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE RENTAL MOTOR VEHICLE AND TOUR VEHICLE SURCHARGE TAX," passed Second Reading and was placed on the calendar for Third Reading with Representatives Auwae, Fox, Halford, Leong, Marumoto, McDermott, Meyer, Pendleton, Rath, Stegmaier, Thielen, Whalen and Yamane voting no, and Representatives Moses, Okamura and Takamine being excused.

THIRD READING

H.B. No. 1081, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 1081, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CORPORATIONS," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

H.B. No. 1541, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 1541, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PAWNBROKERS," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

H.B. No. 985, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 985, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

H.B. No. 1197, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 1197, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONFORMITY OF THE HAWAII INCOME TAX LAW TO THE INTERNAL REVENUE CODE," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

H.B. No. 854:

Representative Case moved that H.B. No. 854 pass Third Reading, seconded by Representative Yonamine.

Representative McDermott rose in opposition to the measure, stating:

"Mr. Speaker, if I remember correctly, this is a reduction in the special fund from \$90 million to \$45 million unless it has changed along the way -- educational facilities improvement fund.

"Certainly in my own district right now, and that's why I'm here to represent them, we have facilities there that are dilapidated and falling apart and we need to have them fixed. And I could not, in good conscience, support a cut in the fund that would help do that. Yet I understand there are concerns about the overall fiscal situation with the State which I am confused about because a few months ago we were hearing talk about a \$150 million surplus. With that kind of talk, I would like to hire my friend's detective agency to go find it. But in the meantime, I cannot support a reduction in this fund.

"Thank you."

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

"I would like to speak in favor of the subject bill, I believe it's 854, to give you some historic background. I was the Chairman of the Finance Committee when this special facilities fund first came about.

"All during these past years, approximately \$2 billion have been expended in GO bonds and in cash for school facilities. Nowhere else in the Nation do they have a special fund like this for school facilities. It is also my understanding that presently they have over \$280 million that's on the books, that is in reserve, that's not being used for the building of schools. It's in the planning stages. And my experience has been, it takes approximately five to seven years from the day of appropriation to the day the school is built. I see no danger at all in dropping it from \$90 million to \$45 million because of the time it takes to build the school and for the amount that is on the books that has not been planned and designed at this point.

"This is a temporary measure. It's only for two years. I think it will give the House and the Board of Education, and of course the Governor's Office, time to reevaluate the school facilities fund, the time it takes to build and if in fact we need to continue with the \$90 million. Maybe the figure can be adjusted in the future, but it's a good respite for the short period of time and it will not affect the school building at all.

"Thank you very much."

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

"Mr. Speaker, if you read the bill, this action would not forbid the DOE from receiving more than \$45 million per year, if the Legislature deems the need great enough.

"Education still remains the House of Representatives' highest priority. And this bill is not an outright rejection of the validity of the need for the Department of Education projects. Rather, these projects are being deferred for other priority

projects. The needs are great and many. We have had to make many difficult decisions. Other adjustments were made in recognition of the needs of the entire State.

"Also, I want to add that the fund that my good friend from Foster Village alluded to is not the facilities fund. It's the repair and maintenance fund which is an entirely different fund.

"Thank you, Mr. Speaker."

Representative Stegmaier rose in opposition to the measure, stating:

"I just wanted to mention that the draft that we're looking at today anyway does not say that it's for a temporary duration, so this could go on indefinitely. Thank you."

Representative McDermott rose and stated:

"I appreciate the comments of my colleagues and I understand the concerns and there are different pots of money. But in the last couple of weeks, I've been educating myself on this. I go to my own school district and I keep hearing: 'Well, why isn't it fixed?' 'Well, there's no money. There's no money. There's no money.' I keep hearing that broken window jalousies, and I know it's a different pot of money, but the high school that we have, we might as well just level that darn thing and build a new one. That's how bad it is. So I guess it could be either pot of money. But I just can't personally, in good conscience for my own district, support a reduction in this.

"Thank you."

Representative Kawakami then rose in strong support of the measure, stating:

"Following up on Speaker Emeritus' comments and discourse, I would like to say, first of all, that the fund was originally to be funded with cash, not general obligation bonds. The fund was originally to receive payments for six years, never in perpetuity. The original Act calls for the sunseting of this fund on June 30, 1999.

"In 1992, the annual remittance was temporarily changed and it went from cash to GO bonds. In 1993, the annual remittance was changed to allow either cash or borrowed money to be placed into the special fund and the funds' sunset dates were removed.

"I would like to say that in fiscal year 1989 through 1999, in the DOE's CIP projects, out of the money that was allocated, the grand total of previously appropriated and unexpended funds was \$329,770,951, unexpended. The grand total of unexpended previously appropriated funds for 1997 through 1999 for DOE CIP projects was \$287,014,481. So the rationale for this: we are requiring a minimum of \$45 million a year in GO bonds for deposit into the DOE special facilities fund rather than requiring \$90 million a year. I would like to say that the Department of Education still remains the highest priority for most of us, I am sure all of you.

"And I would also like to say that, you know, I think it's ironic that the Republicans always say to us: 'Where is the nexus?' This has no nexus. You can criticize but let me tell you, we continually fund education as our top priority. And we would like to bring this back to the purview of the Legislature, and this is what we're doing.

"Thank you very much, Mr. Speaker."

Representative Whalen then rose in favor of the bill, stating:

"Out of respect for a very senior member, I didn't want to rise on a point of order. However, I don't think this is a partisan issue. I, for one, feel that we should not have the fund

whatsoever. The fund was created at a time when there were lots of money floating around and it was a way to save up, I guess you can say, at a time when we had excess. We certainly no longer have an excess, and we should not be putting general obligation bonds into a bank account for the future. And as the previous speaker just noted, it is the commitment of the Legislature to build, and we should look at projects and commit ourselves to projects as part of our CIP package.

"And, Mr. Speaker, as one of the Republicans that we're referred to generically, I support the bill wholeheartedly, and I think it is a step in the right direction to get rid of the numerous special funds that we have which makes budgeting and accounting a difficult proposition in this Legislature.

"Thank you, Mr. Speaker."

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

"I speak in opposition to this measure because I believe that there is a crying need for school construction, and that really should be our first priority. Fund or not, I think the demands are much greater than \$45 million and probably exceeds \$90 million, so whether we have the fund or not, I really believe that we should construct our school facilities and provide the best that we can afford for our children.

"Thank you."

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

"I would like to remind the members across the hall that this is CIP project money. This is for construction only. This does not handle staffing, this does not do programming. We are in a tight budget situation. I know that there are several Representatives that know the feeling of not having buildings in their districts, potential buildings in their districts, and no money for staffing. So I think this is an excellent bill to start several planning for it.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and H.B. No. 854, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 43 ayes to 5 noes, with Representatives Halford, Marumoto, McDermott, Stegmaier and Thielen voting no, and Representatives Moses, Okamura and Takamine being excused.

H.B. No. 19:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 19, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR LICENSES," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Takamine being excused.

The Chair directed the Clerk to note that H.B. Nos. 1081, 1541, 985, 1197, 854 and 19 had passed Third Reading at 5:00 o'clock p.m.

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolutions (H.R. Nos. 56 through 58) and concurrent resolutions (H.C.R. Nos. 67 through 69) were referred to Printing and further action was deferred:

H.R. No. 56, entitled: "HOUSE RESOLUTION URGING THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY TO IMPLEMENT THE 1996 FOOD QUALITY PROTECTION ACT USING SOUND SCIENCE AND REAL-WORLD DATA FROM THE DATA CALL-IN PROCESS

FOR REALISTIC RISK ASSESSMENTS," was jointly offered by Representatives Abinsay, Ahu Isa, Chang, Halford, Herkes, Ito, Luke, Morihara, Rath, Saiki, Suzuki and Whalen.

H.R. No. 57, entitled: "HOUSE RESOLUTION URGING THE SUPPORT FOR HOME ORGANIC PRODUCE COOPERATIVES," was jointly offered by Representatives Abinsay, Ahu Isa, Chang, Halford, Herkes, Ito, Kaho'ohalahala, Luke, Morihara, Rath, Saiki, Suzuki and Whalen.

H.R. No. 58, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF AGRICULTURE TO DEVELOP AND IMPLEMENT A FRUIT FLY FREE ZONE FOR ELIMINATING THE QUARANTINE BARRIER IMPOSED BY THE FOUR SPECIES OF FRUIT FLIES FOUND IN HAWAII," was jointly offered by Representatives Abinsay, Luke, Ahu Isa, Chang, Halford, Ito, Kaho'ohalahala, Rath, Saiki, Suzuki and Whalen.

H.C.R. No. 67, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY TO IMPLEMENT THE 1996 FOOD QUALITY PROTECTION ACT USING SOUND SCIENCE AND REAL-WORLD DATA FROM THE DATA CALL-IN PROCESS FOR REALISTIC RISK ASSESSMENTS," was jointly offered by Representatives Abinsay, Ahu Isa, Chang, Halford, Herkes, Ito, Luke, Morihara, Rath, Saiki, Suzuki and Whalen.

H.C.R. No. 68, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE SUPPORT FOR HOME ORGANIC PRODUCE COOPERATIVES," was jointly offered by Representatives Abinsay, Ahu Isa, Chang, Halford, Herkes, Ito, Kaho'ohalahala, Luke, Morihara, Rath, Saiki, Suzuki and Whalen.

H.C.R. No. 69, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF AGRICULTURE TO DEVELOP AND IMPLEMENT A FRUIT FLY FREE ZONE FOR ELIMINATING THE QUARANTINE BARRIER IMPOSED BY THE FOUR SPECIES OF FRUIT FLIES FOUND IN HAWAII," was jointly offered by Representatives Abinsay, Luke, Ahu Isa, Chang, Halford, Ito, Kaho'ohalahala, Rath, Saiki, Suzuki and Whalen.

At this time, Representative Yonamine 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 Pendleton and carried. (Representatives Moses, Okamura and Takamine were excused.)

At 5:01 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. 934 through 1106) were received in the Clerk's Office up until 12:00 o'clock midnight this legislative day, and subsequent to its recessing at 5:01 o'clock p.m., the following actions were taken:

Stand. Com. Rep. No. 934 (JHA) and H.B. No. 77, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO REAL PROPERTY ENCROACHMENT," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 935 (JHA) and H.B. No. 1173, as amended in HD 1, entitled: "A BILL FOR AN ACT

RELATING TO BOATING ENFORCEMENT," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 936 (JHA) and H.B. No. 1177, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO ABANDONED VESSELS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 937 (JHA) and H.B. No. 936, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO COMMERCIAL PAPER," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 938 (JHA) and H.B. No. 5, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATEWIDE TRAFFIC CODE," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 939 (JHA) and H.B. No. 798, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO NOISE," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 940 (JHA) and H.B. No. 1, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD PASSENGER SAFETY," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 941 (JHA) and H.B. No. 4, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO POLICE ROADBLOCK PROGRAMS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 942 (JHA) and H.B. No. 1210, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE DRIVER LICENSING," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 943 (JHA) and H.B. No. 212, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO DRIVING UNDER THE INFLUENCE OF INTOXICATING LIQUOR," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 944 (JHA) and H.B. No. 138, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL GOODS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 945 (JHA) and H.B. No. 102, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO WAGE PAYMENTS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 946 (JHA) and H.B. No. 45, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE DRIVER LICENSING," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 947 (JHA) and H.B. No. 162, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SERVICE," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 948 (JHA) and H.B. No. 1178, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENFORCEMENT," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 949 (JHA) and H.B. No. 34, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT

RELATING TO AQUATIC RESOURCES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 950 (JHA) and H.B. No. 1528, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO PENALTIES AND PROCEDURES ON ARREST," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 951 (JHA) and H.B. No. 582, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO LANDOWNER LIABILITY," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 952 (JHA) and H.B. No. 746, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO HULA," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 953 (JHA) and H.B. No. 848, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO SUBSTANCE ABUSE TESTING," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 954 (JHA) and H.B. No. 885, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO HAWAII GOOD SAMARITAN LAW," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 955 (JHA/PSM) and H.B. No. 32, 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 9, 1999.

Stand. Com. Rep. No. 956 (CPC) and H.B. No. 830, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO SECURITIES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 957 (CPC) and H.B. No. 765, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE RENTAL INDUSTRY," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 958 (CPC) and H.B. No. 47, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO PHYSICIAN ASSISTANTS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 959 (FIN) and H.B. No. 1111, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO YEAR 2000 ERRORS BY COMPUTER-BASED SYSTEMS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 960 (FIN) and H.B. No. 286, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO SPEEDING," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 961 (FIN) and H.B. No. 1409, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE LAND USE COMMISSION," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 962 (FIN) and H.B. No. 500, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO FIREARMS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 963 (FIN) and H.B. No. 71, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT

RELATING TO ELECTIONS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 964 (FIN) and H.B. No. 1083, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 965 (FIN) and H.B. No. 252, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO DEGREE GRANTING INSTITUTIONS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 966 (FIN) and H.B. No. 1286, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS FOR NORTH HAWAII COMMUNITY HOSPITAL, INC.," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 967 (FIN) and H.B. No. 235, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 968 (FIN) and H.B. No. 122, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC CONTRACTS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 969 (FIN) and H.B. No. 756, 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 9, 1999.

Stand. Com. Rep. No. 970 (FIN) and H.B. No. 1079, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO THE CONVERSION OF BUSINESS ENTITIES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 971 (FIN) and H.B. No. 789, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE KASHBOX PROGRAM," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 972 (FIN) and H.B. No. 1595, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST WASTE PROCESSING ENTERPRISES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 973 (JHA) and H.B. No. 273, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHILDREN," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 974 (JHA) and H.B. No. 266, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO NEW MOTHERS BREASTFEEDING PROMOTION AND PROTECTION ACT," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 975 (JHA) and H.B. No. 123, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO DRIVING UNDER THE INFLUENCE OF INTOXICATING LIQUOR," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 976 (JHA) and H.B. No. 171, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH CARE DECISIONS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 977 (CPC) and H.B. No. 1021, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 978 (WLU) and H.B. No. 982, entitled: "A BILL FOR AN ACT RELATING TO AQUACULTURE," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 979 (WLU) and H.B. No. 368, entitled: "A BILL FOR AN ACT RELATING TO THE STATE WATER CODE," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 980 (FIN) and H.B. No. 8, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE DRIVER LICENSING," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 981 (FIN) and H.B. No. 89, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE OKINAWAN CENTENNIAL CELEBRATION COMMISSION," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 982 (FIN) and H.B. No. 140, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC-PRIVATE INFRASTRUCTURE PARTNERSHIPS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 983 (FIN) and H.B. No. 174, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE CHILDREN'S HEALTH INSURANCE PROGRAM," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 984 (FIN) and H.B. No. 318, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR ADDITIONAL SCHOOL CLERICAL POSITIONS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 985 (FIN) and H.B. No. 375, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 986 (FIN) and H.B. No. 531, entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 987 (FIN) and H.B. No. 602, entitled: "A BILL FOR AN ACT RELATING TO REGISTRATION OF A TRAILER," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 988 (FIN) and H.B. No. 706, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HOMESTEAD LEASES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 989 (FIN) and H.B. No. 849, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL FACILITY REVENUE BONDS FOR AIRPORTS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 990 (FIN) and H.B. No. 938, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LITTER CONTROL," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 991 (FIN) and H.B. No. 1060, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES HEALTH FUND," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 992 (FIN) and H.B. No. 1282, entitled: "A BILL FOR AN ACT RELATING TO THE HONOKAA-PAAULIO IRRIGATION DISTRICT," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 993 (FIN) and H.B. No. 1287, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST THE GAS UTILITY SERVING THE GENERAL PUBLIC," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 994 (FIN) and H.B. No. 1457, entitled: "A BILL FOR AN ACT RELATING TO THE TRAFFIC CODE," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 995 (FIN) and H.B. No. 1703, entitled: "A BILL FOR AN ACT RELATING TO WAIMANALO," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 996 (FIN) and H.B. No. 1726, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FAMILY HEALTH SERVICES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 997 (FIN) and H.B. No. 1151, as amended in HD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE CHILD AND ADOLESCENT MENTAL HEALTH DIVISION," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 998 (FIN) and H.B. No. 1183, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO BEACH LANDS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 999 (FIN) and H.B. No. 1257, as amended in HD 1, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR NOT-FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1000 (FIN) and H.B. No. 1653, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE ALA WAI CANAL WATERSHED IMPROVEMENT PROJECT," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1001 (FIN) and H.B. No. 287, as amended in HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE PEER EDUCATION PROGRAM," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1002 (FIN) and H.B. No. 310, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO PLANNING AND BUDGETING FOR NEW SCHOOLS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1003 (FIN) and H.B. No. 353, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO REAL ESTATE BROKERS AND SALESPERSONS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1004 (FIN) and H.B. No. 424, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO FOREST RESERVES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1005 (FIN) and H.B. No. 632, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO DISABILITIES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1006 (FIN) and H.B. No. 719, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO ABANDONED MOTOR VEHICLES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1007 (FIN) and H.B. No. 806, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO LAND EXCHANGE," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1008 (FIN) and H.B. No. 899, as amended in HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR DRUG TREATMENT, COUNSELING, AND INTERVENTION SERVICES AT KING INTERMEDIATE SCHOOL," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1009 (FIN) and H.B. No. 972, as amended in HD 1, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR NOT-FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1010 (FIN) and H.B. No. 1020, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII CAPITAL LOAN PROGRAM," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1011 (FIN) and H.B. No. 20, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1012 (FIN) and H.B. No. 37, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO FILM PRODUCTION FUNDING," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1013 (FIN) and H.B. No. 119, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO INCOME TAXATION," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1014 (FIN) and H.B. No. 201, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE BLUE WATER MARINE LABORATORY," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1015 (FIN) and H.B. No. 354, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A REVIEW OF THE CONDOMINIUM PROPERTY REGIMES LAW," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1016 (FIN) and H.B. No. 510, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE BOARD OF EDUCATION," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1017 (FIN) and H.B. No. 635, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1018 (FIN) and H.B. No. 170, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO LONG-TERM CARE TAX BENEFITS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1019 (FIN) and H.B. No. 657, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO TIME SHARING PLANS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1020 (FIN) and H.B. No. 791, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO REAL ESTATE BROKERS AND SALESPERSONS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1021 (FIN) and H.B. No. 827, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1022 (FIN) and H.B. No. 833, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1023 (FIN) and H.B. No. 877, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR KUAKINI MEDICAL CENTER," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1024 (FIN) and H.B. No. 970, as amended in HD 1, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR NOT-FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1025 (FIN) and H.B. No. 971, as amended in HD 1, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR NOT-FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1026 (FIN) and H.B. No. 973, as amended in HD 1, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR NOT-FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1027 (FIN) and H.B. No. 1038, as amended in HD 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1028 (FIN) and H.B. No. 949, 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 9, 1999.

Stand. Com. Rep. No. 1029 (CPC) and H.B. No. 1034, entitled: "A BILL FOR AN ACT RELATING TO MOTOR CARRIERS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1030 (CPC) and H.B. No. 324, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO DENTAL HYGIENISTS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1031 (CPC) and H.B. No. 642, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE RENTAL INDUSTRY," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1032 (CPC) and H.B. No. 325, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1033 (CPC/JHA) and H.B. No. 134, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1034 (JHA) and H.B. No. 3, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO USE OF INTOXICANTS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1035 (JHA) and H.B. No. 351, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO PRIVACY OF HEALTH CARE INFORMATION," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1036 (FIN) and H.B. No. 72, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1037 (FIN) and H.B. No. 967, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN LANGUAGE COLLEGE," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1038 (FIN) and H.B. No. 1027, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAX EXEMPTIONS FOR AVIATION TRAINING FACILITIES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1039 (FIN) and H.B. No. 1067, 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 9, 1999.

Stand. Com. Rep. No. 1040 (FIN) and H.B. No. 1105, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO CLAIMS AGAINST THE GOVERNMENT BASED ON YEAR 2000 ERRORS BY COMPUTER-BASED SYSTEMS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1041 (FIN) and H.B. No. 1593, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PUBLIC PROCUREMENT

CODE," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1042 (FIN) and H.B. No. 1617, as amended in HD 1, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR NOT-FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1043 (FIN) and H.B. No. 1621, as amended in HD 1, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR NOT-FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1044 (FIN) and H.B. No. 1693, as amended in HD 1, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR NOT-FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1045 (FIN) and H.B. No. 1085, as amended in HD 1, entitled: "A BILL FOR AN ACT MAKING EMERGENCY APPROPRIATIONS FOR EDUCATION," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1046 (FIN) and H.B. No. 1149, 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 9, 1999.

Stand. Com. Rep. No. 1047 (FIN) and H.B. No. 1750, as amended in HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR BUSINESS SPECIALIST POSITIONS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1048 (FIN) and H.B. No. 1686, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF OMBUDSMAN," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1049 (FIN) and H.B. No. 1170, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO COST-RECOVERY FEES FOR DELINQUENT LIBRARY ACCOUNTS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1050 (FIN) and H.B. No. 1596, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS AND MAKING AN APPROPRIATION FOR HOUSING," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1051 (FIN) and H.B. No. 1616, as amended in HD 1, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR NOT-FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1052 (FIN) and H.B. No. 1413, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO QUEST," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1053 and H.B. No. 749, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO DIETITIANS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1054 (FIN) and H.B. No. 855, as amended in HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR EDUCATION," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1055 (FIN) and H.B. No. 1029, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO PERMIT PROCESSING," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1056 (FIN) and H.B. No. 1041, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES HEALTH FUND," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1057 (FIN) and H.B. No. 1522, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO REAL PROPERTY APPRAISALS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1058 (FIN) and H.B. No. 1594, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR AN INTERGENERATIONAL CARE CENTER AT EWA VILLAGES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1059 (FIN) and H.B. No. 154, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC TELEVISION," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1060 (FIN) and H.B. No. 178, 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 9, 1999.

Stand. Com. Rep. No. 1061 (FIN) and H.B. No. 231, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1062 (FIN) and H.B. No. 232, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1063 (FIN) and H.B. No. 377, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1064 (FIN) and H.B. No. 136, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1065 (FIN) and H.B. No. 151, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO TEACHERS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1066 (FIN) and H.B. No. 157, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO CRIME," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1067 (FIN) and H.B. No. 167, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE DRIVER LICENSING," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1068 (FIN) and H.B. No. 1078, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS REGISTRATION," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1069 (FIN) and H.B. No. 718, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1070 (FIN) and H.B. No. 316, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO ARTS EDUCATION," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1071 (FIN) and H.B. No. 838, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO LEASED EMPLOYEES AND EMPLOYERS OF LEASED EMPLOYEES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1072 (FIN) and H.B. No. 179, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL LANDS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1073 (FIN) and H.B. No. 661, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO ENHANCED WIRELESS EMERGENCY 911 SERVICE," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1074 (FIN) and H.B. No. 1142, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENT," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1075 (FIN) and H.B. No. 259, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO EARLY CHILDHOOD ASSESSMENTS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1076 (FIN) and H.B. No. 260, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO EARLY CHILDHOOD," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1077 (FIN) and H.B. No. 544, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO SAFETY NET HEALTH PLANS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1078 (FIN) and H.B. No. 1080, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE NAMES OF CORPORATIONS, PARTNERSHIPS, AND LIMITED LIABILITY COMPANIES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1079 (FIN) and H.B. No. 1637, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL BUSES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1080 (FIN) and H.B. No. 1649, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT

RELATING TO THE CONVEYANCE TAX," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1081 (FIN) and H.B. No. 1014, 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 9, 1999.

Stand. Com. Rep. No. 1082 (FIN) and H.B. No. 1749, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO GEOGRAPHY EDUCATION," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1083 (FIN) and H.B. No. 1624, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO CAPTIVE INSURANCE," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1084 (FIN) and H.B. No. 1620, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH CARE COMMUNITIES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1085 (FIN) and H.B. No. 1403, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO HUNTING," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1086 (FIN) and H.B. No. 1361, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHARTER TOUR OPERATORS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1087 (FIN) and H.B. No. 1280, 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 9, 1999.

Stand. Com. Rep. No. 1088 (FIN) and H.B. No. 1237, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO FIREWORKS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1089 (FIN) and H.B. No. 1172, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE BUREAU OF CONVEYANCES," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1090 (FIN) and H.B. No. 176, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO TOBACCO TAX," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1091 (FIN) and H.B. No. 499, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1092 (FIN) and H.B. No. 1416, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1093 (FIN) and H.B. No. 1636, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO TRAFFIC ENFORCEMENT," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1094 (FIN) and H.B. No. 1711, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT

RELATING TO KANEOHE BAY," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1095 (FIN) and H.B. No. 1675, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN HOME LANDS TRUST INDIVIDUAL CLAIMS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1096 (FIN) and H.B. No. 1668, as amended in HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR TARO RESEARCH," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1097 (FIN) and H.B. No. 1664, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1098 (FIN) and H.B. No. 1298, entitled: "A BILL FOR AN ACT RELATING TO BURIALS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1099 (FIN) and H.B. No. 156, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONS," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1100 (FIN) and H.B. No. 423, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO MATCH FEDERAL FUNDS FOR THE HAWAII FORESTRY AND COMMUNITIES INITIATIVE," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1101 (FIN) and H.B. No. 797, HD 2, entitled: "A BILL FOR AN ACT RELATING TO OUTDOOR RECREATION," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1102 (FIN) and H.B. No. 142, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1103 (FIN) and H.B. No. 850, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1104 (FIN) and H.B. No. 166, 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 9, 1999.

Stand. Com. Rep. No. 1105 (FIN) and H.B. No. 149, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE X, SECTION 2, OF THE HAWAII CONSTITUTION, TO CHANGE THE BOARD OF EDUCATION FROM AN ELECTED BOARD TO AN APPOINTED BOARD," were placed on the calendar for Third Reading on Tuesday, March 9, 1999.

Stand. Com. Rep. No. 1106 (JHA) and H.B. No. 150, 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 9, 1999.

ADJOURNMENT

At 12:00 o'clock midnight, the House of Representatives adjourned until 9:00 o'clock a.m. on Tuesday, March 9, 1999.

TWENTY-SEVENTH DAY

Tuesday, March 9, 1999

The House of Representatives of the Twentieth Legislature of the State of Hawai'i, Regular Session of 1999, convened at 9:22 o'clock a.m., with the Speaker presiding.

The invocation was delivered by Pastor Emerson Wiles from Mililani Baptist Church, after which the Roll was called showing all members present with the exception of Representatives Goodenow, Kaho'ohalahala, Menor, Moses, Okamura and Takumi, who were excused.

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

GOVERNOR'S MESSAGE

Gov. Msg. No. 191, transmitting copies of the FY 1998 Annual Report on Recommendation for Denial of Claims Filed Under the Legislative Relief Act, prepared by the Department of the Attorney General, pursuant to Section 37-77, 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. 37 through 43) were received and announced by the Clerk and were placed on file.

Sen. Com. No. 37, transmitting S.B. No. 96, SD 1, entitled: "A BILL FOR AN ACT RELATING TO ENERGY RESOURCES, which passed Third Reading in the Senate on March 5, 1999.

Sen. Com. No. 38, transmitting S.B. No. 143, SD 1, entitled: "A BILL FOR AN ACT RELATING TO UTILITY TRANSMISSION LINES, which passed Third Reading in the Senate on March 5, 1999.

Sen. Com. No. 39, transmitting S.B. No. 384, SD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC UTILITIES, which passed Third Reading in the Senate on March 5, 1999.

Sen. Com. No. 40, transmitting S.B. No. 560, SD 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL MANAGEMENT AREAS, which passed Third Reading in the Senate on March 5, 1999.

Sen. Com. No. 41, transmitting S.B. No. 1149, SD 1, entitled: "A BILL FOR AN ACT RELATING TO ENFORCEMENT OF WAGE LAWS, which passed Third Reading in the Senate on March 5, 1999.

Sen. Com. No. 42, transmitting S.B. No. 1321, SD 2, entitled: "A BILL FOR AN ACT RELATING TO OCEAN LEASING, which passed Third Reading in the Senate on March 5, 1999.

Sen. Com. No. 43, transmitting S.B. No. 1534, SD 1, entitled: "A BILL FOR AN ACT RELATING TO LICENSE PLATES, which passed Third Reading in the Senate on March 5, 1999.

On motion by Representative Yonamine, seconded by Representative Pendleton and carried, S.B. Nos. 96, 143, 384, 560, 1149, 1321 and 1534, passed First Reading by title and further action was deferred. (Representatives Goodenow, Kaho'ohalahala, Menor, Moses, Okamura and Yoshinaga were excused.)

INTRODUCTIONS

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

Representative Case introduced 83 third graders from Noelani Elementary School and their teachers Ms. Charlene Orita, Ms. Carolyn Ching and Ms. Carol Chee.

Representative Cachola introduced Mr. Francis Iwamoto and a guest from New York, Ms. Marie Denty.

At 9:27 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 9:38 o'clock a.m., Representative Marumoto was permitted a late introduction and she introduced Ms. Kiley Ong, daughter of Mr. Mike Ong, Chief Minority Attorney, who was "among the group that was introduced by the Majority Leader."

Representative Marumoto made a further announcement, stating:

"Just to let you know, Mr. Speaker, Representative Moses is not present today because he is undergoing an operation to remove his gall bladder. He'll be back as soon as possible."

The Chair responded: "God Bless him."

ORDER OF THE DAY

SUSPENSION OF RULES

On motion by Representative Yonamine, seconded by Representative Pendleton and carried, the rules were suspended for the purpose of considering bills on Third Reading on the basis of a modified consent calendar. (Representatives Ahu Isa, Cachola, Goodenow, Kaho'ohalahala, Moses, Okamura and Takamine were excused.)

UNFINISHED BUSINESS

Stand. Com. Rep. No. 875 and H.B. No. 1401, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1401, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE TOWING," passed Third Reading by a vote of 46 ayes, with Representatives Cachola, Goodenow, Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 876 and H.B. No. 159, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 159, HD 2, entitled: "A BILL FOR AN ACT RELATING TO WHISTLEBLOWER PROTECTION," passed Third Reading by a vote of 35 ayes to 11 noes, with Representatives Auwae, Fox, Halford, Leong, Marumoto, McDermott, Meyer, Pendleton, Rath, Thielen and Whalen voting no and Representatives Cachola, Goodenow, Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 877 and H.B. No. 1460, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1460, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR

THE EXPANSION OF THE VIDEO ARRAIGNMENT AND CONFERENCING SYSTEM," passed Third Reading by a vote of 46 ayes, with Representatives Cachola, Goodenow, Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 878 and H.B. No. 753, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 753, HD 2, pass Third Reading, seconded by Representative Yonamine.

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

"Mr. Speaker and members, we all realize how important tourism is to our economy and how important it is to keep our physical plant in order. This bill would do just that by giving the counties the authority to create special improvement districts by ordinance.

"This special improvement district is similar to many business improvement districts established in communities across the mainland. They have proven to revitalize cities such as Portland, Oregon and Times Square, New York, and it has significantly improved their economies. This represents a direct investment in the area by those with most at stake. The goal is to upgrade the quality of the environment for everyone; business, residents, workers and especially, our visitors.

"In Waikiki, the Waikiki business community is extremely excited about this prospect of instituting a special improvement district. It also represents tremendous opportunities for our business districts throughout the State areas such as Haleiwa and Kaimuki on Oahu; Downtown, Hilo and Kailua, Kona on the Big Island; and Wailuku and Lahaina on Maui.

"House Bill 753, HD 2, provides the framework necessary for this type of public/private cooperation. I urge all members to vote for this measure. Thank you, Mr. Speaker."

Representative Fox then rose in support of the measure and asked that his comments be inserted into the Journal, and the Chair "so ordered."

Representative Fox's remarks are as follows:

"The Waikiki community welcomes this bill. Our current problems have gone beyond dirty sidewalks. They include disorderly activities that take place on the sidewalks and on privately-owned setbacks indistinguishable from the sidewalks they border. The Business Improvement Districts (BIDs) set up under this bill will be able to provide security and order as well as keep the sidewalks and setbacks clean. We need this Waikiki Improvement Association-led improvement in Waikiki and the BIDs will also help other communities throughout Hawai'i. 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. 753, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE ESTABLISHMENT OF SPECIAL IMPROVEMENT DISTRICTS," passed Third Reading by a vote of 46 ayes, with Representatives Cachola, Goodenow, Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 879 and H.B. No. 1706, HD 3:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1706, HD 3, entitled: "A BILL FOR AN ACT RELATING TO FISHERIES," passed Third Reading by a vote of 46 ayes, with Representatives Cachola, Goodenow, Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 880 and H.B. No. 250, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 250, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE MANAGEMENT OF FINANCING AGREEMENTS FOR THE UNIVERSITY OF HAWAII," passed Third Reading by a vote of 46 ayes, with Representatives Cachola, Goodenow, Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 881 and H.B. No. 1125, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1125, HD 2, entitled: "A BILL FOR AN ACT RELATING TO RECOVERY OF MEDICAL PAYMENTS," passed Third Reading by a vote of 46 ayes, with Representatives Cachola, Goodenow, Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 882 and H.B. No. 1162, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1162, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SAFETY," passed Third Reading by a vote of 39 ayes to 7 noes, with Representatives Auwae, Fox, Halford, Leong, Marumoto, Meyer and Rath voting no and Representatives Cachola, Goodenow, Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 934 and H.B. No. 77, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 77, HD 1, entitled: "A BILL FOR AN ACT RELATING TO REAL PROPERTY ENCROACHMENT," passed Third Reading by a vote of 46 ayes, with Representatives Cachola, Goodenow, Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 935 and H.B. No. 1173, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1173, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BOATING ENFORCEMENT," passed Third Reading by a vote of 46 ayes, with Representatives Cachola, Goodenow, Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 936 and H.B. No. 1177, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1177, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ABANDONED VESSELS," passed Third Reading by a vote of 46 ayes, with Representatives Cachola, Goodenow, Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 937 and H.B. No. 936, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 936, HD 2, entitled: "A BILL FOR AN ACT RELATING TO COMMERCIAL PAPER," passed Third Reading by a vote of 44 ayes to 2 noes, with Representatives Halford and Thielen voting no and Representatives Cachola, Goodenow, Moses, Okamura and Takamine being excused.

Stand. Com. Rep. No. 938 and H.B. No. 5, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the

Committee was adopted and H.B. No. 5, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATEWIDE TRAFFIC CODE," passed Third Reading by a vote of 46 ayes, with Representatives Cachola, Goodenow, Moses, Okamura and Takamine being excused.

The Chair directed the Clerk to note that H.B. Nos. 1401, 159, 1460, 753, 1706, 250, 1125, 1162, 77, 1173, 1177, 936 and 5 had passed Third Reading at 9:45 o'clock a.m.

Stand. Com. Rep. No. 939 and H.B. No. 798, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 798, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Fox rose in support of the measure and asked that his comments be inserted into the Journal, and the Chair "so ordered."

Representative Fox's remarks are as follows:

"Waikiki and other urban residential areas are home to thousands of people who view a good night's sleep as a luxury. Many times people are woken by motorcycles, noisy trucks and buses, and other street activity that local law enforcement is best able to control. And they can't get back to sleep. The problem the police face -- current state law makes it unclear whether counties have the authority to enforce noise standards more strict than state standards.

"HB 798 gives the counties the authority they need to act to cite noisemakers, using modern technology to catch those making excessive noise. After we fix state law and after the counties act, Honolulu will have quieter neighborhoods and a better quality of life. 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. 798, HD 2, entitled: "A BILL FOR AN ACT RELATING TO NOISE," passed Third Reading by a vote of 47 ayes, with Representatives Goodenow, Moses, Okamura and Yamane being excused.

Stand. Com. Rep. No. 940 and H.B. No. 1, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 1, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Marumoto rose in support of the measure and asked that her comments be inserted into the Journal, and the Chair "so ordered."

Representative Marumoto's remarks are as follows:

"My remarks are in favor of this bill to improve the safety of children under four years of age.

"My thanks to the Chairs of the House Committees of Transportation and Judiciary for acting favorably on this important measure which will require that all children up to four years (except those age three who weigh over 40 pounds) be restrained in child passenger safety seats.

"Pediatricians and emergency room personnel have long requested such a measure to better protect the very young and vulnerable who are involved in car accidents. They have called for the use of 'keiki car seats' for kids up to four years old or 40 pounds.

"However, the weight provision presents problems with enforcement. It is often difficult to determine a child's weight -- under 40 pounds, over 40 pounds? Parent may not be sure when a child moves past that mark. It may be even more difficult for police officers.

"But parents are always cognizant of a child's age. It's a simpler indicator.

"The weight determination may have arisen from the fact that some parents believe that keiki car seats may be too small for a big three year old. But I assure you, there are booster seats readily available for older children. My grandson, almost 7 and big for his age, fits comfortably and safely, in a booster.

"For the sake of simplicity, it would be easier to require that all children, up to four years of age -- no matter the size -- ride in federally certified child passenger restraint systems."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD PASSENGER SAFETY," passed Third Reading by a vote of 47 ayes, with Representatives Goodenow, Moses, Okamura and Yamane being excused.

Stand. Com. Rep. No. 941 and H.B. No. 4, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 4, HD 1, entitled: "A BILL FOR AN ACT RELATING TO POLICE ROADBLOCK PROGRAMS," passed Third Reading by a vote of 47 ayes, with Representatives Goodenow, Moses, Okamura and Yamane being excused.

Stand. Com. Rep. No. 942 and H.B. No. 1210, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1210, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE DRIVER LICENSING," passed Third Reading by a vote of 47 ayes, with Representatives Goodenow, Moses, Okamura and Yamane being excused.

Stand. Com. Rep. No. 943 and H.B. No. 212, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 212, HD 1, pass Third Reading, seconded by Representative Yonamine.

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

"Mr. Speaker, the House Transportation Committee has always and continues to place a priority on traffic safety measures. Our Committee places a special priority on strengthening laws to protect our children.

"This bill, Mr. Speaker, is consistent with this philosophy. This DUI child endangerment measure will increase penalties against adult drivers convicted of a DUI offense if they, at the time of the offense, are driving with a minor as a passenger in the vehicle. Mr. Speaker, I'm often asked if in passing any transportation traffic safety measures, whether any of them have quantifiable outcomes. Well, Mr. Speaker, in regards to the DUI laws, the answer is 'yes.'

"Our efforts at the Legislature, in enacting some of the toughest DUI laws in the Nation, have resulted in saving lives. According to the National Highway Traffic Safety Administration's studies, it said, in 1982, we were averaging about 100 deaths per year from alcohol related traffic accidents. Mr. Speaker, the latest results coming out for 1998 show that we've reduced this to 41 deaths per year from alcohol related traffic deaths.

"So Mr. Speaker, this measure, together with House Bill 123 that provides for forfeiture of automobiles in DUI offenses, and House Bill 3 that consolidates the DUI laws, represent our

House position to strengthen our legislative efforts to reduce senseless loss of lives caused by drunk drivers. Thank you."

Representative Abinsay then rose on a point of information and asked:

"Mr. Speaker, are we addressing pages 3 to 5 now or just page 3?"

The Chair responded: "Just page 3."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 212, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DRIVING UNDER THE INFLUENCE OF INTOXICATING LIQUOR," passed Third Reading by a vote of 47 ayes, with Representatives Goodenow, Moses, Okamura and Yamane being excused.

Stand. Com. Rep. No. 944 and H.B. No. 138, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 138, HD 2, pass Third Reading, seconded by Representative Yonamine.

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

"Mr. Speaker and members of the House, in order to advance the Agriculture Committee's goal in helping our small farmers, the Legislature should establish safeguards for the ownership and movement of agricultural goods and commodities.

"We are very much aware that criminal trespass and theft are major problems on agricultural and aquacultural facilities. These problems have occurred in the past, it is happening now, and it will continue to happen unless we do something about it.

"This bill, as currently worded, Mr. Speaker, is to prevent that from happening or at least minimize such unfair practices by requiring proof of ownership or a completed certificate indicating the following: the name of seller, buyer, owner or consignee, the origin, and the destination of goods and commodities. In such situations, citations and summons for violations are issued warning the person to appear in court of law and answer the charge within 30 days after the issuance of a citation.

"Mr. Speaker, this bill is critical at a time when we are putting forth every effort to promote our agricultural industry and current laws that both support and improve things for farmers. And we need to address them 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. 138, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL GOODS," passed Third Reading by a vote of 47 ayes, with Representatives Goodenow, Moses, Okamura and Yamane being excused.

Stand. Com. Rep. No. 945 and H.B. No. 102, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 102, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Whalen rose to speak in opposition to the measure, stating:

"Mr. Speaker, in this bill, what we've done is, we've amended the employment statute by taking away the judicial discretion of a court in a case dealing with unjustified wage withholding. And whereas before we allowed the judge to determine a penalty up to the amount of wages withheld plus interest, now we've made it mandatory.

"Mr. Speaker, again, I think we're heading in the wrong direction if we want to say that we view employers as friends of the State and encourage them to come here and do business, including those who have somehow survived through these past years. Mr. Speaker, there are honest to goodness disputes as to what an employee gets paid. In my younger years, I worked as a stock guy at a supermarket. I actually worked more than 12 hours, but it looked like I had only worked two, I worked 14 hours. That was turned around, I got paid, big deal.

"But what happens if an employee forgets to punch in and there's no quick verification? The employer isn't going to pay for work that's not done. It goes to court. They end up proving that the guy was at work. Okay there's an honest dispute. The employee gets his wages. There's no dispute about that and gets interest on it. There's no dispute about that. Now under this bill the employer, because of the employee's mistake in not clocking in, has to pay the wages as a penalty as well. So whereas maybe the employer owed him \$200 now the employer has to pay \$400 for the mistake of the employee.

"I'd like to note for everyone who is listening that basically the two testimonies we received was from the consumer lawyers, the plaintiff's attorneys, and the employment lawyers. Why would they be interested in passing this bill? Well, they represent the employees and we've just automatically increased what they will take home as representing these folks.

"And Mr. Speaker, one last point, I'd like to also show the unfairness of it. Even though this is a penalty on the employer, for some reason we're tacking on interest to this penalty that they have to pay. So not only is it the wages plus interest, but if the employer loses for any reason, whether bad faith, good faith or whatever, they have to double the wages and pay interest on that. I know of no other penalty statute where you have to pay interest on a fine before it's even assessed.

"Mr. Speaker, I think that this is a grossly unfair bill and it certainly isn't going to hit the headlines, but if we are truly sincere about changing our attitude toward employers, Mr. Speaker, I think this bill is sending the wrong message. Thank you very much."

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

"Just briefly, Mr. Speaker, in disagreement with the prior speaker that the Department of Labor and Industrial Relations supported this measure and so it is not any lawyer's measure, in the sense of unfairness. Frankly, the Department supported this measure on the basis that this proposal would strengthen the law by eliminating discretion in the amount of penalties to be assessed against an employer who fails to pay wages timely.

"There have been problems in terms of giving the court discretion. So this is a fair bill in terms of our Department of Labor's enforcement efforts. Thank you very much."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 102, HD 2, entitled: "A BILL FOR AN ACT RELATING TO WAGE PAYMENTS," passed Third Reading by a vote of 43 ayes to 4 noes, with Representatives Halford, Meyer, Rath and Whalen voting no and Representatives Goodenow, Moses, Okamura and Yamane being excused.

Stand. Com. Rep. No. 946 and H.B. No. 45, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 45, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE DRIVER LICENSING," passed Third Reading by a vote of 47 ayes, with Representatives Goodenow, Moses, Okamura and Yamane being excused.

Stand. Com. Rep. No. 947 and H.B. No. 162, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 162, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SERVICE," passed Third Reading by a vote of 47 ayes, with Representatives Goodenow, Moses, Okamura and Yamane being excused.

Stand. Com. Rep. No. 948 and H.B. No. 1178, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1178, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENFORCEMENT," passed Third Reading by a vote of 47 ayes, with Representatives Goodenow, Moses, Okamura and Yamane being excused.

Representative Meyer then rose on a "point of order," stating:

"I thought we were going through pages 3 through 5."

The Chair responded: "Yes, pages 3, 4 and 5, but page 3 at first. As we adopt page 3, we'll move on to page 4."

The Chair directed the Clerk to note that H.B. Nos. 798, 1, 4, 1210, 212, 138, 102, 45, 162 and 1178 had passed Third Reading at 9:50 o'clock a.m.

Stand. Com. Rep. No. 949 and H.B. No. 34, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 34, HD 2, pass Third Reading, seconded by Representative Yonamine.

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

"Mr. Speaker, we have a serious fisheries management problem. Most species such as akule continue to thrive, but many of our deep sea species are dangerously close to commercial extinction.

"Areas in the North Atlantic and all over the world have been completely shut down from fishing because there's simply nothing left. As Hawai'ian citizens, we have an obligation to ensure that doesn't happen on our time in our islands.

"House Bill 34 seems like a 'manini' little house keeping bill, but it will be in fact one of the most beneficial actions that we can take to preserve our marine resources. Presently the minimum cap size, gill net size and many other regulations related to fishing are put in statutes. As you know, that means we in the House of Representatives should know, for instance, what the minimal spawning rate for onaga is or how long it takes the population of lobster in the Northwest Hawai'ian islands to be overfished. I personally don't know of that.

"House Bill 34 gives the authority to determine these kinds of regulations to the Department of Land and Natural Resources, Division of Aquatic Resources. These people know what they're doing and this bill would empower them to do their job. These are important decisions that should be in the hands of aquatic biologists and other experts. I, for one, will feel much more confident that our fisheries are being well managed when I know that experts, not elected officials, determine how to take care of natural resources. Thank you."

Representative Kahikina then rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. My reservations are that the Department of Land and Natural Resources is responsible for

letting out the ta'api species. I'm afraid that my reservations in this bill does not address past mismanagement. I'm hoping that as this bill goes along, that we would address these types of mismanagement because we find that the letting out of this ta'api has very well disturbed the system of all fishes, including the deep sea fishes. 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. 34, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AQUATIC RESOURCES," passed Third Reading by a vote of 47 ayes, with Representatives Kaho'ohalahala, Moses, Okamura and Rath being excused.

Stand. Com. Rep. No. 950 and H.B. No. 1528, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1528, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PENALTIES AND PROCEDURES ON ARREST," passed Third Reading by a vote of 47 ayes, with Representatives Kaho'ohalahala, Moses, Okamura and Rath being excused.

Stand. Com. Rep. No. 951 and H.B. No. 582, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 582, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LANDOWNER LIABILITY," passed Third Reading by a vote of 47 ayes, with Representatives Kaho'ohalahala, Moses, Okamura and Rath being excused.

Stand. Com. Rep. No. 952 and H.B. No. 746, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 746, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Kawakami rose to speak in support of the measure and asked that her comments be inserted into the Journal, and the Chair "so ordered."

"This is an Aloha Spirit bill, as well as a cultural bill."

Representative Kawakami's additional remarks are as follows:

"I stand in strong support of this measure. HB 746 honors hula and the Hawai'ian culture. Hula's origins are unique to the Hawai'ian people and, therefore, should be designated as the official dance of the State.

"From the words of Earl M. Tenn, 'This bill is long overdue since the State adopted the Hawai'ian language as the State language back in 1978. The two are inseparable. There can be no dance without the spoken language.'

"I ask for your support of this measure, in honoring hula and the Hawai'ian culture."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 746, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HULA," passed Third Reading by a vote of 47 ayes, with Representatives Kaho'ohalahala, Moses, Okamura and Rath being excused.

Stand. Com. Rep. No. 953 and H.B. No. 848, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 848, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Catalani rose in support of the measure with reservations and asked that her comments be inserted into the Journal, and the Chair "so ordered."

Representative Catalani's remarks are as follows:

"I oppose this measure because I have serious concerns about this measure. Although I support employers' rights to administer a substance abuse test on their premises to save money, I am concerned that the rights of potential employees may be infringed upon. The concern I have is that this measure may not afford the same protections an employee enjoys to a finalist/applicant of a job. When an employee tests positive for substance abuse, that employee is notified of the results and can affirmatively request further testing of the sample, treatment, and counseling.

"In the case of an applicant, the measure says '...if the test result may be used to deny a person employment, then the same sample...shall be submitted for a confirmatory test...' It does not preclude an employer from telling a job finalist that someone more qualified got the position sought by the finalist/applicant. It also does not provide that the employer inform the finalist/applicant of the positive substance abuse test.

"I am concerned for the finalist/applicant who had a false positive. That applicant will never know why he/she was not selected for the position. For that reason, to protect the rights of potential employees, I oppose this measure."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 848, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SUBSTANCE ABUSE TESTING," passed Third Reading by a vote of 45 ayes to 2 noes, with Representatives Catalani and Takumi voting no and Representatives Kaho'ohalahala, Moses, Okamura and Rath being excused.

Stand. Com. Rep. No. 954 and H.B. No. 885, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 885, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HAWAII GOOD SAMARITAN LAW," passed Third Reading by a vote of 47 ayes, with Representatives Kaho'ohalahala, Moses, Okamura and Rath being excused.

Stand. Com. Rep. No. 955 and H.B. No. 32, HD 2:

Representative Case moved that the joint report of the Committees be adopted and H.B. No. 32, HD 2, pass Third Reading, seconded by Representative Yonamine.

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

"Mr. Speaker and colleagues, the purpose of this bill is to allow privately funded industrial hemp research to be conducted in Hawai'i after the required permits from the State and federal agencies are obtained. I believe, and I think everyone would agree, that industrial hemp could have a significant economic benefit for Hawai'i.

"We had testimony from the Department of Business, Economic Development and Tourism, or DBEDT, stating that passage of this bill could lead to the emergence of Hawai'i as a prime seed development and research area. Mr. Speaker, I also agree that this is one instance where Hawai'i can take the lead on a business opportunity and demonstrate to the rest of the U.S. and the world that we are a good place to do business.

"We know of the thousands of different uses of hemp. Its fiber for clothing. Its seed for food, various uses for its oil including cosmetics, building materials, and so forth. There have been numerous discussions from different groups of

individuals and the persons calling to grow industrial hemp. I have read numerous articles regarding this subject and there are many states in the union that have considered or at least has pending legislation on the issue of growing industrial hemp. Countries like Great Britain are growing and producing industrial hemp with proper regulations and controlled by its law enforcement.

"So Mr. Speaker, can we do it? I have asked this question over and over again. Can we grow and produce industrial hemp in Hawai'i? Is it economically viable? Again the answer is maybe, maybe not. With the plight of the agriculture industry in Hawai'i, as sugar and pineapple plantation production continues to decline, I believe that this is one commodity that merits attention at least in the area of research. Because hemp research would provide a good opportunity to determine the validity of industrial hemp as a viable commodity and as part of all our efforts to revive and diversify the agricultural industry.

"Again, this important research involves no state funds, therefore at no cost to taxpayers as fully and clearly stated in the bill. The fears of potential abuse of marijuana cultivation, voiced by many in our local enforcement agencies, are properly addressed by placing it under strict control of the State Department of Public Safety and the U.S. Drug Enforcement Agency who are responsible in issuing the permits.

"Mr. Speaker, I would like to take this opportunity to thank Representative Jerry Chang for introducing this measure and all members who supported it. I would like to acknowledge the work of the Agriculture Committee, my members; and the Judiciary and Hawai'ian Affairs, and Public Safety and Military Affairs Committees. I would also like to thank the many people who have taken the time to participate in the deliberation of this issue during our public hearings. Especially, those individuals who attended the public hearing we held in Hilo on this bill.

"And last but not least, Mr. Speaker, I would like to acknowledge the contribution of our colleague, Representative Cynthia Thielen, who has given us insights and educated us while on this subject. Thank you all for your support and again I urge all of you to support House Bill 32, HD 2 for passage on Third Reading."

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

"Mr. Speaker, it gives me great pleasure to be able to cast a vote in favor of this measure regarding industrial hemp research. I must acknowledge and disclose my initial skepticism. As a freshman last year and the year before, I voted against the legalization of marijuana for medical purposes. But my very persistent and patient colleague from Kailua, Representative Thielen, educated me, showed me reports, documentation, and many, many materials. I read them as asked and it changed my mind. I think that this body owes a great deal of thanks and gratitude to Representative Thielen for her persistence over the years regarding this particular issue.

"In sitting in the public hearing from the Judiciary and Hawai'ian Affairs Committee regarding this, I found it interesting that the law enforcement people would not speak from a law enforcement perspective. All of the concerns that they raised had to do with economic analysis and things like that as though they were doing DBEDT's job.

"I found it very persuasive to see that other countries in Northern Europe, especially, have been able to find a way to allow for the use of industrial hemp without going into the marijuana or having any kind of drug concerns. I also think that this is a strong measure that would allow us to move forward in terms of finding replacements for our agriculture industry which has declined over the years. I wait anxiously and with great anticipation to find out what the results of this study will be as to whether or not we can move forward.

"Finally, I find the fact that this bill is privately funded is a good step in the right direction. That's exactly what we want to do is allow private industry to move forward with these kinds of measures. So for the following and foregoing reasons, Mr. Speaker, I strongly stand in support of this measure."

Representative Thielen then rose to speak in 'strong' support of the measure, stating:

"Thank you, Mr. Speaker. First, I'd like to disclose a potential conflict. My son, Peter Thielen, manufactures a surf line of industrial hemp clothing. And I've also been elected to the Board of Directors of the non-profit national organization called the North American Industrial Hemp Council," and the Chair ruled "no conflict."

Representative Thielen continued, stating:

"Thank you, Mr. Speaker. I am delighted, members, that we're moving ahead with privately funded industrial hemp research. It's going to make Hawai'i become one of the leaders in the world not just in the Nation. I've received an e-mail from the Chairman of the International Hemp Association and the Director of Horta Pharmaceutical BV; it's a breeding company. They have quite a bit of experience in breeding with the industrial hemp crop. For example, their Dr. de Meijer previously headed genetic diversity of the Dutch government's five-year hemp paper project.

"Their successful work has led to techniques that allow them to breed varieties for any end use. For example, an equatorial variety suited for Hawai'i with a very low THC content, well below the present EU limit of .3 percent. They've already done, Mr. Speaker, two years of breeding work on a variety suitable for Hawai'ian production. It still will require several years of field selection to be completed. The bill fits in with this perfectly.

"The question he raised to me is, how real is the chance, and how soon will it be legal to grow hemp in Hawai'i for research and development at a University on the Big Island? He suggests the Big Island because it is furthest south for a development of a Hawai'ian variety suitable for all of Hawai'i's photo period could best be done and selection work should take place there.

"He also mentioned that a variety suitable for Hawai'i would have potential sales worldwide in tropical and sub-tropical areas of the world. We're moving ahead today, members, with economic development for Hawai'i and we are going to be placed as leaders in the world.

"I sincerely thank the Chair of the Agricultural Committee for all of his work on this matter and the fact that he took the time to become educated about the benefits of non-hallucinogenic industrial hemp. I also thank the Chair of the Judiciary Committee and the Chair of Public Safety for their support. And I believe almost 19 members who co-sponsored this bill. I thank all of them, Mr. Speaker. We are becoming very business friendly with this measure. Thank you."

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

"The Minority Floor Leader mentioned his skepticism. His skepticism was about the medical uses of marijuana. That's not the subject of this bill. But I believe it points up an interesting dilemma that we will face if we venture down this path, which is that we will not be able to distinguish among the various uses of the marijuana plant. And I believe that after a while our resolve to maintain our status to criminalize the use of marijuana will be weakened. And for that reason, I stand in opposition to this measure. Thank you."

Representative Rath then rose in support of the measure with reservations and asked that his comments be inserted into the Journal, and the Chair "so ordered."

Representative Rath's remarks are as follows:

"I am voting for House Bill 32 with strong reservations. My qualified support is offered for the following reasons. First and foremost, the intended research is to be done only with both state and federal permits in place and is to be monitored by the DEA. Second, there is no government money involved. Third, the research is to be accomplished by the University of Hawai'i and not any private entity. Fourth, that by granting permission for said research, it does not pre-approve a hemp industry. Lastly, if my suspicions are correct, the research may well show that the entire enterprise is not viable."

Representative Thielen then rose to speak in rebuttal, stating:

"Once again, I would like to rebut the speaker from the Hawai'i Kai area. Mr. Speaker, the nations of Canada, the United Kingdom, France and Germany all are covenants with the United States with a very firm anti-drug policy. They are all co-signators to an anti-drug policy. Those nations have confirmed to our Legislative Reference Bureau that they have very stringent laws against marijuana use. They prosecute any violators of the marijuana laws to the full extent of the law.

"They have also acknowledged that they have absolutely no problem with the agricultural crop of industrial hemp. They do not have diversion to an illicit or illegal activity because industrial hemp is non-hallucinogenic. Their law enforcement has been in full support of the agricultural crop. And they are in full support of prosecuting violators of their marijuana laws to the full extent of the law.

"So my only question to the colleague from Hawai'i Kai region is if they can tell the difference and if law enforcement supports the agricultural crop, industrial hemp, if they can tell the difference in those nations, what's wrong with our Nation doing the same thing? It does not mean that those nations then blur the line or became soft on drugs. They have not. It does not mean that they will do that.

"They have had the legalization of industrial hemp now, in Canada, for I believe over a year, and in France it was never outlawed. In Germany, it's been legal since 1994, and in England I think since 1993. They have not slid down a slippery slope on marijuana use or lightening of their restrictions on marijuana. So I would just ask my colleague, take a look at that, learn about it and open your mind to those possibilities that an agricultural crop that is not hallucinogenic can be good for the State of Hawai'i and for our economy. Thank you."

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

"Mr. Speaker, I believe this bill has some promise, but I don't believe the time is right to go into this project. At the moment, I think we should watch what some other states and nations are doing before we proceed on this.

"One major concern I have is that the previous speaker from Kailua mentioned that Germany has signed a pact against drugs and there's no marijuana use in Germany. It is my understanding, Mr. Speaker, that a couple of years back Germany had legalized the use of marijuana. Thank you very much."

The motion was put to vote by the Chair and carried, and the joint report of the Committees was adopted and H.B. No. 32, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 44 ayes to 3 noes, with Representatives McDermott, Souki and Stegmaier voting no and Representatives Kaho'ohalahala, Moses, Okamura and Rath being excused.

Stand. Com. Rep. No. 956 and H.B. No. 830, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 830, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SECURITIES," passed Third Reading by a vote of 47 ayes, with Representatives Kaho'ohalahala, Moses, Okamura and Rath being excused.

Stand. Com. Rep. No. 957 and H.B. No. 765, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 765, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Fox rose to speak in opposition to the measure, stating:

"Mr. Speaker, when the Department of Commerce and Consumer Affairs, Consumer Protection Office, testifies against a bill all of us should be very concerned about what's going on with the bill.

"This bill is deceptively offered as a bill that will enable Hawai'i to compete more successfully with other areas by allowing rental car agencies in Hawai'i to falsely advertise a low price on rent-a-cars. What that means is that a tourist will come to Hawai'i expecting to pay a certain price, will come up to the desk at the airport to get their car, and then find out that there's an additional charge to the advertised rate. And that charge will be for leasing the property on which the rental car is sold.

"Now in the Committee Report that we have before us today, in consideration of this bill, it talks about the fact that Florida does this. Florida has to compete with people who are either going to fly or drive to Florida. Thus, the rental car rates are very important if they're trying to get people to fly to Florida as opposed to drive their own cars there. Florida is obviously engaging in this deceptive practice. People are walking up to the desk at airports in Florida and they're finding out that their cars cost more.

"I don't think that people make their decisions on vacations to Hawai'i based on the rental car rate. They're going to come here or not come here based on the cost of airfare. They're certainly not going to drive here. So that's not a key factor. The key factor is how the tourists feel when they walk up to that desk and find out they're hit with a bigger charge. I think that the Aloha State should correctly advertise the rate that it costs to rent a car. People should know before they come here what it's going to cost to rent a car and that nationally advertised rate should be changed for Hawai'i if it does cost more than that rate to rent a car in Hawai'i.

"I really think this is a bad bill and I thought it would be shot down earlier. I hope it doesn't go all the way through the Senate. Thank you, Mr. Speaker."

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

"This measure, Mr. Speaker, will allow automobile rental companies to break out or unbundle the charges that the Department of Transportation charges to these rental companies to operate at the airport. Under current practice the rental companies are forced, they're forced, to hide these government fees that they are charged. They hide it in this basic daily rental rate that they charge to the renter.

"The problem is that if you look at the national advertisements, let's say for National Car Rental, or whatever, they advertise a basic daily rate. So let's say it's \$30, so that's what the consumer wants when he comes to Hawai'i. They're looking at the \$30 a day rent-a-car, but when they come up to

the window they're charged \$40 a day. So the consumer feels ripped off because they were promised the \$30.

"The reason why they feel ripped off is because the rent-a-car companies are forced to hide the charge in the basic daily rental fee. So all the rental car companies want to do is just be treated like other industries in Hawai'i and be able to separate out in the bill the cost of these government fees that are imposed and passed on to the consumer. So for example, let's take the hotel industry, they charge a basic rate for the hotel room and then the hotel industry is able to separate out the cost of government, the TAT tax, on the bill. So should we require the hotels now to hide this tax in the cost of the basic room. Or should we allow the consumer to know the true cost of the room and be able to separate out the TAT or whatever fees that they are charged.

"The previous speaker talked about a deceptive practice. I think it's more deceptive to hide these costs in the basic daily rate. I believe in this case the consumer should have the right to know exactly what fees he or she is being charged with. Thank you."

Representative Whalen then rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, my concern is the quandary that we're in because obviously what we want is a competitive market. We want the tourist not to feel ripped off.

"However, I'm really torn because I do feel in some sense it is an unfair trade practice because not every car rental company has to pay this fee. It is a fee charged for leasing space at the airport. It is a cost of doing business. Just as if I own a store and someone else owns a store, but mine is on very expensive land. Well, my overhead is going to be more expensive. I can't say I'll meet or match any price of my competitor. And they come in, oh sure, I'll beat that price. However, I have a surcharge because my land is more expensive. That's ridiculous.

"Just as with the TAT, which is a tax charged on every hotel room -- it's a tax charged. You don't go down -- someone from Waikiki help me -- to the pink hotel and say this is lease land so our room rate is actually \$50 a night, but because we have to pay a lease to the landowner we're going to tack on this surcharge. So we actually can beat Motel 6, but we have these other surcharges we have to add on. It's unheard of because it's the cost of doing business. It's not industry-wide. It's for the privilege of doing business at that particular spot. It's renting the location.

"So for the discussion that it's a State charge, it's a tax, it's a surcharge, and a fee. It's basically using the proponent's language to basically trick the people into believing that they're being charged the mainland rate when they are not being charged the mainland rate. If you would notice on the ads, it says \$29.95 a day at participating locations. Obviously, if you're at the airport and they cannot make it at \$29.95, they're not a participating location. So what we're doing is giving a leg up to those at the airport versus a rent-a-car agency who's not at the airport, who is really charging \$29.95 a day. Thank you, Mr. Speaker."

Representative Cachola then rose and stated:

"I'd like to request that the remarks of the second speaker be entered into the Journal as if my own," and the Chair "so ordered."

Representative Cachola continued, stating:

"And also to add that since our number one industry is tourism, other states in the union can do it, why can we not do it? Second, in order to avoid abuses we amended the bill to include the reporting requirement of such fees and charges the

way they compute the amounts and other necessary information that is needed. This report will be submitted to the Department of Transportation and the Department of Commerce and Consumer Affairs for them to review if there are abuses.

"Again, Mr. Speaker, I'm speaking in support of this bill because if other states can do it, why can we not do it? Thank you."

Representative Fox then rose and stated:

"Mr. Speaker, in brief rebuttal, if this bill was about anything other than advertising a false price on the actual cost of the rent-a-car, I don't think I'd have an objection to it. What this bill allows you to do is to suggest a low price on the car and charge the person more when they come up to the desk.

"I think the Representative from South Kona correctly pointed out that there are some charges we expect to see. We expect to see a sales tax on a hotel bill. We don't expect to see this charge. 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. 765, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE RENTAL INDUSTRY," passed Third Reading by a vote of 38 ayes to 9 noes, with Representatives Auwae, Fox, Halford, Leong, Marumoto, McDermott, Meyer, Morita and Pendleton voting no and Representatives Kaho'ohalahala, Moses, Okamura and Rath being excused.

Stand. Com. Rep. No. 958 and H.B. No. 47, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 47, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative McDermott rose to speak in opposition to the measure, stating:

"Mr. Speaker, this allows physician assistants, among other things, to be recognized by the Department of Public Safety as licensed individuals who may be registered to write prescriptions for Schedule 3 to Schedule 5 controlled substances.

"I'm uncomfortable with that. I know they do it under the direct supervision of a physician, even though the physician may not be on site, but I do not feel comfortable with that. I see this as an erosion of the privileges that physicians have and not just in this measure, but in the physicians and dentists and ophthalmologists also. It's very pervasive. So that's my opposition. Thank you."

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

"There is no compelling reason to hand over prescriptive authority to physician assistants who do not have the training and schooling of medical doctors. What this bill would do, in effect, is create a new physician in the medical field that will likely gain the dubious distinction of 'witch doctor.'

"I assure you that a physician assistant does not have the qualifications of a medical doctor and, therefore, should not be able to practice medicine. It may be true that these assistants are under the direct supervision of a licensed doctor but, unfortunately, this would open the door for mistakes. Allowing physicians to delegate authority to their physician assistants to prescribe controlled substances, mainly narcotics, would compromise public health and safety -- bottom line.

"Although there is a legally required supervisory relationship between a physician and a physician assistant, there are no assurances in this bill that a physician assistant would be stopped from essentially performing as a doctor during busy

office hours. I'm sure we have all been in a doctor's office when it was busy and seen what goes on.

"There are also concerns about how much it would cost for the implementing and monitoring of a licensure program. I'm frankly surprised that the DCCA was willing to enter into a licensure program here when I've heard them testify on numerous other bills where they're not in favor of that. It adds more work. It creates more bureaucracy. And they haven't supported it in, for instance, the dietician bill.

"Mr. Speaker, there's a very simple answer for this that will not cost anymore money. There's already a licensure procedure for those in the medical field who want to prescribe drugs. It's called graduation from a seven year medical school. Thank you, Mr. Speaker."

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

"I think it's very convenient for Representatives from this island with a great number of physicians that are available. I represent a district that's twice the size of Oahu that may have four physicians. Bills like this give us the reach for expanded medical services for my people."

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

"Mr. Speaker, this bill has been around for a number of years. And as a result of last year's concerns about public safety and endangerment, and so on, the auditor did a report. The auditor came back with a report saying there's absolutely no impact on public safety. As the previous speaker said, this will be a big help to those particularly living in the rural areas.

"The last point I want to make is that, again, physician assistants have to work under the direct supervision of a medical doctor. If that medical doctor says this physician's assistant can only prescribe category five of controlled substances, which is like cough syrup, that PA will only be able to prescribe category five. If that doctor says this physician's assistant can prescribe categories three to five, then that person can do so. In other words, it will only be with the authorization, the approval, the oversight and direction of that medical doctor. If there are some concerns expressed about them overreaching and witch craft and all of that sort of nonsense, then you must attribute that directly to the supervising medical doctor. Thank you, Mr. Speaker."

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

"Some concerns have been expressed about whether or not this bill would be consistent with Consumer and Public Safety. I would like to echo the remarks previously made that the doctors strongly support this bill. It has the endorsement of the Board of Medical Examiners who recognize the competency of physician assistants to be able to assist physicians in the carrying out of certain duties and responsibilities that physicians are responsible for carrying out.

"It should also be emphasized that the physician assistants would have to practice within the scope that's carved out or specified under the rules of the Board of Medical Examiners. These rules require physician supervision in regards to the prescription of any controlled substances. The rules are also very limiting in regards to the kinds of controlled substances that can be prescribed or administered by the physician assistant. So in that regard I think we have those safeguards that are already in place.

"I would also like to point out that my Committee in previous years has had some strong reservations about this bill, and as such, we did not pass it out in previous sessions. The approach we took during the last legislative session was to ask

the Legislative Auditor to review this. And the Auditor basically came back with a report, as the Representative from Waipahu has indicated, indicating that licensure would be appropriate.

"They found that there would be a minimal fiscal and operational impact on the Department of Commerce and Consumer Affairs in the administration of this program. The Auditor found little to no effect on the public health, safety or welfare because safeguards currently in place in statutes or administrative rules are sufficient to ensure consumer protection. The Auditor also found no effect on insurance coverage because physician assistant services are generally billed to the supervising physician. For all of these reasons, I respectfully ask my colleagues to vote in favor of this bill."

Representative McDermott then rose and stated:

"Mr. Speaker, just briefly again. Mr. Speaker, I see this as an erosion of privileges of the doctors. The doctors that did testify in support of this was the Board of Medical Examiners, an appointed board. Remarkably absent is the Hawai'i Medical Association and the Federation of Physicians and Dentists. 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. 47, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PHYSICIAN ASSISTANTS," passed Third Reading by a vote of 43 ayes to 4 noes, with Representatives Auwae, Leong, McDermott and Meyer voting no and Representatives Kaho'ohalahala, Moses, Okamura and Rath being excused.

The Chair directed the Clerk to note that H.B. Nos. 34, 1528, 582, 746, 848, 885, 32, 830, 765 and 47 had passed Third Reading at 10:30 o'clock a.m.

Stand. Com. Rep. No. 959 and H.B. No. 1111, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1111, HD 2, entitled: "A BILL FOR AN ACT RELATING TO YEAR 2000 ERRORS BY COMPUTER-BASED SYSTEMS," passed Third Reading by a vote of 47 ayes, with Representatives Kaho'ohalahala, Moses, Okamura and Souki being excused.

Stand. Com. Rep. No. 960 and H.B. No. 286, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 286, HD 2, pass Third Reading, seconded by Representative Yonamine.

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

"Mr. Speaker, I stand in support, but I have some concerns about this bill as it moves through the process. My concerns deal with that this increases the speeding penalty for speeding in school zones and construction area zoning. My concern is for the onerous penalties of \$400, \$600 and \$1,000. The bill does not say anything about that the school zones or construction areas are adequately delineated. My concern is that if also for 24 hours a day. So for those residents who live in the immediate area, they are going to be constantly under this cloud. 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. 286, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SPEEDING," passed Third Reading by a vote of 47 ayes, with Representatives Kaho'ohalahala, Moses, Okamura and Souki being excused.

Stand. Com. Rep. No. 961 and H.B. No. 1409, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1409, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE LAND USE COMMISSION," passed Third Reading by a vote of 47 ayes, with Representatives Kaho'ohalahala, Moses, Okamura and Souki being excused.

Stand. Com. Rep. No. 962 and H.B. No. 500, HD 3:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 500, HD 3, entitled: "A BILL FOR AN ACT RELATING TO FIREARMS," passed Third Reading by a vote of 47 ayes, with Representatives Kaho'ohalahala, Moses, Okamura and Souki being excused.

Stand. Com. Rep. No. 963 and H.B. No. 71, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 71, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Marumoto rose stated:

"I rise to speak in favor of the measure with some reservations because this bill creates a new definition of 'ballot issue committee,' and subjects those committees to our campaign spending requirements. This is desirable, as we know that most efforts of ballot issue committees amount to advocacy.

"However, I am concerned about how we might place greater controls on those entities which are not subject to any campaign spending limits -- those which provide educational materials which may not specifically advocate for or against a candidate or ballot issue. Our experience in the last election indicates that the money spent to ostensibly educate was vast indeed, and left the electorate with little knowledge of who was behind it.

"I think it's important to point out that we must be aware that this is the biggest loophole in our campaign spending law. The other bill I mentioned a week or two ago would have restricted party expenditures and would have forced money to move to other types of entities that are not covered by the Campaign Spending Commission or the Federal Election Commission. So I just want everyone to be aware that these entities don't report who gave or who gave how much or how they will spend their money.

"I would urge those who sincerely want campaign reform to investigate the possibility of requiring disclosure for these groups, as I think we are all quite clear on their intent -- to influence an election. 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. 71, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," passed Third Reading by a vote of 47 ayes, with Representatives Kaho'ohalahala, Moses, Okamura and Souki being excused.

Stand. Com. Rep. No. 964 and H.B. No. 1083, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1083, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS," passed Third Reading by a vote of 47 ayes, with Representatives Kaho'ohalahala, Moses, Okamura and Souki being excused.

Stand. Com. Rep. No. 965 and H.B. No. 252, HD 3:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the

Committee was adopted and H.B. No. 252, HD 3, entitled: "A BILL FOR AN ACT RELATING TO DEGREE GRANTING INSTITUTIONS," passed Third Reading by a vote of 47 ayes, with Representatives Kaho'ohalahala, Moses, Okamura and Souki being excused.

Stand. Com. Rep. No. 966 and H.B. No. 1286, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1286, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS FOR NORTH HAWAII COMMUNITY HOSPITAL, INC.," passed Third Reading by a vote of 47 ayes, with Representatives Kaho'ohalahala, Moses, Okamura and Souki being excused.

Stand. Com. Rep. No. 967 and H.B. No. 235, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 235, HD 2, pass Third Reading, seconded by Representative Yonamine.

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

"Thank you, Mr. Speaker. First of all, Mr. Speaker, I would like to say thank you to the Chair and Vice Chair and the members of the Judiciary Committee for passing out this bill to Finance. Their amendments are clean amendments. They gave the Finance Committee a very clean bill. Also my mahalos to the Chair of Finance, Vice Chair and the members of the Finance Committee for supporting this bill.

"Mr. Speaker, I call this bill the Martin Luther King bill. Perhaps one day, as a native Hawai'ian, I can say 'free at last, free at last, God almighty, free at last.' As many of you know, I've been deeply interested in the matter concerning native people and the trust responsibilities owed to them both by the State and the federal government.

"Hawai'ian's have been, and continue to be, denied their right to pursue their just claims for reparations in the Federal Court by the application of the Doctrine of Standing. The Ninth Circuit Court of Appeals explicitly held, in 1985, that a claim of reparations cannot be made in Federal Court unless the entity pursuing the claims has a governing body duly recognized by the Secretary of Interior as a native group. This was the case of Price vs. State of Hawai'i in 1985.

"Thus, the United States Judiciary turns a deaf ear to the voice of the Hawai'ian people because the federal government recognizes no historical body which speaks for Hawai'ians. I believe that we, as legislators, have a unique opportunity to assist all Hawai'ians in the courts to be formally recognized by making the Hawai'ian Homes Commission an elected body once this governing body is voted into office by Hawai'ians.

"People may ask, 'but what about the Office of Hawai'ian Affairs?' One of the elements of creating the Office of Hawai'ian Affairs was that it be a conduit for federal reparations. But till this day, the Secretary of Interior does not recognize the Office of Hawai'ian Affairs. Short from a treaty, Mr. Speaker, we have an Act that recognizes native Hawai'ians. It's called the Hawai'ian Homes Commission Act 1920, amended in 1921. The amendments in 1921 were aggrieved.

"First of all, it violated our civil rights by creating a blood quantum in this Act, 100 percent to 50 percent to qualify. And today we're facing that divide and conquer theory. You got the less than 50 percent yelling out now 'what about me, I'm Hawai'ian.' And the 50 percent or more are saying, 'I'm tired of waiting on the waiting list.' This is a constitutional requirement.

"The Hawai'ian Homes Commission, as the one native Hawai'ian group that has historically been recognized by the Secretary of Interior, if it becomes an elected body, will become a governing body representative of Hawai'ians.

"We, as legislators, Mr. Speaker, can facilitate the resolution of the just claims of native Hawai'ians by ensuring the Hawai'ian Homes Commission becomes an elected and representative body. And at that point, Mr. Speaker, going coincide with this bill, we should enact a House Concurrent Resolution that asks our congressional representatives to once again start a federal dialogue or vehicle towards this federal reparation. I just beg all my colleagues to support this measure. Thank you."

Representative Pendleton then rose and stated:

"Mr. Speaker, I rise in strong support of the measure and ask that the remarks of my colleague from Waianae be inserted into the Journal as if they were my own," and the Chair "so ordered."

Representative Pendleton continued, stating:

"I'd also like to just add that I think this is a measure for which many people can be proud not just native Hawai'ians or Hawai'ians, but people of all races throughout this State. Anytime we empower those people or any group to make decisions that impact them, I think we've done a good thing. Anytime we allow them to have a tangible real, meaningful say in making decisions that relate to them or people close to them, we've done our job as legislators. And so again, for those reasons, I strongly support this measure."

Representative Auwae then rose and stated:

"Mr. Speaker, I need to register a conflict of interest as I'm a recipient of land from the Hawai'ian Homes," and the Chair ruled "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 235, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION," passed Third Reading by a vote of 47 ayes, with Representatives Kaho'ohalahala, Moses, Okamura and Souki being excused.

Stand. Com. Rep. No. 968 and H.B. No. 122, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 122, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC CONTRACTS," passed Third Reading by a vote of 47 ayes, with Representatives Kaho'ohalahala, Moses, Okamura and Souki being excused.

The Chair directed the Clerk to note that H.B. Nos. 1111, 286, 1409, 500, 71, 1083, 252, 1286, 235 and 122 had passed Third Reading at 10:35 o'clock a.m.

Stand. Com. Rep. No. 969 and H.B. No. 756, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 756, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC UTILITIES COMMISSION," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Stegmaier and Takamine being excused.

Stand. Com. Rep. No. 970 and H.B. No. 1079, HD 3:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1079, HD 3, entitled: "A

BILL FOR AN ACT RELATING TO THE CONVERSION OF BUSINESS ENTITIES," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Stegmaier and Takamine being excused.

Stand. Com. Rep. No. 971 and H.B. No. 789, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 789, HD 1, pass Third Reading, seconded by Representative Yonamine.

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

"Mr. Speaker, this bill and the bill that's on the following page are quite similar in that they speak to the in-prison drug treatment program, KASHBOX. The bill on this page speaks to a request for expanding monies available for this program. The bill on the second page makes sure that any money that's appropriated under this measure, out of this Legislature, ensures that men and women offenders get equal treatment for those who seek treatment from the KASHBOX program.

"Mr. Speaker, all of my colleagues here on this floor have heard repeatedly of the relationship between crime and substance abuse. We are told that if we devoted more of our resources for the rehabilitation of users as well as education and prevention that we could reduce our prison population by as much as one-third. Equally important, national studies indicate that rehabilitation compared to confinement is cost effective.

"KASHBOX is our main in-prison treatment program. This program, from a fairly modest beginning in 1990 up through 1998, has clinically discharged 244 inmates who were subsequently released into the community. Of this number 151 or 62 percent have not re-offended. In 1998, we increased our support for KASHBOX to increase the number of beds from approximately 86 to 200. There have been some delays in completion of the new facilities, but they have been resolved.

"Mr. Speaker, I firmly believe that treatment works. KASHBOX is an in prison drug treatment program with evidence of success and I urge my colleagues support of the continuing funding of this program. 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. 789, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE KASHBOX PROGRAM," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Stegmaier and Takamine being excused.

Stand. Com. Rep. No. 972 and H.B. No. 1595, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1595, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST WASTE PROCESSING ENTERPRISES," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Stegmaier and Takamine being excused.

Stand. Com. Rep. No. 973 and H.B. No. 273, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 273, HD 2, pass Third Reading, seconded by Representative Yonamine.

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

"Let me start by thanking the Child Protection Reform Roundtable, which was convened by Senator Chun Oakland and yours truly. The Roundtable was a collection of dedicated

individuals from state and private agencies, child advocates, parents and concerned citizens who voluntarily met at least twice a month, since September of 1997, to work on identifying and resolving critical issues for the reform of our Child Protective Services.

"Mr. Speaker and colleagues, the images and experiences of seeing little Reubyn Buentipo lying in a coma, near death, at the critical care unit of Kapiolani Hospital will always haunt me. It was there that I heard the horrifying and gut wrenching account of the abuses and torture this tiny little body was subjected to throughout his four years of life.

"Children are at greater risk today because of substance abuse, increases in single parent households, not to mention increasing societal stresses. We, as a Legislature, need to respond to protect our State's assets and investment in the future of Hawai'i.

"Last year our omnibus House Bill 3361 addressed some of the serious issues facing our Child Protective Services system including: (1) making a child's health and safety a priority over reunification; (2) to require reports of child protection multi-disciplinary teams be submitted to the courts; and (3) to require CPS to be open, accessible and communicative to persons affected.

"Healing families and keeping families intact is still a desirable goal. But given the lack of resources to support and treat families, especially those involving substance abuse, the safest route for a young child is probably going to be in out-of-home placement. Regardless, the time has come, and in fact overdue, that we view child abuse and neglect as a crime against a person. We need to acknowledge, as a society, that being a parent or guardian does not give license or excuse to do as we please with our children. I believe, as many of you do, that our children are precious gifts that God has entrusted us to nurture and care for.

"Finally, Mr. Speaker, this measure, and a following measure which addresses a technical error regarding the case in court for Reubyn's mother, will probably come a little too late to help Reubyn. No matter how tough our laws and penalties or how good our Child Protective Services system is, we must acknowledge that it is usually after the fact, after the harm has already been done. The best way to protect children is through prevention and intervention of abuse and neglect. But it requires community vigilance and involvement. It is sad to hear a relative, neighbor or friend of the family say that they suspected abuse and neglect, but did not want to get involved or they felt those problems should be left to the authorities.

"Mr. Speaker and colleagues, if we expect to stem the tide of abuse and neglect, our communities and citizens must be 'the village' that will help to raise Hawai'i's children. When a child is abused and neglected, we all lose. Cases like Reubyn Buentipo and C.J. Edwards represent just the 'tip of the iceberg' of an insidious social disease that rears its ugly head in the form of children emotionally disturbed in need of mental health services. It is reflected in the history of 90 percent or more of our inmates in our prisons. It also shows itself in substance abuse, teen pregnancy, gang violence, and other institutional care.

"So Mr. Speaker and colleagues, I ask that you join me in making others aware that every child is a precious investment in Hawai'i's future. 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. 273, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHILDREN," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Stegmaier and Takamine being excused.

Stand. Com. Rep. No. 974 and H.B. No. 266, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 266, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Auwae rose to speak in support of the measure with reservations, stating:

"This is on breastfeeding in the work place. Mr. Speaker, first, I am concerned with the legal aspect which might arise from expanding the definition of discrimination to include exercising employment sanctions against mothers who are breastfeeding or expressing milk in the work place.

"Second, as the bill is currently written, it contains the provision that states, 'an employer may provide employees with adequate time during the working day for the sole purpose of breastfeeding or expressing milk.' Are we giving our blessings to employers to be sensitive to the needs of mothers? If the purpose of this bill is to protect the needs of new mothers, then let's protect those needs. If the purpose of this bill is to provide employers with guidelines to treat breastfeeding employees fairly, then let's provide those guidelines.

"This bill lacks both. We would all agree that breastfeeding in the early months of childhood life has many physical benefits. Therefore, promotion and support of this practice should be encouraged. However, without further drafting the goal of this bill cannot be accomplished. Thank you."

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

"House Bill 266 is essentially concerned with the civil rights of the breastfeeding mother, and this is certainly an important issue.

"However, what is really of more importance is the workplace issue. Here in Hawai'i, a large percentage of women are in the workforce out of necessity and by choice. Going back to work usually involves leaving baby with a sitter or a relative and many times marks the end of breastfeeding.

"If mothers who return to work are allowed breaks during the day to either feed a baby brought in for a short period for this purpose or to express (pump) milk, they will not need to abruptly stop feeding and can continue to give their children all the advantages of breast milk up to the age of about one year.

"Besides allowing breaks during the day, why is a clean private space necessary?

"We are talking about not only breastfeeding babies, but expressing milk -- that is pumping milk from the breasts with a breast pump -- placing it into a nursing bottle and putting it into a cool place for storage until it can be taken home and used.

"Is a restroom appropriate? Ask yourself. Would you like to have your food prepared in the restroom?

"Why is it necessary to pump milk or feed during the workday? If the breasts are not stimulated and emptied at frequent intervals, the milk supply of the mother will decrease and discourage her from continuing because she will need to supplement with expensive formula.

"The milk that is pumped daily at the workplace will be used the next day to feed the baby while the mother is at work -- thus saving money.

"Expressing milk is a bit different from actually feeding the baby directly. A private place enables the physiological response of 'letdown' to occur and facilitates the pumping of milk.

"Besides the economic advantages of breastfeeding, there is the whole issue of maternal bonding and nurturing. We are going to spend millions and millions of dollars in the next fiscal year to take care of services required by Felix v. Waihee. We will spend millions more to reverse the ravages of child abuse. Dr. Cathy Bell of the American Academy of Pediatrics states: 'Breast feeding promotes maternal-infant bonding.'

"Encouraging breastfeeding in the workplace is simply an early intervention and preventive measure -- and a darned cheap one -- its small cost will be far overshadowed by the long term benefits. Breastfeeding advocate Rose Shilt says: 'employers would benefit from fewer absences due to ill children, more stable and productive workers, and decreased costs for medical insurance.'

"We, in Hawai'i, have a low rate of breastfeeding after the first few weeks because mothers must return to work. A clean private space and worktime breaks would encourage mothers to continue a beneficial practice and employers would be rewarded by having healthier, happier employees. Thank you, Mr. Speaker."

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

"I'd like to note that there were two measures on breastfeeding. I think it's only natural and appropriate that we should have two choices when it comes to breastfeeding. But I also want to note that one came from the Women's Caucus and one came from the Keiki Caucus. It's significant that the bill from the Keiki Caucus is the one that we're speaking to today.

"I think it's significant because when we talk about breastfeeding, the real beneficiaries are the children. There's tons of research that shows, in terms of healthy outcomes both physiological and psychologically, those children who are breastfed have better outcomes. If we're talking about workplace issues, Mr. Speaker, we're talking about the health of our future work force.

"Finally, I think in the context of the demands of today's families because, in Hawai'i, many women and mothers are required to work to help support the family and their children, I think it behooves all of us to make sure that we can provide them and support them so they can provide adequate nutrition to our young. Thank you, Mr. Speaker."

Representative Meyer then rose to speak in support of the measure with reservations, stating:

"I'm glad that my colleague from Kalihi brought up the fact that there were two bills on this issue. In Finance, we heard extensive testimony on the Women's Caucus bill on breastfeeding which I felt was a more positive type of bill. It didn't emphasize the negative. It encouraged employees to create a space, a nice environment for mothers to either nurse their babies or to express breast milk.

"I've long been a strong advocate of breastfeeding. I've practiced this with my children. I have mentored young mothers in the past to encourage them to nurse their babies when it wasn't as popular as it is today. I think people are far more educated on the value of breastfeeding. It certainly speeds up the bonding between the mother and baby and has all kinds of health benefits.

"My reservations with this bill is it seems to emphasize the negative. It sets the State Commission on the Status of Women up to be the nursing cops. I don't think that's what we want. I'm bothered by putting breastfeeding into the civil rights arena. The bill that the Women's Caucus introduced would have created incentives for the employers by having a tax credit provided for the space that they provided for the breastfeeding mothers. I'm pleased that this bill is moving forward because, if anything, we are advertising and educating people on the

benefits of breastfeeding and it'll also encourage more mothers to persevere. 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. 266, HD 2, entitled: "A BILL FOR AN ACT RELATING TO NEW MOTHERS BREASTFEEDING PROMOTION AND PROTECTION ACT," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Stegmaier and Takamine being excused.

Stand. Com. Rep. No. 975 and H.B. No. 123, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 123, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DRIVING UNDER THE INFLUENCE OF INTOXICATING LIQUOR," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Stegmaier and Takamine being excused.

Stand. Com. Rep. No. 976 and H.B. No. 171, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 171, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative McDermott rose to speak in opposition to the measure, stating:

"One of my friends wanted me to give a very emotional and powerful speech, but my conscience -- after hearing the testimony. The fact that we will withhold food, water and medicine, as this bill calls for, is remarkable to me. Considering the fact that two years ago we passed a bill forbidding surrogates from taking away food and water, it seems to me that we are unnecessarily hastening the coming of death without regard to few other issues. I firmly believe in the sanctity of life. I've always embraced that. I've always tried to take the moral high road on these difficult issues. And on this issue, I'm going to be in opposition because we take a remarkable step of withholding food, water and medicines. Thank you."

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

"This measure really is an attempt to implement the recommendations from the Governor's Blue Ribbon Panel on death with dignity. What this measure attempts to do is clarify and strengthen our existing laws on the advance directives in living wills and allows an individual to have some say in his or her care at the end of life.

"What we had tried to do by passing a measure like this and strengthening those laws is to gear up and strengthen all of those issues that come under this very controversial issue. Death with dignity has become an emotional issue. We held a hearing down in our auditorium here that lasted for almost six hours on a Saturday a few weeks ago. Through that testimony, when we heard this measure, along with the other measures that called for physician assisted suicide and physician assisted death, the reason we felt that this measure, and those dealing with what we've heard before -- and we will be talking about pain medication, psychological and spiritual counseling -- it is the hope of the Health Committee, and this Chair, that by strengthening all of these issues advance directives, pain medication everything to do with assisting an individual during that very difficult time, we will not have to cross into that area of physician assisted suicide, physician assisted death. Should we have done that or should we have considered that a lot of these issues would be pushed aside and not dealt with adequately?

"So it is the hope of this Chair that as we begin this discussion, and I think it's begun this session, and it's going to

go on the great debate for many years to come that we will, as a society, by implementing measures such as this, which allows an individual to choose whether or not he wants to have nutrition and hydration given to him in his incapacitated state, and during the time when he has a short time to live, honor that individual's choice. We had many testifiers say that an individual was afraid that he was going to be overruled by someone else when he was no longer able to make those decisions. What this measure tries to do is simply strengthen that. And along with the other measures that we've heard, and we're going to be talking about in the future, I believe we're taking a very responsible step in moving towards this very difficult and emotional issue. Thank you, Mr. Speaker."

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

"Mr. Speaker, advances in health care and technology have advanced very rapidly, and so has the average age of death. Unfortunately, we have not advanced as rapidly in our knowledge of end of life care.

"Advanced age or slow chronic illness can lead to a loss of competence, and that is why the advance directive is so important to allow the individual to indicate his preferences and values for end of life care in advance of the time when he or she is unable to communicate.

"This bill which is based on some of the recommendations of the Governor's Blue Ribbon Panel on Living and Dying makes improvements to our present law by making it easier for individuals to be clear about their preferences such as artificial nutrition, relief from pain, organ donation, ability to designate a physician and the power to designate an agent on their behalf.

"One of the defects of most state laws regarding these issues is a lack of uniformity and piece meal construction.

"Advance directives are really very helpful to assist individuals to begin thinking about alternatives for treatment at the end of life. They help people consider religious, familial, and financial considerations that will inevitably effect treatment and care decisions. This leads to better quality of end of life care and allows for individual choice.

"Certainly death is something that will come to us all -- it is much too important to ignore. Therefore, as legislators, it is important that in this session we participate in discussions of how to increase the quality of care for those facing the end of their life. Thank you, Mr. Speaker."

Representative Stegmaier then rose to speak in support of the measure with reservations, stating:

"I feel compelled to rise to speak on behalf of many individuals in our community who have very, very strong religious beliefs about end of life decisions. One of the concerns that has been raised by some of those individuals, with whom I agree sometimes and disagree with at other times, is that we're placing in statute these forms. The whole procedure we set out step by step in statute. And normally I would say that those kinds of details are left to rules and regulations.

"My concern is that perhaps, as this measure goes on and is dealt with by the Senate as well, that we determine whether some of the verbiage can be left to the process of rules and regulations of the Department of Health. Thank you."

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

"Mr. Speaker, I think the goal or the intent of the bill is a very good and noble one. When it comes to people who are facing end of life situations you have a lot of questions and you feel a lot of compassion. It's a very difficult decision. You

want, obviously, the person who is the patient and those closest to him or her to make those kinds of decisions that are of such a great personal nature that impact one's personal autonomy.

"My concern with this bill is based partly on some of the communications I received from some constituents and some health care providers that I've spoken to. I think it's a close question is what I want to say. I voted in favor of it in the Committee based on the testimony. I have some concerns, but at this time I'm going to be voting no, and it has to do with particular language that seems to concern me just a bit.

"On page 21 of this House Bill, House Bill 171, beginning with line 11, this is Section (f), it says 'a surrogate shall make a health care decision in accordance with the patient's individual instructions.' I have no problem with that language. I think it's good. What concerns me is the clause that follows immediately thereafter where it says 'if any, and other wishes to the extent known to the surrogate.' And so in a sense, a surrogate can make decisions even if there is none expressed or clear by the patient concerned on this particular issue.

"It also says, 'otherwise, the surrogate shall make the decision in accordance with the surrogate's determination of the patient's best interest.' And I guess that's the sentence that really concerns me. So if we look at the first sentence and we say okay 'the surrogate shall make a health care decision in accordance with the patient's individual instructions, if any.' So maybe there isn't any at all. Then we go to the second sentence 'otherwise, the surrogate shall make the decision in accordance with the surrogate's determination of the patient's best interest.'

"So in fact there may be an unexpressed intent because not all of us know when we may die. We may be hit by a car tomorrow. I can tell you I don't have a written down intent, but there may be no written down expressed, carefully thought through and deliberated intent and the surrogate may make a determination of the patient's best interest. What that surrogate thinks. And then it says, 'in determining the patient's best interest, the surrogate shall consider the patient's personal values to the extent known to the surrogate.' So again you may not have a written instrument which clearly sets forth what those values are and again the bill leaves enough flexibility so the surrogate may not necessarily be a parent or a spouse or a child. There's a lot of flexibility.

"So for those concerns, I'm going to oppose this particular measure, not necessarily the concept, but this particular measure particularly because of the concerns I have with regard to the application of this subsection (f) on page 21. Thank you, Mr. Speaker."

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

"Mr. Speaker, my mother was an advanced case of Alzheimer's and was in a hospital in Hilo. The physicians wisely gave the people that loved her the most -- her sons and daughter -- the opportunity to look through the hospital and say: 'We can put your mother on life support system. Is this what you want for her?' And we said 'no.' We took her home. We certainly did not withhold any food or nourishment. We gave her loving care 24 hours a day and she died some months later, very peacefully at home.

"We had no specific instructions from her to make those decisions, just what we knew in our hearts. I urge support of 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. 171, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH CARE DECISIONS," passed Third Reading by a vote of 41 ayes to 6 noes, with Representatives Auwae, Leong, McDermott, Meyer, Pendleton and Rath voting no and

Representatives Moses, Okamura, Stegmaier and Takamine being excused.

Stand. Com. Rep. No. 977 and H.B. No. 1021, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1021, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Stegmaier and Takamine being excused.

Stand. Com. Rep. No. 978 and H.B. No. 982:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 982, entitled: "A BILL FOR AN ACT RELATING TO AQUACULTURE," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Stegmaier and Takamine being excused.

The Chair directed the Clerk to note that H.B. Nos. 756, 1079, 789, 1595, 273, 266, 123, 171, 1021 and 982 had passed Third Reading at 11:06 o'clock a.m.

Stand. Com. Rep. No. 979 and H.B. No. 368:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. 368, entitled: "A BILL FOR AN ACT RELATING TO THE STATE WATER CODE," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 980 and H.B. No. 8, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 8, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE DRIVER LICENSING," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 981 and H.B. No. 89, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 89, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Yonamine rose in support of the measure and asked that his comments be inserted into the Journal, and the Chair "so ordered."

Representative Yonamine's remarks are as follows:

"Mr. Speaker, on behalf of all the Okinawan legislators, I rise in support of HB 89, HD 1, Relating to the Okinawan Centennial Celebration Commission.

"The year 2000 will mark the 100th anniversary of the arrival of the first Okinawans in Hawai'i. Unlike other ethnic groups, Okinawan immigrants all shared the common experience of working in the sugar cane fields. These early immigrants faced many hardships living in a strange new land with cultural and language differences. Through the belief of family and hard work they persevered and provided many opportunities for the next generation of Okinawan Americans. These opportunities have allowed us to help, significantly, in the development of Hawai'i as a territory and as a state. There are many Okinawan Americans who have contributed to the fields of politics, business, medicine, law, and education.

"Mr. Speaker, HB 89, HD 1, appropriates funds for the Okinawan Centennial Commission to conduct many statewide cultural, educational, and social activities throughout the year. In addition to the tremendous appeal and interest to local industries, our State will see an increase in tourism from visitors from Okinawa. I urge you, members of the House, to support HB 89 for it honors the diversity of our islands and is a milestone of the history and culture of the Okinawan community."

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

"I just want to go on record as saying that it is very important that every ethnic group be allowed to celebrate its centennial celebration."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 89, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE OKINAWAN CENTENNIAL CELEBRATION COMMISSION," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 982 and H.B. No. 140:

Representative Case moved that the report of the Committee be adopted and H.B. No. 140 pass Third Reading, seconded by Representative Yonamine.

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

"This bill allows for the transfer of projects to improve and create infrastructure systems and facilities from the public sector to the private sector. With the increasing need to construct and improve such structures and the diminished likelihood of funds being available, partnerships with the private sector have become an attractive alternative.

"This bill will encourage new capital and investment opportunities and allow private industry to work in cooperation with a government entity in creating or improving infrastructure systems here in Hawai'i. In these strained economic times, this bill will allow government to maximize its limited resources for other worthy projects. Thank you, Mr. Speaker, for allowing me to speak."

Representative Souki then rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I know you want to move on, the time is getting late, but if I could go back and speak on Stand. Com. Rep. No. 982, House Bill 140.

"Mr. Speaker and members, I have some reservations with this measure only because we already have a mechanism in place that will provide for this privatization. Last year, if you all recall, we passed a bill on privatization. It has a process where if a private organization or company wishes to come in and seek a bid for some governmental project, piers, airports, et cetera, they need to provide its plans and performance to this committee which is to be appointed by the Governor. I believe the State Legislature, the Speaker, and this committee will evaluate and make the recommendations and then the recommendations will become final.

"Unfortunately, I don't believe that we have proceeded on this. We should be working on that measure this year and we're not. So therefore, I believe that this bill right here is premature until we can resolve the privatization bill that we passed last year. Thank you very much."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 140,

entitled: "A BILL FOR AN ACT RELATING TO PUBLIC-PRIVATE INFRASTRUCTURE PARTNERSHIPS," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 983 and H.B. No. 174:

Representative Case moved that the report of the Committee be adopted and H.B. No. 174 pass Third Reading, seconded by Representative Yonamine.

Representative Arakaki rose in support of the measure and asked that his comments be inserted into the Journal, and the Chair "so ordered."

Representative Arakaki's remarks are as follows:

"Congressional enactment of Title XXI of the Social Security Act in the federal Balanced Budget Act (BBA) of 1997 has provided states with an important opportunity to expand health care coverage to low-income children who are uninsured. The program, called the Children's Health Insurance Program (CHIP), is considered the largest expansion of health care coverage since the enactment of Medicare and Medicaid.

"Hawai'i was allotted \$9.9 million for CHIP for federal fiscal years 1998 through 2000 with a further commitment to fund the program through federal fiscal year 2008. This federal allotment requires a state match of \$4.8 million, which represents an enhanced federal matching rate of 65 percent.

"In January 1998, the Department of Human Services and the Department of Health convened a CHIP Planning Committee which included numerous advocacy, provider and consumer groups, including participants from the Neighbor Islands. The goal of the committee was to develop and submit Hawai'i's CHIP proposal prior to the federal Health Care Financing Administration (HCFA) of the Department of Health and Human Services on October 19, 1998.

"The CHIP Planning Committee developed a proposal which reflects a decision to implement a Title XXI plan through an expansion of Hawai'i's Medicaid and QUEST programs. The proposal was submitted as a 'placekeeper' plan to lock-in federal funding for federal fiscal year 1998 through 2000.

"Although this program is extremely worthy of funding, continued constraints on State revenues preclude the inclusion of CHIP funding in the Governor's Executive Budget for biennium years 2000 and 2001.

"The following is a summary of Hawai'i's CHIP proposal to the HCFA. The complete Hawai'i Title XXI State Plan Application is available from the Department of Human Services, Med-QUEST Division.

"The plan calls for an expansion of Hawai'i's Medicaid and QUEST Programs, phasing in health coverage for children who are uninsured by age and family income level. The first phase of Hawai'i's CHIP proposal requests coverage of uninsured children, ages 1-6, with incomes between 134 percent and 185 percent of the federal poverty limit. Subsequent amendments will be submitted, depending on available funding, to effect the State's plan for implementation of the second and third phases of our Title XXI expansion. When fully implemented, coverage for children will extend from birth through age eighteen to children in families with incomes below 200 percent of the federal poverty level.

"As an expansion of the Medicaid and QUEST programs, the CHIP benefit package will be the same as that of the Medicaid and QUEST for children including medical, dental, and behavioral health services as well as access to full Early, Periodic, Screening, Diagnosis and Treatment (EPSDT) benefits.

"Health care services will be delivered to CHIP enrollees through the regular Medicaid and QUEST provider networks.

"Current mechanisms and methodologies to ensure quality and appropriateness of care and access to covered Hawai'i QUEST and Medicaid fee-for-service program services will also be utilized for the CHIP program.

"As an expansion of the Medicaid program, there will be no cost sharing (i.e. premiums, deductibles, coinsurance, and other cost sharing) for enrollees in the CHIP program.

"As a Medicaid and QUEST expansion, the Department of Human Services will serve as the administering agency for Hawai'i's Title XXI program. Administrative responsibilities will include determination of eligibility, policy and rule development, and monitoring of quality and appropriateness of care. Outreach and coordination will involve working with and through existing public as well as private sector health care and social service networks/resources on a statewide basis (e.g. existing outreach workers, case management agencies; pre-school and child care organizations; DOH programs, including WIC, Maternal/Child Health Branch, other Family Health Services Division programs, Child and Adolescent Mental Health Division; Developmental Disabilities Division, Zero-to-Three Programs; DHS Programs); working with the State's Labor and Education Departments; working with consumer/advocacy organization; conducting 'Train the Trainer' session; working with health care provider organizations; working with the business community, service organizations and labor unions; organizing a media campaign; and, coordinating effort with 'Covering Kids' which is a Robert Wood Johnson Foundation grant being sought by the Hawai'i State Primary Care Association.

"House Concurrent Resolution 121 urged the development of a plan to provide universal health coverage for all Hawai'i's children using, as a significant 'stepping stone,' the efforts of the CHIP Planning Committee to develop Hawai'i's CHIP plan. The CHIP Planning Committee will be convened as needed as we work towards implementation of the CHIP program. The CHIP Planning Committee coordinated its planning activities with those of other planning groups currently exploring options to expand health coverage to children who will not receive health coverage through either Hawai'i's Title XXI program, Title XIX programs or through commercial health insurance plans.

"HB 174 will help the State of Hawai'i to move towards a universal health coverage for all children in Hawai'i. I urge all my colleagues to support 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. 174, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE CHILDREN'S HEALTH INSURANCE PROGRAM," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 984 and H.B. No. 318:

Representative Case moved that the report of the Committee be adopted and H.B. No. 318 pass Third Reading, seconded by Representative Yonamine.

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

"Mr. Speaker, this bill appropriates funds to the Department of Education for 292 full-time, temporary school clerical positions to partially implement the recommendations of the 1990 School and District Office Clerical Staffing Study.

"This study concluded that an additional 429 1/2 full-time equivalent clerical positions would be needed to bring all

schools into compliance with the recommended school clerical staffing standards. It seems that schools statewide are currently staffed at around 70 percent of the standard. This has put a tremendous burden on each school's existing clerical staff.

"Numerous SASAs, or school administrative services assistants, have testified that they are burnt out and have stress levels that have reached an all time high while the morale in the school and the office have hit rock bottom. Teachers and principals across the State will tell you, it is the clerical staff that makes sure our schools run smoothly.

"Mr. Speaker, if the shortage of the clerical staff is not rectified, this will lead not only to overworked clerical staff, but it will also lead to inefficient schools with low morale of clerks, administrators, teachers as they try to cope with inadequate staff. Thank you, Mr. Speaker."

Representative Meyer then rose to speak in support of the measure with reservations, stating:

"In these financially hard times, I'm concerned about bringing on 292 full-time equivalent workers. This report says the 292 full-time equivalent workers and then it says temporary school clerical positions. I'm a little confused on that. It sounds like some of the language we hear in many bills which I refer to as the 'two step.' We first get people in as temporaries and then a couple of years later we make them full-time equivalent.

"There's no question balancing the budget is our biggest job this year and reducing the size of government is one way to do it. With this bill, we are definitely not reducing the size, we are increasing it substantially. I've spoken with representatives from the HSTA. I've looked at reports from the Department of Human Services. And I see that the schools are hiring a fairly large number of welfare mothers, Mr. Speaker. That goes in with the JOBS program, get the welfare recipients off of welfare and back to work. This is one area that that's been practiced.

"As I understand, the federal program considers volunteer work as the equivalent of work. They'll give you credit for volunteer work. I don't believe that we're taking advantage of this in this State. There's this feeling that we must pay everybody that comes and does something. These mothers could fill in right here with these 292 positions and not be paid \$10 an hour, but volunteer their time. They will be learning a valuable lesson in work because you must show up on time, follow directions, get good training, be an assistant, be another pair of hands, and answer the phone.

"This is the way I think we should give help to these SASAs in the schools rather than hiring on 292 full-time equivalents. We've got to look at our revenues and what we can afford. I don't know what this amounts to in money, but 292 positions is a lot and there's every indication that the intention is to add another 159 in the following years. Thank you, Mr. Speaker."

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

"Education remains to be our top priority and it really doesn't matter how much it costs. In this situation, colleagues, if we try to move into giving more autonomy to the individual schools, giving more flexibility to the individual schools and having them empower themselves to involve their community, the students, and the parents, we need to look at how much support we can give to each of the individual schools. This effort will allow flexibility to the principals, the teachers, and the parents in each of the schools to work on clerical matters. I think this is a good movement from centralizing the Department of Education and moving towards empowering each of the schools. Therefore, I speak in favor of this measure. Thank you."

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

"Mr. Speaker, I think all of us who have experience with education, or at least kids in public school, can understand the important contribution that the SASA, or the people who handle the clerical matters in a public school, make to the school, the students and the staff. I fully support the intent of this bill and I think we need to fund this. But one concern that I had, maybe it's not even a concern, but the thought is, it does not follow that because we support autonomy and full funding of education flexibility that we would fund this particular matter in this way with a separate bill.

"It would seem to me that the most common fashion would be to just fund it through the overall budget. But perhaps when we funded the overall budget, the DOE, in looking at its priorities, had this too low on their priority list so we had to come around this way. So I think while I support this, I would urge us to think about whether or not we want to have many bills like this floating around in various separate topics or rather we want to just make sure that the DOE has the overall budget that they need to handle all of these priorities.

"Because if this was truly a priority for the superintendent and the Board of Education, it would have been up there higher in the list of priorities. So I support this, but again, I'm just looking and thinking about the process in which we're funding this. Thank you, Mr. Speaker."

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

"This measure addresses the inadequacy of clerical support in our schools by appropriating funds for 292 additional positions. The problem with it is that it is based on the 1990 study that was done which was before school/community-based management and before the Felix vs. Waihee consent decree. If there was that kind of a need back then, the need has grown significantly. Additionally the kinds of clerical staff may well have changed since then. I think we need to use this measure to clearly identify what kinds of needs there are in our school offices and make sure that the kinds of personnel that we appropriate monies for address those needs. 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. 318, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR ADDITIONAL SCHOOL CLERICAL POSITIONS," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 985 and H.B. No. 375, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 375, HD 1, pass Third Reading, seconded by Representative Yonamine.

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

"Mr. Speaker, this bill is part of the comprehensive tax package that was reported out of your Committee on Economic Development and Business Concerns. The bill exempts exported professional services from the General Excise Tax. It levels the playing fields for those firms competing with firms outside of the State of Hawai'i. By imposing a tax on imported services, it encourages professional firms to locate in Hawai'i.

"Mr. Speaker, a great number of our professional firms that have contracts in the Far East and other parts of the country have relocated offices to the Far East, Guam and other locales. This bill will encourage them to stay home. At worst, it is a revenue neutral bill. 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. 375, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 46 ayes to 1 no, with Representative McDermott voting no and Representatives Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 986 and H.B. No. 531:

Representative Case moved that the report of the Committee be adopted and H.B. No. 531 pass Third Reading, seconded by Representative Yonamine.

Representative Ahu Isa rose to speak in support of the measure, stating:

"I know Representative Garcia spoke on the KASHBOX program. Mr. Speaker, we recognize that there is a high correlation between substance abuse and crime in Hawai'i. Eighty-five percent of all male criminal offenders currently in Hawai'i's prison system need substance abuse treatment. And the percentage of female inmates needing substance abuse treatment was higher at 95 percent.

"Yet, we find that the Waiawa Correctional Facility KASHBOX program, which has been highly successful since its inception in March of 1990, does not have women in it. We find that although the KASHBOX Drug Treatment Program has been available for incarcerated males, it has not yet been made available to incarcerated females in Hawai'i's correctional facilities. The situation for incarcerated women is equally critical as for the incarcerated males.

"The Ho'omana Substance Abuse Program at the Women's Correctional Center is as successful and essential as its counterpart. However, they only have 15 beds, and I was shocked when Mr. Ted Sakai came and told us that. This bill, Mr. Speaker, is to expand the KASHBOX drug program throughout the State and to ensure that women in Hawai'i's correctional facilities are given fair and equitable access to the treatment program. This inequity needs to be addressed to ensure that both male and female prisoners have that same opportunity. Thank you, Mr. Speaker."

Representative Abinsay then 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:

"Mr. Speaker, I have always advocated substance abuse treatment programs to rehabilitate those that are in prison for drug abuse offenses. I believe that most of these abusers can become contributing members of society once again if given proper treatment.

"The KASHBOX program currently in operation at Waiawa Correctional Facility has proven effective in treating male inmates, however, it is not available to female prisoners. This inequity needs to be addressed and this is what House Bill 531 is proposing to accomplish by appropriating funds to expand the KASHBOX drug rehabilitation program so that women in Hawai'i's correctional facilities are given fair and equitable access to drug treatment programs.

"I fully support this bill and I urge all of you to support 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. 531, entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONS," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 987 and H.B. No. 602:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 602, entitled: "A BILL FOR AN ACT RELATING TO REGISTRATION OF A TRAILER," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 988 and H.B. No. 706, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 706, HD 2, pass Third Reading, seconded by Representative Yonamine.

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

"Thank you, Mr. Speaker. At long last, this measure will enable the 50 or 51 remaining lessees of 999 year leaseholds to finally renovate or reconstruct their dwellings. We have been trying to look for a solution for many, many years. Some of those which have been given to us were not satisfactory because previous lessees exercised their right to purchase these leaseholds at fair market value. Some of the suggestions were that we should provide the remaining lessees to purchase it at an even dollar or the discounted rate which would not be fair for the previous purchasers who acquired their properties with an average of about \$250,000.

"With the waiver of the succession, they can now do what they need to do and obtain the loan. And I'd like to thank Chair Cachola for coming up with the solution to enable this to happen. Thank you."

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

"Thank you, Mr. Speaker. I also would like to thank the author of this bill.

"Mr. Speaker, just for the clarification of this body, this is not Hawai'ian Homes Commission Act although I did read some compelling testimony addressing the blood quantum. This does not have a blood quantum. But it does lay a precedent until that one day that perhaps the Hawai'ian Homes Commission could turn into fee simple. And I really appreciate this bill. 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. 706, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HOMESTEAD LEASES," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Saiki and Takamine being excused.

The Chair directed the Clerk to note that H.B. Nos. 368, 8, 89, 140, 174, 318, 375, 531, 602 and 706 had passed Third Reading at 11:25 o'clock a.m.

Stand. Com. Rep. No. 989 and H.B. No. 849, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 849, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL FACILITY REVENUE BONDS FOR AIRPORTS," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 990 and H.B. No. 938, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 938, HD 1, entitled: "A

BILL FOR AN ACT RELATING TO LITTER CONTROL," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 991 and H.B. No. 1060, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1060, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES HEALTH FUND," passed Third Reading by a vote of 44 ayes to 3 noes, with Representatives Arakaki, Catalani and Takai voting no and Representatives Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 992 and H.B. No. 1282:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1282, entitled: "A BILL FOR AN ACT RELATING TO THE HONOKAA-PAULIO IRRIGATION DISTRICT," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 993 and H.B. No. 1287, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1287, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST THE GAS UTILITY SERVING THE GENERAL PUBLIC," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 994 and H.B. No. 1457:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1457, entitled: "A BILL FOR AN ACT RELATING TO THE TRAFFIC CODE," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 995 and H.B. No. 1703:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1703, entitled: "A BILL FOR AN ACT RELATING TO WAIMANALO," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 996 and H.B. No. 1726, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1726, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FAMILY HEALTH SERVICES," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 997 and H.B. No. 1151, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1151, 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 Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 998 and H.B. No. 1183, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1183, HD 2, entitled: "A BILL FOR AN ACT RELATING TO BEACH LANDS," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 999 and H.B. No. 1257, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1257, HD 1, 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 47 ayes, with Representatives Moses, Okamura, Saiki and Takamine being excused.

The Chair directed the Clerk to note that H.B. Nos. 849, 938, 1060, 1282, 1287, 1457, 1703, 1726, 1151, 1183 and 1257 had passed Third Reading at 11:26 o'clock a.m.

Stand. Com. Rep. No. 1000 and H.B. No. 1653, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1653, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE ALA WAI CANAL WATERSHED IMPROVEMENT PROJECT," passed Third Reading by a vote of 46 ayes, with Representatives Garcia, Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 1001 and H.B. No. 287, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 287, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative McDermott rose in opposition to the measure and asked that his comments be inserted into the Journal, and the Chair "so ordered."

Representative McDermott's remarks are as follows:

"Mr. Speaker, I oppose this measure. I think it is a complete waist of time and money. This program funds 26 full-time teachers who focus on sexual education, substance abuse, and suicide prevention.

"I suggest that we use these funds and teachers to focus on history, geometry, English, math and science. Or perhaps, an SAT preparatory course. Mr. Speaker, let us please focus on the core subjects that our students need to pursue in order to achieve academic excellence.

"Although this is a well-intended program, I believe it is not what our schools should be focusing on."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 287, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE PEER EDUCATION PROGRAM," passed Third Reading by a vote of 45 ayes to 1 no, with Representative McDermott voting no and Representatives Garcia, Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 1002 and H.B. No. 310, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 310, HD 1, pass Third Reading, seconded by Representative Yonamine.

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:

"The purpose of HB 310 is to include athletics as an integral part of the educational process by requiring funding for coaches' salaries, athletic health care trainers, athletic equipment and supplies, and the transportation of athletic teams to be considered standard workload increase items when planning and budgeting for new public schools.

"Because funds for coaches' salaries, athletic equipment and supplies, et cetera, were not included as standard workload increase items when two new high schools came on-line, the Department of Education had to divide the current athletic budget among 40 high schools instead of 38. This resulted in a smaller piece of the 'pie' and consequently, high schools received less funding for the maintenance of on-going programs. 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. 310, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PLANNING AND BUDGETING FOR NEW SCHOOLS," passed Third Reading by a vote of 46 ayes, with Representatives Garcia, Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 1003 and H.B. No. 353, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 353, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Leong rose and stated:

"Mr. Speaker, regarding Stand. Com. 1003, I'd like to disclose that I am a real estate broker," and the Chair ruled "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 353, HD 2, entitled: "A BILL FOR AN ACT RELATING TO REAL ESTATE BROKERS AND SALESPERSONS," passed Third Reading by a vote of 46 ayes, with Representatives Garcia, Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 1004 and H.B. No. 424, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 424, HD 2, entitled: "A BILL FOR AN ACT RELATING TO FOREST RESERVES," passed Third Reading by a vote of 46 ayes, with Representatives Garcia, Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 1005 and H.B. No. 632, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 632, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DISABILITIES," passed Third Reading by a vote of 46 ayes, with Representatives Garcia, Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 1006 and H.B. No. 719, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 719, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Marumoto rose to speak in opposition to the measure, stating:

"Mr. Speaker, this is on abandoned motor vehicles. I am not opposed to helping the counties. I am not opposed to highway beautification. I'm not opposed to programs dealing with abandoned cars. And I'm not even opposed to a \$1 fee increase much to Representative McDermott's dismay, I'm sure. But what really upsets me on this measure is that the counties have to come to the Legislature to beg for a \$1 increase in this fee on their motor vehicle registration.

"The Legislature is all-powerful and we can give and we can take away. We took away millions from the counties last year with the TAT. Now we are magnanimously giving the counties another \$1. They can assess another \$1 for their highway beautification fund.

"We really should rethink our relationship with the counties. There's another bill that would tax automobiles, the ad valorem tax on vehicles. If this also passes, then this extra \$1 charge is sort of like rubbing salt into the taxpayers' wound. So therefore, I am voting no on this little dinky bill. 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. 719, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ABANDONED MOTOR VEHICLES," passed Third Reading by a vote of 44 ayes to 2 noes, with Representatives Marumoto and McDermott voting no and Representatives Garcia, Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 1007 and H.B. No. 806, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 806, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Schatz rose to speak in support of the measure with reservations, stating:

"This is to pre-approve our land exchange between the State and some private business people who are interested in establishing a motor speedway near the Keahole Airport on the Kona side of the Big Island. I think this is a good idea in principle. I think economic development on that side should occur and I think this might be a way to do it.

"I have some reservations because to my knowledge the State of Hawai'i has not pre-approved land deals particularly when some of the detail remain unresolved. In the Finance Committee and in the Water and Land Use Committee, we asked a series of questions that, to my knowledge, were not satisfactorily answered. The portion of land that would be exchanged has yet to be identified. I have a problem with that.

"Additionally, a good portion of the land on which the motor speedway is proposed to be built is zoned conservation and agricultural. This will require an up zoning by the county. I don't think it should be the business of the Legislature to pre-approve a land deal expecting an up zoning from the county. I have too many concerns about this particular measure to vote with a clean yes. Although, I do think this is potentially economically beneficial. Thank you, Mr. Speaker."

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

"This motor speedway would be built by a private entity. I understand some of the concerns of my colleagues, but it was in the Committee on Water and Land Use that the DLNR actually made it clear that they weren't wedded to the property that the

private speedway people wanted to offer them as a trade. They would actually like to select the property. And that's where the property that had been identified was dropped out of the bill. This way the DLNR would be able to look for certain things about the property, ease of developing and location. It would give them a better selection.

"As far as the up zoning of this property, I think there's every reason to believe that the county will do this. A very similar property down the road a mile or so was made into a service station; COSTCO, a very popular business there, where most of the people on West Hawai'i do their shopping, is built on property just like this.

"I believe that we should support this wholeheartedly. This would bring a tremendous amount of money into the State. The selection of this site seems perfect. It's right across the street from the airport. Most of you would not like to live next to an airport. The roaring sound of racing cars would be right in sync with the airport. 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. 806, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LAND EXCHANGE," passed Third Reading by a vote of 46 ayes, with Representatives Garcia, Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 1008 and H.B. No. 899, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 899, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Catalani rose in support of the measure and asked that her comments be inserted into the Journal, and the Chair "so ordered."

Representative Catalani's remarks are as follows:

"I stand in strong support of this measure to provide a substance abuse intervention, counseling and treatment pilot program at King Intermediate School.

"Some of the students at King Intermediate are in critical need of drug treatment, counseling and intervention services. A survey was taken at King Intermediate, and of 422 students who answered the in-house survey, 73 percent believed there is a drug or alcohol problem on campus; 52 percent said students use drugs or alcohol during school hours; and 60 percent reported that peers and family members use drugs. They also said alcohol and marijuana can easily be obtained at school.

"Because of the ease to both legal and illegal drugs for our children, we need to educate and teach them about the dangers of drugs, including alcohol and tobacco. I firmly believe that at the seventh and eighth grade levels, students can learn new, healthy and productive ways of life. Our State can save our resources, in the long run, if we can teach students about the way drugs will negatively affect their lives.

"In addition, we can save resources at the high school level when we do not have to fund these high school drug intervention programs at the same level as we do now. The Teen Care program at Castle High School, because of the Department of Health funding restrictions, is not allowed to provide intervention, counseling or treatment to intermediate school students. It is for that reason that we need a program at our intermediate school.

"I ask my colleagues to vote in favor of this measure to help our students learn a new lifestyle that is drug free."

Representative McDermott then rose in opposition to the measure and asked that his comments be inserted into the Journal, and the Chair "so ordered."

Representative McDermott's remarks are as follows:

"This bill is a total waste of money. It is a pork project if I ever saw one. Schools in my district are literally falling apart and we fund an unneeded, bogus, special interest program like this. The very notion of an on-site substance abuse program for an intermediate school is ludicrous. Seventh and eighth graders are not chronic drug users."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 899, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR DRUG TREATMENT, COUNSELING, AND INTERVENTION SERVICES AT KING INTERMEDIATE SCHOOL," passed Third Reading by a vote of 45 ayes to 1 no, with Representative McDermott voting no and Representatives Garcia, Moses, Okamura, Saiki and Takamine being excused.

Stand. Com. Rep. No. 1009 and H.B. No. 972, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 972, HD 1, 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 46 ayes, with Representatives Garcia, Moses, Okamura, Saiki and Takamine being excused.

The Chair directed the Clerk to note that H.B. Nos. 1653, 287, 310, 353, 424, 632, 719, 806, 899 and 972 had passed Third Reading at 11:33 o'clock a.m.

Stand. Com. Rep. No. 1010 and H.B. No. 1020, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1020, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII CAPITAL LOAN PROGRAM," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Marumoto voting no and Representatives Auwae, Moses and Okamura being excused.

Stand. Com. Rep. No. 1011 and H.B. No. 20, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 20, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative McDermott rose to speak in opposition to the measure, stating:

"This is a Judicial pay raise, Mr. Speaker. Time and time and time and time again, these guys have blown every high publicized, controversial decision that there is.

"They're unbelievable. I cannot see funding a pay raise for these guys who are making \$85,000-\$90,000 a year. Some of them, unfortunately, are caught in the middle of this battle. Some outstanding judges are lumped in with these guys who have no business serving. I also think it's unfortunate that many of my colleagues here are put in a very difficult position because they're attorneys and privately they'll say one thing, but publicly they have to go in front of these guys if they're going to practice law. These guys are human beings, they know if you voted for a pay increase for them or not. They're in a very difficult position.

"I guess if I was an attorney, I would declare a conflict because it certainly is a conflict if you're practicing law in the State of Hawai'i to vote on a Judicial pay raise. Nonetheless, we cannot reward these guys for substandard behavior and

substandard performance. And that's my verdict on these guys. My verdict is no. They failed, no pay raise."

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

"Thank you, Mr. Speaker. I'm also an attorney," and the Chair ruled "no conflict."

Representative Thielen continued, stating:

"I'm not opposing it because of the decisions issued by the court. They have a separate function from the Legislature. We should not be telling them how to rule, how to decide their cases. As our purpose is to enact laws, their purpose is to interpret those laws.

"My opposition to the Judicial pay raise comes from the fact that so many people in our State are having to struggle to even get by. Many of them aren't making it. Many of them have to leave the islands. I just don't think it's conscionable to increase Judicial salaries. When people are earning like \$85,000 a year or more, I just can't support saying 'gee, that's not enough.' In today's economy, I think they're going to need to be able to get by with what they make. And that's a hefty sum right at this point. Thank you."

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

"I want to address the comments that the Representative from Foster Village, my friend, made. I must say in rebuttal to his comments that they reflect a fundamental misperception of the separation of powers between the Executive, Legislative and Judicial branches.

"I say to him that, as a lawyer and a citizen, I often find disappointment in some of the rulings that come out of the Judicial branch. But I do not, under any circumstances, take away from the Judiciary the right to make those rulings.

"The Representative from Kailua has described the role of the Judiciary. The role of the Judiciary is to interpret the laws that we pass where we have not provided sufficient guidance, to interpret the Constitution, and to interpret and apply the common law. That is its job.

"There is a dynamic tension between these three branches of government which is exactly what our founding fathers put in place. The tension that we feel and that was expressed by the Representative from Foster Village is a natural tension, but it is a tension that must stay in place. We cannot make decisions in this body on the pay raises or other benefits for the Judiciary based on the decisions that they make. We have to look at this issue in terms of our overall responsibilities for administering this state and all branches of government. We cannot cross that line. It's the wrong line to cross. Thank you."

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

"I want to talk about two things. One is cost and one is accountability. On cost, I think according to the testimony that we heard from the Judiciary, they're looking for a 9 percent pay raise in each of two years. I know the bill is going forward with a blank figure, but that's what they're asking for. I just want the members to be aware of what we're talking of in terms of salary if we really end up at that level.

"A district court judge will be making \$97,163, and the top paid justices will be making \$116,172. I think it's very difficult to stand up and vote for pay raises at this level at a time when we may be having to tell the thousands of public servants that there was no inflation last year and it's going to be very difficult to look at increasing your pay in the coming years. I think that people know that this is going to set a terrible

example for the average working person in Hawai'i to pass on increases of this level.

"I also want to talk about accountability. It is true that the different branches of government are separate from each other and have independent powers. But I have this strong feeling that the Judiciary we have in Hawai'i is accountable to no one. They basically are in their own world. They're appointed by the Governor, but at that point the Governor loses control.

"There is some sort of evaluation system of judges that's currently underway in Hawai'i. It started in 1991. According to a recent article in the Star-Bulletin, in the period since 1991, only 17 of 73 judges have actually been subject to any evaluation at all. In the article it says that part of the reason there's so little evaluation is that the attorneys, and the attorneys are the only group who do the evaluating, are scared to comment because judges are their 'bread and butter.'

"So we've got very little accountability. I was stunned when a circuit court judge, who is very controversial because she keeps putting on probation somebody who's committed a crime and who violates probation, finally issued a public comment and said I will not be influenced by public opinion. I find this attitude absolutely astounding.

"Mr. Speaker, in this State, in the United States of America, the people are sovereign, not people in black robes. The people are sovereign. And by gum, judges should be accountable to the people. I oppose this measure. Thank you, Mr. Speaker."

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

"Mr. Speaker, I want to declare a conflict because my brother's a circuit court judge," and the Chair ruled "no conflict."

Representative Ahu Isa continued, stating:

"I stand in strong support of this measure. I feel like he is one of the best judges on the bench and I would challenge anybody that wants to say different. I feel that the judges work very hard. Their case loads have increased over the years. We pass laws here in this branch, the legislative branch, and it's their job to interpret the laws. And I would want the words of my Representative friend here from Manoa to be inserted into the Journal as my own," and the Chair "so ordered." (By reference only.)

"And I encourage my other colleagues to vote for the bill. Thank you, Mr. Speaker."

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

"Mr. Speaker, many, many years ago the practice of law was a very honorable and noble profession. Those people who engaged in the practice of law had the highest ethics and were above reproach. Certainly, I think the vast majority of people who engage in law today still adhere to that conduct.

"However, there are some that have moved outside of that and, of course, lawyers have gotten the 'black eye' just like politicians and car salesmen. Right at the top of that list are, of course, judges, and we tend to look at them and disagree with those decisions they make as my friend to the right here has pointed out.

"But I'd like to differ with the Representative from Manoa, in that indeed, the judges are to interpret the laws, but let us remember the judges are not suppose to legislate from the bench. That is not their job. That is our job. That's what they've been doing in this State. They have been legislating from the bench. They have invaded our rights, our responsibilities, and our duties. We have not invaded theirs.

"But what this is about is money. It's about, do we pay these attorneys who, hopefully, after a lifetime of dedication to the law have risen to the level where they can sit and adjudicate? Are we to pay them more money? I think it's time to look at our entire criminal justice system and the way it operates.

"It's much like an upside down pyramid. Up at the top of that pyramid you have the very high paid judges. Then, of course, below that you have different attorneys. You have prosecutors. You have defense attorneys. You have PIs who make a lot of money. Then, as you come down you have investigators who investigate both for prosecution and defense. But when you get right down to the bottom of that pyramid, that little tiny point at the bottom on which our whole criminal justice system sits, there's that guy on the street with a badge and a gun. He's the least educated, the worst paid, and he's got the most terrible hours. Unless he walks up to somebody and says, 'you're under arrest,' the whole system doesn't even come into play.

"Now, that guy is underpaid and overworked. That guy is out there with his life on the line and he has to leave for Oregon to get a good paying job. We're talking about giving the guys right on the top of that inverse pyramid a raise. I think we're looking at the wrong end of the spectrum. We should be looking at the bottom end and keeping those guys who are out in your neighborhoods in patrol cars, keeping them well paid and active in our communities. So let's put the money there instead of where the judges are. Thank you."

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

"I wanted to correct some of the figures that my colleague from Waikiki gave. He was looking at this bill as originally introduced at a 9 percent increase when in fact, according to the Committee Report, the Judiciary is asking for a 14 percent increase in the first year of the biennium and 13 percent effective in the second biennium.

"This would increase a judge who presently makes \$81,780 to \$93,241 in the first year and \$105,000 in the second year. It's a sum of \$10,000-\$12,000 increase in their annual pay. At the upper end, it goes from \$97,780 to \$137,296. That would be like a judge working as a legislator part time and throwing that income on top of his judicial income. We're talking about a substantial amount of money here.

"As one of the other speakers alluded to, the accountability is questionable. All of our judges are appointed. Some of the appointments in the past have looked very political. Our Caucus has talked about and some of us support the idea of judicial retention elections. We feel that something must be done to make judges more accountable to the people they serve. We certainly don't want judges to rule from the bench on public opinion if the public is very, very disenchanted with rulings that they've made. Someone has to judge the kind of work the judge is doing. So at this time, with the state of our economy, I believe that we should forego these increases. Thank you, Mr. Speaker."

Representative McDermott then rose and stated:

"I agree with the comments of my friend from Manoa, the Majority Leader. And it's precisely because I agree with him that there are three separate branches of government that I oppose this measure. These guys have been legislating from the bench. Want to know what I mean? Take a look, particularly at the Supreme Court -- the privatization decision, the Con-Con vote of a few years ago, same-sex marriage. Where did they get that from? They're just making stuff up. I mean these guys aren't using Black's Law Dictionary. If anything, they are using a Barney the Dinosaur coloring book. It's unbelievable, and we shouldn't reward them. No to a pay raise."

Representative P. Oshiro then rose to speak in support of the measure, stating:

"Mr. Speaker, as Chairperson of your House Judiciary and Hawai'iian Affairs Committee, I've tried my very, very best with this, as with all other issues, to look at each one from a very objective and non-biased point of view.

"For this measure, in particular, Mr. Speaker, for myself, speaking as a non-attorney and one who would not have to go before a judge in my profession, in that aspect, we did look at the compensation that the judges presently have. We reviewed compensation of judges in similar capacities throughout our Nation. We evaluated the statistics. We evaluated the duties and responsibilities that they have. And it's my opinion that in light of the fact that raises have not been granted to judges for a number of years, that they are deserving of a pay raise at this time.

"Mr. Speaker, just to further go back on some basic premises, from my point of view anyway. For government, I think it's important not just for the Judiciary, but for all aspects of government service, from the Executive, Judicial, to the Legislative Branch, that we have adequate compensation for each of these branches and for each of the individuals who are part of our public service and the government operations that we have, to ensure that we can attract the best, the brightest, and the most qualified for each of these positions. Not just the judges, but for those in the Executive Branch, from the department heads, to the deputies, to the clerk-typists and the managers, to the Legislative Branch, to ensure that in each of the sectors of government, we have adequate compensation to ensure that we have the best and the brightest that we can attract to move government forward here in the State of Hawai'i as we want it to be.

"I think with that premise, looking at the judicial system and the compensation of our judges, I certainly do believe that it is warranted. It's difficult to compare salaries of a justice and a judge with say a manager in a department or a civil service employee in the Department of Transportation, for example. As it is difficult to compare the salaries, it's also very, very difficult to compare their responsibilities. They differ greatly. I think that is shown in the different salaries. And as one who has always advocated for adequate compensation for our public employees, I think in this instance I would also advocate very strongly for adequate compensation for our judges. I think it's warranted. I think it's needed, and I support this bill. Thank you."

Representative Rath then rose to speak in rebuttal, stating:

"I think there is something that has been lost here in talking about the judges' salaries. It is a privilege to be appointed as a judge after practicing law for a very long time to have the privilege to sit on the bench. It's an appointment. It is much like being elected, it is a privilege to serve here, and it is a privilege. I think we've lost that. Many, many attorneys work in different areas, a lifetime, with a hope of someday having that right. These guys knew when they took the appointment what the compensation was.

"I just can't see, for the life of me, why they come now, hat in hand, wanting a higher wage when they have a livable wage. They didn't have to take the appointment. They don't have to sit on the bench. Just like none of us have to sit here. If they can make more money in the private sector, God Bless them, let them go back to the private sector. Thank you."

Representative Pendleton then 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:

"I support this bill for two simple reasons, Mr. Speaker. First, because it seeks fair and equal treatment in regards to the compensation that Hawai'i judges receive for the honorable and essential contribution they make to Hawai'i. The findings and conclusions of the State of Hawai'i Judicial Salary Commission and of our own LRB have amply documented the need for increased compensation. Because of time constraints, I won't repeat them in detail here. Let me point out, however, that compensation for judges has remained static since 1990. That's nine years, during which inflation in Honolulu rose nearly 30 percent.

"Every other state in the Nation has awarded its judges at least one, if not two or more, pay raises during the past nine years. Forty-four states awarded three salary increases in the past seven years. Out of fairness alone, Hawai'i needs to be at par with other states in regards to judicial salaries. Additionally, Hawai'i's judicial salaries should reflect the increase in caseloads before the Court.

"Mr. Speaker, it is my understanding that this additional expenditure is not tied to new taxes or tax increases, but rather it will be paid for through budgetary savings and the '5 and 55' incentive for judges to remain on the bench until they reach the age of 55. I have been assured that the budget won't be increased or expanded because of this measure.

"The Judiciary must be at least at par with other branches in government to ensure the respect and independence critical to a wise and impartial State bench. We in the Legislature must send the Judiciary a clear, neutral, and non-judgmental message that we value their public service and expertise. As Matthew Broderick of the Judiciary testified, 'mechanisms allowing periodic, reasonable pay increases need to be put in place to keep judicial salaries and opinions safe from any political or social climates that may arise.'

"As testimony for this bill has shown, Mr. Speaker, the hazard of not offering judges a competitive salary and benefits package is two-fold. The best and brightest judges have very real financial pressures on them, as we all do. Without competitive financial compensation, Hawai'i will be ill-equipped to retain the caliber of the independent and qualified justices that we now have. As the Hawai'i Bar Association reports, already record numbers of judges are retiring prematurely or returning to private practice. This is not because they do not find their work rewarding or challenging. Nor is this because they lack commitment to public service. Rather, they have been forced by financial circumstances to return to the private practice of law.

"Unless we address the issue, Mr. Speaker, the State of Hawai'i will not be able to recruit more competent attorneys for judicial positions. Experienced attorneys will be forced to refrain from entering judicial practice in Hawai'i to follow a career of public judicial service elsewhere if we do not reasonably compensate the high cost of living they face by presiding in a Hawai'i courtroom. One well known example is Judge Heely, who left to serve in New York.

"Again, Mr. Speaker, I support the intent and method of HB 20, HD 2, as it relates to judicial salary increases by 14 percent during 1999, 13 percent during the year 2000, and revised pension benefits. The measures taken by this bill, recommended in part by the 1998 State of Hawai'i Judicial Salary Commission, have also received support from the Judiciary, the Hawai'i Government Employees Association, the United Public Workers, Common Cause Hawai'i, the Hawai'i State Bar Association, the American Judicature Society, Hawai'i Women Lawyers, and countless individuals.

"To hinder an act that is so clearly aimed to benefit the common good through affirming a co-equal branch, the Judiciary, could only be regrettable in the future. Mr. Speaker, for the foregoing reasons, I urge this honorable House of Representatives to pass HB 20, HD2, as it relates to judicial

salaries and pension benefits. Thank you, Mr. Speaker, for the opportunity to speak in support of this measure."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 20, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY," passed Third Reading by a vote of 43 ayes to 5 noes, with Representatives Fox, McDermott, Meyer, Rath and Thielen voting no and Representatives Auwae, Moses and Okamura being excused.

Stand. Com. Rep. No. 1012 and H.B. No. 37, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 37, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FILM PRODUCTION FUNDING," passed Third Reading by a vote of 48 ayes, with Representatives Auwae, Moses and Okamura being excused.

Stand. Com. Rep. No. 1013 and H.B. No. 119, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 119, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INCOME TAXATION," passed Third Reading by a vote of 48 ayes, with Representatives Auwae, Moses and Okamura being excused.

Stand. Com. Rep. No. 1014 and H.B. No. 201, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 201, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE BLUE WATER MARINE LABORATORY," passed Third Reading by a vote of 48 ayes, with Representatives Auwae, Moses and Okamura being excused.

Stand. Com. Rep. No. 1015 and H.B. No. 354, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 354, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Leong rose and stated:

"I would like to disclose that on Stand. Com. 1015, I own a condominium," and the Chair ruled "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 354, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A REVIEW OF THE CONDOMINIUM PROPERTY REGIMES LAW," passed Third Reading by a vote of 48 ayes, with Representatives Auwae, Moses and Okamura being excused.

Stand. Com. Rep. No. 1016 and H.B. No. 510, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 510, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Meyer rose to speak in opposition to the measure, stating:

"I'm rising in opposition to this bill because it creates another exempt government entity that can hire a private attorney instead of availing themselves of the services provided by the State Attorney General's Office.

"House Bill 510 will create additional expenditures for the State. I believe that the Attorney General's Office has sufficient personnel to provide proper legal services to the Board of Education. At last report, the AG's Office has 150

deputy attorneys on the payroll with many specializing in education litigation. In addition, there are bills still alive that would hire an additional 20 attorneys at the AG's Office. I respectfully urge my colleagues to vote no on this unnecessary legislation. Thank you, Mr. Speaker."

Representative Rath then rose and stated:

"Mr. Speaker, I'd also like to vote no on this measure and have the comments of the Representative from Kaneohe taken as my own," and the Chair "so ordered." (By reference only.)

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

"What prompted this bill is that there are attorneys working for the Board of Education who are, now, not able to provide legal opinions to the Board. They want the ability to do that. It makes sense for them to do that at no additional cost to the taxpayer. This bill would allow for that kind of flexibility so that those attorneys can share their knowledge with the Board and they don't have to wait interminably for opinions to come from the Attorney General's Office. Thank you."

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

"The purpose of this bill is to, basically, enable the Board of Education to have the power to employ or retain legal representation without the approval of the AG. Our educational system is threatened by mountainous legal issues arising mainly from the Felix consent decree. Although, the Committee of Education recognizes that the Attorney General's quality of representation is exceptional, we find that it may not be sufficient.

"The sheer number of problems arising requires the Board of Education to be able to be more flexible and aggressive in their approach. The Committee finds that allowing the Board to hire or retain its own attorney will empower the Board to deal with the problems it faces more efficiently. 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. 510, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE BOARD OF EDUCATION," passed Third Reading by a vote of 46 ayes to 2 noes, with Representatives Meyer and Rath voting no and Representatives Auwae, Moses and Okamura being excused.

Stand. Com. Rep. No. 1017 and H.B. No. 635, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 635, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 48 ayes, with Representatives Auwae, Moses and Okamura being excused.

Stand. Com. Rep. No. 1018 and H.B. No. 170, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 170, HD 2, pass Third Reading, seconded by Representative Yonamine.

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 support for SCR 1018, which is HB 170, HD2, found on Page 10 of the OD. This bill creates an income tax deduction for an individual for payment of long-term care insurance premiums. I support this bill for two main

reasons. HB 170, HD2, will make Hawai'i's residents eligible for a State tax deduction that will make it easier for those investing in long-term care coverage. Also, this bill will bring Hawai'i's State tax law into conformity with federal tax law.

"In the interests of a safer and healthier Hawai'i, I support HB 170, HD2, because I believe that it will make it easier and more economical for Hawai'i's citizens to invest in and plan for their long-term health care coverage needs. The residents of Hawai'i live longer than the national average and approximately 15 percent of people over the age of 65 need some type of long-term care. Long-term care services are very expensive and can cost an average of \$65,000 to \$75,000 a year for skilled nursing or intermediate care facilities. HB 170, HD2, is, therefore, very important. It addresses the issue of affordable long-term care and makes purchasing long-term care much more affordable.

"Mr. Speaker, I also support this bill because it will bring, as I said earlier, Hawai'i's tax laws into conformity with federal tax laws. Currently, State laws provide a tax break only to employers who offer long-term care policies. Federal tax laws, however, extend this same benefit to individuals. HB 170, HD2, will bring Hawai'i's State tax laws into conformity with this federal tax law and make Hawai'i's residents who purchase long-term health care policies eligible for State tax deductions. Conformity with the Internal Revenue Code simplifies the tax system and provides income tax relief to unfortunate taxpayers burdened with expensive medical bills for themselves and their dependents for long-term health care expenses.

"I agree with the federal government: this tax deduction is good social policy. It will improve the welfare of our citizens and will in part keep people from relying too heavily on Medicaid. Nearly 95 percent of Medicaid long-term care spending in Hawai'i is for nursing home care. In 1995, total spending on nursing home spending for older Hawai'i residents reached \$172.9 million. With Hawai'i's aging population, according to the American Council of Life Insurance's estimates, in 30 years these expenditures are expected to increase by 500 percent. Medicaid currently pays for about three-fifths of the State's nursing home costs. If Hawai'i residents could better afford to purchase a long-term health care policy, State Medicaid expenditures could be reduced significantly. National estimates show that Medicaid could save over 20 percent of its expenditures by 2030.

"Mr. Speaker, in supporting HB 170, HD2, I add my voice to the many people and institutions whose testimony was overwhelmingly positive, including major national insurance organizations and various State departments. The Department of Taxation mentioned that this bill might result in a tax revenue loss of \$4.6 million to \$7.1 million for the year 2000. However, the Tax Department still supports the bill because it takes into account the Medicaid savings the government will enjoy if more people purchase and rely upon long-term care insurance rather than going the Medicaid route.

"This bill will be of the most benefit to Hawai'i's residents now and in the future because it empowers them to plan and care for themselves.

"Will there possibly be a short term cost to our tax revenue? Perhaps. In fact, Mr. Speaker, that is likely to be the case. But in the long term we know that this is the wise, smart, and proper way to proceed. The feds have determined that this tax incentive is needed. We are now following their lead.

"Mr. Speaker, I feel that it is imperative that in this vital matter, and all others, that we look beyond the short term costs which in comparison to other long-term social and economic costs could exact a far more hefty toll on Hawai'i.

"Before I close, I do have one concern. I would like the record to reflect that my understanding is that this bill gives a tax deduction only for the cost of the premium, not necessarily

for the entire cost of the long-term care. Assuming this is the case with this bill, this issue may merit further discussion and reflection. Are we inadvertently leaving people out who have in other ways, that is, in other ways other than through purchase of long-term care insurance planned for end of life care? We might be leaving some people out. I don't know. That's just something we need to be cognizant of.

"But for now, I'm delighted that this bill has finally passed. In years past, I have spoken in favor of this concept and have advocated for this IRC conformity. I recall amending a bill on the floor. It was under former Representative Kawanakoa's leadership that we raised awareness about this issue. I'm glad that it is no longer a partisan issue, but is a common sense issue accepted by both parties.

"Mr. Speaker, as we take measures to build an atmosphere that will foster growth and development and improve Hawai'i's ailing economy, bills such as this will make a difference. With the long-term care policy offering financial security, coupled with a tax deduction for the purchasing of long-term care policies, HB 170, HD2, will move the State in the right direction in solving long-term care issues."

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

"Mr. Speaker and colleagues, House Bill 170 is part of a product of two years of work by your Joint Legislative Committee on Long-Term Care. At this time, I would like to acknowledge, for the record, the contribution and participation of JLC members Vice-Speaker Marcus Oshiro, Majority Floor Leader Nobu Yonamine, and Representative Paul Whalen representing the Minority, also Representative Brian Yamane as an advisor on insurance issues. I also want to thank many of you who participated during the Joint Committee meetings and public informational meetings on other islands as well as on several locations here on Oahu.

"Your Joint Legislative Committee, Mr. Speaker, established an open and collaborative process which invited all to participate in the discussions and decisions. Senator Chun Oakland and I served as Co-Chairs, and along with the researchers from HMSO and LRB and our consultant Dr. Larry Nitz from the University of Hawai'i we were able to research and consider over a dozen options for long-term care financing. We held informational briefings statewide. We attended seminars on long-term care locally and on the mainland. We convened a conference here on adult residential care. And we held briefings for presentations by long-term care insurers, financial planners, the insurance commissioner, Medicaid, Medicare and assisted living options. We called together different and even opposing opinions on long-term care issues for the sake of involving everyone and hearing as many different views as possible.

"Mr. Speaker, House Bill 170 is part of an overall strategy to provide a financing plan as required of the Joint Legislative Committee on Long-Term Care. This bill conforms Hawai'i's tax laws to federal tax laws which permits taxpayers to deduct amounts paid on expenses and premiums for certain tax qualified long-term care insurance as medical expenses. It is hoped that this bill will encourage individuals to take greater responsibility for their long-term health care needs by purchasing long-term care insurance.

"Mr. Speaker, while I appreciate this measure being considered for Third Reading today, I cannot mask my great disappointment that an accompanying measure, House Bill 169, which really represents the meat of the Joint Committee's work, is not being considered as well. I apologize for any bitterness or frustration that I may convey, but addressing the needs of our elderly has been a passion for me that goes beyond just the past two years. It goes back to when I first entered these hallowed chambers as something that I really wanted to commit to.

"At this point in time, I cannot help but feel that I have failed. I have failed to convince all of you of the urgency of the issue. When it comes to an aging population, we here in Hawai'i are sitting on a social time bomb. And I quote for you from a book from the Office on Aging called Project 2011:

"Hawai'i is the third most rapidly aging state in the Nation as a percentage of those age 65 and older continue to rise. In 1995, 13 percent of the State's population was age 65 and over. It is projected that by the year 2020 this proportion will grow to 18 percent. Over the decade of the 1980s, the number of Hawai'i residents aged 60 and over grew by 52.5 percent while our total population grew only by 14.9 percent. Between 1990 and 2010, the 60 plus group is projected to grow by 72 percent to 299,500 persons while the 85 plus group will grow by 286 percent to 40,120 persons. In contrast, the total population will increase by only 29 percent over the same period.

"Over the next several decades, the task of the younger generation to care for their parents will be more difficult due to the change in ratio between the young and aging population. According to DBEDT projections, the ratio between retirees, ages 65 and over..."

At this point, Representative Hamakawa rose and yielded his time to Representative Arakaki.

Representative Arakaki continued, stating:

"Thank you, Representative.

"...and working aged adults, ages 20 to 64 will increase from 22 percent to 33 percent between 1995 and 2020. The ratio of older adults, 85 and older, to their children's generation, ages 50 to 64, is projected to increase from 9 percent to 16 percent. In this respect, projections for Hawai'i are again more severe than nationwide projections. And many in need of assistance beyond the help of friends, relatives and social agencies will not be able to obtain it given the higher rates of poverty amongst seniors."

"Now how many of you realize that the fastest growing area of health care expenditures are for the aging. Not for the poor, for the aging. The sad fact is that the majority of our elderly cannot qualify for public assistance, but neither can they afford nursing home care. So many are forced to spin down to the level of poverty or depend on their families, who then must struggle with issues of finances and care giving.

"Now if this is a policy and plan that we want for Hawai'i's elderly, then so be it. But I do not want to be part of any effort to deceive the public that we are concerned and want to take action. I need to publicly apologize to the AARP, the Faith Action for Community Equity or FACE, the Coalition for Affordable Long-Term Care, and all the advocates and individuals who came forward to help us wrestle with the daunting issue of developing and financing a plan for long-term care.

"I fully realize that the measures we produce represented just a small step towards a system of long-term care that would truly meet the needs of Hawai'i's elderly. I realize that the advocates accepted this as just a first step. I apologize to all of you for failing to deliver even a quarter loaf.

"Mr. Speaker and colleagues, we cannot continue to run and hide. The issue of long-term care is rising like a tidal wave and it's about to crash on our shores. So if we sincerely want to honor our elderly for the quality of life and the quality of care they deserve, for now and for the future, let's not be afraid to act. Thank you, Mr. Speaker."

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

"I wish to associate myself wholeheartedly with the remarks just delivered by the Representative from Kalihi Valley. He has essentially given us a picture of this measure as being like a mouse compared to what really has to be done. I hate to diminish the size of the mouse even further, but I have to note that the long-term care tax deduction that is proposed here is only one part of the two part federal deduction that was made available to the people of Hawai'i starting in 1997. The part that we are passing today encourages people to purchase long-term care insurance by making that deductible. However, this is a provision that will be useful to people only if their long-term care insurance costs exceed the 7.5 percent medical deduction combined with their other medical expenses.

"Unfortunately, another part of the provision which made long-term care expenses themselves deductible is not present in this bill. That is a much more useful feature because many of the people who are paying \$50,000 to \$60,000 to maintain somebody in a nursing home or a lesser fee to maintain somebody in a care home and are getting no deductions, because these are not called medical expenses currently, would completely qualify for that exemption were it made available.

"So I regret that even in this area, this small step we're taking toward taking care of our long-term care needs we didn't go as far as we should have in this very area. Thank you, Mr. Speaker."

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

"I'd like the remarks of my compadre from Kalihi to be entered into the Journal as if they were my own," and the Chair "so ordered." (By reference only.)

Representative Cachola continued, stating:

"Mr. Speaker, not all people are situated the same. Some are poor, some are rich. It's high time for us to support our elderly in times when they need it most. That's the reason why I stand in support of this bill. 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. 170, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LONG-TERM CARE TAX BENEFITS," passed Third Reading by a vote of 48 ayes, with Representatives Auwae, Moses and Okamura being excused.

Stand. Com. Rep. No. 1019 and H.B. No. 657, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 657, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TIME SHARING PLANS," passed Third Reading by a vote of 48 ayes, with Representatives Auwae, Moses and Okamura being excused.

Stand. Com. Rep. No. 1020 and H.B. No. 791, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 791, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Leong rose and stated:

"Mr. Speaker, I'm a real estate broker," and the Chair ruled "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 791, HD 2, entitled: "A BILL FOR AN ACT RELATING TO REAL ESTATE BROKERS AND SALESPERSONS," passed Third

Reading by a vote of 48 ayes, with Representatives Auwae, Moses and Okamura being excused.

At this point, Representative Stegmaier rose and stated:

"Mr. Speaker, I need to ask permission to go back very, very quickly to an earlier bill that we considered. There were some remarks made, assertions made that are really incorrect."

At 12:05 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 12:06 o'clock p.m.

The Chair directed the Clerk to note that H.B. Nos. 1020, 20, 37, 119, 201, 354, 510, 635, 170, 657 and 791 had passed Third Reading at 12:07 o'clock p.m.

ANNOUNCEMENTS

Representative Marumoto: "Mr. Speaker, yesterday we missed a birthday, one of our younger members of this Caucus. Representative Meyer turned 30, I believe, yesterday. So I would hope that all of us would help her celebrate this entire year. Thank you very much."

Representative Case: "Mr. Speaker, surprisingly we also missed two birthdays of Representatives that turned 25 yesterday. They are Representative Cachola and Representative Nakasone. Happy Birthday."

At 12:10 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 1:58 o'clock p.m.

Representative Case: "Mr. Speaker, I have an additional announcement. Actually, I have a non-announcement to make because I've discovered through various means that we have a very important additional birthday by one of our colleagues. Now this colleague is celebrating his (so I'm going to give it away, it's a man) 40th birthday today, but he is one of our more humble and shy members of the House. I don't believe I can mention his name, but I do want to say that he is from Maui. He is from Upcountry Maui. He's affiliated with a store in Upcountry Maui. And he likes to hike. He has a lot to do with higher education at the moment. So I do want to acknowledge that particular colleague and wish him well on his birthday. Thank you."

UNFINISHED BUSINESS

Stand. Com. Rep. No. 1021 and H.B. No. 827, HD 3:

Representative Case moved that the report of the Committee be adopted and H.B. No. 827, HD 3, pass Third Reading, seconded by Representative Yonamine.

Representative Chang rose in support of the measure and asked that his comments be inserted into the Journal, and the Chair "so ordered."

Representative Chang's remarks are as follows:

"Thank you, Mr. Speaker. This bill would allow the DLNR to negotiate new leases of State property along the Banyan Drive in Hilo.

"Mr. Speaker, the Banyan Drive area is the only significant resort area in East Hawai'i and the only resort area in the State where the land is owned by the State.

"Most of the State leases are scheduled to expire in the year 2015. From a financing point of view, the remaining term of leases is not sufficient to obtain major refinancing on reasonable terms. Any lease terms would need to be at least 30 years for reasonable long term financing.

"If there are no new negotiations for lease extensions, the Banyan area is sure to suffer. The lessees will have little incentive to reinvest in their leasehold assets.

"Mr. Speaker, the Banyan Drive area is a vital economic engine for East Hawai'i. To promote reinvestment and maintenance of all of the infrastructure along the Banyan Drive, the board is given flexibility to negotiate leases in this unique area.

"Because of some unresolved concerns, this bill has been amended to take effect in the year 2010. In its present form, this bill would not help the lessees, but we need to keep the measure alive for further discussion as we go into conference."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 827, HD 3, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Halford voting no and Representatives Menor, Moses and Okamura being excused.

Stand. Com. Rep. No. 1022 and H.B. No. 833, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 833, HD 1, pass Third Reading, seconded by Representative Yonamine.

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

"Thank you. This bill continues our efforts to empower the University. This act allows the University additional fiscal flexibility. It allows the U.H. to make loans of up to \$10 million with private institutions. It also gives U.H. the ability to carry over funds getting away from the use it or lose it mentality, thereby, promoting savings and efficiency in the University.

"With this quick changing world, this measure will allow the University to deal with unexpected expenditures like the payroll lag or fiscal restrictions. It also can take advantage of immediate opportunities without waiting for the Legislature to convene and fund it. While acting more like a private corporation able to carry debt and savings, U.H. will be able to plan better, react faster, and stabilize its finances. 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. 833, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Third Reading by a vote of 48 ayes, with Representatives Menor, Moses and Okamura being excused.

Stand. Com. Rep. No. 1023 and H.B. No. 877, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 877, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR KUAKINI MEDICAL CENTER," passed Third Reading by a vote of 48 ayes, with Representatives Menor, Moses and Okamura being excused.

Stand. Com. Rep. No. 1024 and H.B. No. 970, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 970, HD 1, 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 48 ayes, with Representatives Menor, Moses and Okamura being excused.

Stand. Com. Rep. No. 1025 and H.B. No. 971, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 971, HD 1, 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 48 ayes, with Representatives Menor, Moses and Okamura being excused.

Stand. Com. Rep. No. 1026 and H.B. No. 973, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 973, HD 1, 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 48 ayes, with Representatives Menor, Moses and Okamura being excused.

Stand. Com. Rep. No. 1027 and H.B. No. 1038, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 1038, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Rath rose to speak in opposition to the measure, stating:

"Mr. Speaker, this involves pay raises for the bargaining units. I'm in opposition to this measure primarily because we're asking the highest taxed people in the United States of America to support a pay raise. That is the highest taxed people in the United States of America, the citizens of Hawai'i, to support a pay raise.

"Now, I'm not saying that they're not deserving of the pay raise. God knows almost everybody could use one. What I am saying is, we can't afford it. The Senate has passed this out fully funded. I think if you take a look at the private sector, you have people who are losing their jobs, getting their hours cut, and they don't know if they can make their mortgage or their rent. They don't know if they're going to be able to feed their family, pay their car insurance, and those are the people supporting the pay raises for people who virtually cannot get freed.

"I say, in these tough economic times, we've had nine years of recession and if we want nine more, we're headed down that road if we keep increasing the size and cost of government. So here's a chance to say, we can't afford it, we just simply can't afford it. We've got to put our house in order. We've got to reduce the burden of taxation upon our citizens and get our economy moving.

"I remember back in the late 70s when our auto industry was failing. One of the things I heard was, you can't have a guy who earns \$10 an hour buying a car that's made by a man who makes \$20 an hour. That's kind of what we have in this case. I would recommend that we not fund or if we do fund them that we should fund them with a minimal amount. Thank you, Mr. Speaker."

Representative Yonamine then rose to speak in support of the measure and asked that his comments be inserted into the Journal, and the Chair "so ordered."

"I think we've all heard enough about why and why not pay raises for our public employees. I just want to add this. That if we really want to do something about approval of our financial package, as a House, we should look at the law which says that the House or the Legislature approves the final financial package. If we want to get involved in collective bargaining process, then we should make an attempt to perhaps convene early in the collective bargaining laws. But right now it says simply that we approve and yet we're not part of that financial package or the packaging of the settlements with all the collective bargaining units.

"The second one is this, why do we consider public employees different from any other employee in the State? They are parents. They pay bills. They have to provide for food, clothing, and shelter. They pay their mortgages. They're like everybody else and they work hard. If like in the private sector you work hard, you can earn and negotiate and/or earn increases based on your cost of living. So what we are asking for is merely equity to tell people that they are like everybody else hard working employees. Thank you."

Representative Yonamine's additional remarks are as follows:

"The demands and needs are great, urgent and varied. We feel the demanding requests in education, human services, health, the aged, and the vulnerable and that is our challenge. I want to talk about a solution, which is based in law.

"Hawai'i has a rich history of labor and government coming to a mutual understanding in recognizing the value of the public service employee. They recognize the employees as hard working, dedicated citizens who choose to serve their State. These citizens are family oriented, responsible parents, community-minded and law-abiding individuals that make this State great.

"Historically, labor and government worked very hard for many years to arrive at a fair and just way to compensate their employees. Collective bargaining evolved in the 70s. The fair and equitable treatment of workers became a reality with the enactment of a fair labor process that ensures negotiating in good faith. Since that time, labor and government have acted together in continuing to meet the service needs of the State effectively and efficiently as possible, while at the same time providing a fair wage and benefit plan for the public service employee.

"Daily living in Hawai'i has a high price tag. We need to recognize that in order for public service employees to adequately provide for their family's food, shelter, clothing and other bills they must be fairly compensated. If the challenges of economic revival are to be overcome, the State needs a work force that is enthusiastic about its public service. Public employees have been innovative and prudent in an on-going effort to do more with less, and they have performed above and beyond what is expected of any employee. Some employees have gone without a pay raise since 1994, while the cost of living climbs steadily upward.

"We are now in the Nineties and about to embark on a new millennium. We need to set the tone for the new age and move forward in continuing to strengthen the working relationship between labor and government.

"Last year this body enacted legislation that the labor force agreed to, by giving up the right to strike and agreeing to compulsory arbitration. This is now law. Labor and management have, in good faith, done their part. It is now our responsibility to do our part by honoring the collective

bargaining agreement and giving the public service employees their due."

Representative Meyer then rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I don't want to contradict the previous speaker, but many, many people that are in the private sector do not get cost of living increases. My husband works for a large manufacturing company and has not had a raise in nine years. He's worked for that company for 30 years and when he did get raises, sometime it was like 2 percent.

"Many people in Hawai'i don't have jobs today. The State doesn't make any money. It collects money from the people that are working. We don't create money. And we don't have a whole lot of extra surplus money. I believe the Governor negotiated in good faith, hoping against hope that the economy would turn around, but it hasn't. And most of us know that.

"We can't play Santa Claus. We'd all like to give people things that they are happy about and I don't say that State workers are not hard working. Just as any private employer would give raises when he could afford it, when he cannot, he doesn't. Maybe he has an extra special party or does whatever he can or improves the benefits, whatever he can afford. But we can't just continue to fund these kinds of raises when we don't have sufficient revenues.

"So for that reason, I mean I would like to see possibly a partial funding, but I think we have to rethink this. We simply do not have the kind of surplus revenues to take this new debt on. Once you negotiate the raise, you're not coming back down. So we have to think very carefully about 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. 1038, HD 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," passed Third Reading by a vote of 46 ayes to 2 noes, with Representatives Auwae and Rath voting no and Representatives Menor, Moses and Okamura being excused.

Stand. Com. Rep. No. 1028 and H.B. No. 949, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 949, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Thielen rose in support of the measure with reservations and asked that her comments be inserted into the Journal, and the Chair "so ordered."

Representative Thielen's remarks are as follows:

"Testimony from Life of the Land raised concerns and I quote:

'The Agribusiness Development Corporation (ADC; Chapter 163D, HRS) was established in 1994 to administer an aggressive and dynamic agribusiness development program to support the transition to Hawai'i's agricultural industry from large-scale, single crop plantations to more diversified farming operations.

'Life of the Land firmly believes that this transition remains as critical today, as in 1994, when the ADC was created. If diversified agriculture and the corresponding growth of family farming, small business development, and diversification of crops are to progress, expand, and flourish, the agricultural community will need creative and innovative leadership. Unfortunately, ADC terminated University of Hawai'i's Dr. Lee as their Executive Director.

'Instead ADC chose to give lip-service to small diversified agricultural operations in order to qualify for federal funding, while supporting outdated monocrop farming methods. This is unfortunate.

'Life of the Land recommends that the Department of Business, Economic Development and Tourism (DBEDT) be given ADC's functions. DBEDT and the Department of Agriculture (DOA) can partner to do the job effectively.

'This approach will not only strengthen diversified agriculture and small businesses, but also streamline government by eliminating an unnecessary agency, thus saving taxpayers the uneconomical duplication of government services.'

"Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. House Bill 949, House Draft 2, directs the Agribusiness Development Corporation, or ADC, to establish agricultural parks and development in as fast, efficient, and cost effective manner as possible.

"Because of the closure of most of Hawai'i's sugar and pineapple plantations, Hawai'i is left with vast acres of agri-land. Former plantation workers are left with no job opportunities elsewhere so they are forced to stay in agricultural endeavors, increasing the demands for more agricultural land leases. We recognize this need, Mr. Speaker, and we also recognize that businesses did not reuse former parcels of plantation lands.

"This bill was amended to allow for the creation of a pilot project. This was saved for future development of agricultural subdivisions to be administered by ADC. We have chosen the parcels located in lower Hamakua because of the already installed water delivery systems, existing roadways, and other necessary infrastructure which makes the land well-suited for diversified agricultural uses. This pilot project is essential for future developments of agricultural subdivisions throughout the State.

"Mr. Speaker, this measure is very important. This is all part of our overall effort in pushing agriculture forward by helping farmers and making lands available and more affordable to them. I am very excited about the potential success that this measure would bring to the industry. The industry needs House Bill 949, and I urge everyone to support its passage. 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. 949, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 43 ayes to 5 noes, with Representatives Fox, Leong, Marumoto, Meyer and Pendleton voting no and Representatives Menor, Moses and Okamura being excused.

Stand. Com. Rep. No. 1029 and H.B. No. 1034:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1034, entitled: "A BILL FOR AN ACT RELATING TO MOTOR CARRIERS," passed Third Reading by a vote of 48 ayes, with Representatives Menor, Moses and Okamura being excused.

Stand. Com. Rep. No. 1030 and H.B. No. 324, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 324, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Leong rose to speak in opposition to the measure, stating:

"First of all, I need to disclose that I come from a family of dentists," and the Chair ruled "no conflict."

Representative Leong continued, stating:

"For the interest of the public's health, welfare and safety, we shouldn't allow this bill to pass. The proposed amendments are not adequate to protect the people of Hawai'i. Intra-oral block anesthesia is an intricate and dangerous procedure which involves deep injections around veins, arteries and nerves. The procedure has the potential to be life threatening if complications arise.

"This bill would allow a hygienist with limited training and experience to administer block injections to children and adults for dental procedure. It is unreasonable to expect that a dental hygienist can learn and become clinically proficient in administering intra-oral block in 39 hours of course study. A dental student spends hundreds of supervised hours before they're allowed to perform this procedure without supervision. The risk clearly outweighs any possible benefits. This procedure should be left to the qualified professional who spent years acquiring the knowledge to perform this dental procedure. Thank you, Mr. Speaker."

Representative Kawakami then rose to speak in opposition to the measure and asked that her comments be inserted into the Journal, and the Chair "so ordered."

"I've had experiences with this in my life."

Representative Kawakami's additional remarks are as follows:

"I rise in opposition to this measure based on my own personal experience with block anesthesia. I was so frightened when it was administered -- I felt like I couldn't breathe...I had a hard time swallowing...it numbed the whole right side of my jaw.

"Administering anesthesia is a technical skill that only dentists should be allowed to practice.

"I rise against allowing dental hygienists to administer anesthesia to guarantee that the people administering it have received proper clinical training and are skilled in its technique."

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

Representative Kahikina 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. 324, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DENTAL HYGIENISTS," passed Third Reading by a vote of 34 ayes to 14 noes, with Representatives Ahu Isa, Auwae, Fox, Goodenow, Halford, Kahikina, Kawakami, Leong, Marumoto, McDermott, Meyer, Morita, Pendleton and Thielen voting no and Representatives Menor, Moses and Okamura being excused.

The Chair directed the Clerk to note that H.B. Nos. 827, 833, 877, 970, 971, 973, 1038, 949, 1034 and 324 had passed Third Reading at 2:14 o'clock p.m.

Stand. Com. Rep. No. 1031 and H.B. No. 642, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 642, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Fox rose to speak in opposition to the measure, stating:

"This is a measure to modify and somewhat do away with an excellent measure that the House passed several years ago. The House and the Legislature passed a bill to prevent people who were hustling rental cars to be paid extra to try to get people to sign with rental car insurance. They would basically use scare tactics. They tell you if you get in any kind of an accident, you're going to have to present your credit card up front and you're going to be hit with the entire bill. You can settle with your insurance company later if you're lucky enough to settle. The Legislature was smart enough to take that away and stop scaring people when they come up to the counter to rent their cars.

"This bill tries to get back to the old ways through the back door. It allows the payment of commissions not directly on the specific sale, but indirectly on the amount of such insurance coverage that's sold. I think it's a bad bill and that we ought to oppose it. I've spoken against this before and I again ask the Legislature to do the right thing. Thank you, Mr. Speaker."

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

"We all are concerned about high pressure tactics and unfortunately that's become a thing of our lives. But there's a lot of history here that I think isn't really fully understood, and taking a look at it I think you'll agree that this is really an outdated regulation.

"In 1990, the Legislature barred the payment of commissions on the sale of vehicle collision damage waivers because of lessee confusion about collision damage waivers and for the potential of abuse that we were just talking about. But at that time, competition in the industry was fierce. There were over 60 companies. Many companies were struggling to survive, many small, maybe shady operations, and there was abuse in the sale of collision damage waivers. This was done in part because of payment of direct commissions, I agree. In fact, related disclosure legislation at that time, in section 437D-5 of the Hawai'i Revised Statutes, required plain language, optional costs of the damage waiver, all of the requirements -- all of that had only been in existence since 1988.

"In 1990, there was a problem, I agree. But times have changed. There are only about 15 companies in competition now. There has been a lot of standardization of management and other practices in this industry. And the level of complaints relating to the sales of collision damage waivers have dropped considerably. In addition, this bill is not a return to the past in that it still would bar the direct payment of commissions based on collision damage waivers.

"This bill is only seeking to clarify the law regarding the sales of collision damage waivers and that may be one of the factors in evaluating employees. You can put a lot of factors down as to how you're going to rate your employees. Why should we single out this one industry to say that they can't do something? Unless today there really does exist a problem which doesn't exist anymore. I urge the passage of this bill. Thank you."

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

"I just would like to echo the comments of the Representative of Kahalu'u [Waimanalo] where he correctly points out that, in historical perspective, it was the direct payment of commissions relating to the sales of CDWs that basically resulted in the abuses that occurred in the 1980s.

Which resulted in the enactment of passage of the law in 1990, which barred, absolutely, the payment of commissions well up to the CDW sales. This bill, of course, will continue to prohibit direct commissions.

"In addition, I think it should also be emphasized that Hawai'i is the only state which does not allow a rent-a-car company to consider directly or indirectly the sale of the CDWs in evaluating and determining the payment of bonuses or commissions to rent-a-car employees many of whom work for national companies. What this has done is it's placed these local companies and employees at a considerable disadvantage when being compared to their mainland counterparts who are paid commissions or bonuses based in part on their CDW sales. Due to Hawai'i's current law, the overall sales performance of Hawai'i's companies look lower than their mainland counterpart.

"In that respect, I believe that the passage of this bill into law would help to ensure fairness to Hawai'i's companies and employees. Thank you."

Representative Goodenow then rose and stated:

"Though I did go to Ahuimanu Elementary School which is in Kahalu'u from fourth through sixth grade, I am now residing in Waimanalo."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 642, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE MOTOR VEHICLE RENTAL INDUSTRY," passed Third Reading by a vote of 39 ayes to 10 noes, with Representatives Auwae, Catalani, Fox, Halford, Marumoto, McDermott, Meyer, Morita, Pendleton and Thielen voting no and Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1032 and H.B. No. 325, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 325, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 49 ayes, with Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1033 and H.B. No. 134, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the joint report of the Committees was adopted and H.B. No. 134, HD 2, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," passed Third Reading by a vote of 41 ayes to 8 noes, with Representatives Catalani, Hiraki, Kahikina, Morita, Schatz, Takai, Takamine and Takumi voting no and Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1034 and H.B. No. 3, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 3, HD 2, entitled: "A BILL FOR AN ACT RELATING TO USE OF INTOXICANTS," passed Third Reading by a vote of 49 ayes, with Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1035 and H.B. No. 351, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 351, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Kahikina rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. House Bill 351, if enacted, in my opinion, is an anti-privacy bill which would allow the release of confidential private medical information by many entities without the patient's knowledge or consent. For a widely defined number of reasons, it would further allow the redistribution of such information again without the patient's knowledge or consent. It is illegal in that it violates federal laws and state laws cannot void federal rights.

"Mr. Speaker, the bill in itself 'creates incentives to turn personal health information into non-identifiable health information for oversight.' It talks about individual rights, giving them written permission only, except as provided in subsection (b). And subsection (b), according to this bill, would give the courts jurisdiction to turn over such records. It's really frightening in that it states that it represents a waiver of an individual's right under the federal law, state law, common law and rules of privileges. It is unconstitutional since it violates Article I, Section 6 of our State Constitution, and there is no compelling State interest.

"I would ask you, Mr. Speaker and this body, before you vote on this bill, ask yourself: did you read the bill? Do you understand what it means? Do you wish to vote away the rights of patients of Hawai'i to privacy at their doctor's office and at the hospital, and give away their medical records without their knowledge or consent? Thank you, Mr. Speaker."

Representative Pendleton then rose and stated:

"Thank you, Mr. Speaker. I rise also in opposition to this measure and I'd first ask the Clerk to enter in the remarks of my colleague from Waianae into the Journal as if they were my own," and the Chair "so ordered." (By reference only.)

Representative Pendleton continued stating:

"I'd like to add just a few other observations, concerns, and reasons for why I'm voting in opposition. First, I'd like to note that I voted 'aye' in favor of this bill in the Committee. And I found this a very difficult issue to wrestle with.

"On the one hand, it tries to set up a very balanced process for allowing medical research which is dependent on these records to continue, while at the same time trying to safeguard the privacy rights of individuals. At the time of the hearing, I felt that they had struck the right balance, but upon further reflection, upon further discussion with physicians, patients, constituents of mine, I decided to change my mind for a number of reasons after having reviewed again other portions of the bill.

"Let me focus, Mr. Speaker, on one particular troublesome portion of this bill beginning with page 30 of this particular House Bill.

"On page 30 you have Section 37 entitled 'Health Research,' and I think this is the most troublesome portion of the bill, Mr. Speaker. The first part says 'a health care provider', and it lists a number of other people, including an employer 'may disclose protected health information to a health researcher if the following requirements are met: (1) The research has been approved by an institutional review board.' And if you continue reading that other paragraph, it doesn't mention that you as an individual have to receive actual notice and have to explicitly give your consent.

"Paragraph 2, on page 31 says, they can release it if 'the research involves analysis of protected health information previously created or collected by the holder of protected health information.' Again, it doesn't say that you have to have express permission or consent by the person who owns those records, the person who is the subject of those records.

"Number 3, in the Committee, number 3 seeks to try to address that issue and says that 'the person who receives protected health information removes or destroys, at the earliest

opportunity consistent with the purposes of the project involved, information that would enable an individual to be identified.' Again, what is an 'earliest opportunity'? Is it 10 minutes? Is it 20 minutes? Is it a day, a week, a month? We don't really know how long your records with your name and everything else that you would normally have thought to be private may be available to whoever may be doing health, medical, or scientific research.

"Paragraph 4, 'the person who receives protected health information shall not disclose or use the protected health information for any purposes other than the health research project.' Great, they're not using it for any other project, but they still have access to your records. And until the 'earliest opportunity' arises, they can still identify who is the subject of this information.

"Paragraph 5, 'the holder of protected health information keeps a record of all health researchers to whom protected health information has been made available.' That still doesn't help protect privacy. It just lets you know what the enumerated list is of people who have seen your records which you otherwise would have thought were completely private.

"Number 6, 'any disclosure of the information to other persons is not made.' Again, my objection would be to the health researcher who may, for whatever reason, need it, but I still, as a citizen, as an individual, would like the opportunity to at least say 'yes' or 'no' in an expressed actual way. The only notice, I believe, that our citizens would get would be our House Journal or the newspapers recording that this statute has been passed. That's really the only real notice that they would ever get. Then this bill could be implemented and people (health researchers) under this could get full access to your medical records.

"So for those reasons, Mr. Speaker, I think while the intent is good, while the chairs of the various committees, including our Judiciary and Hawai'ian Affairs, worked very, very hard to try to strike the right balance and the need for medical research on the one hand and the need for privacy on the other hand, I've changed my mind and will be opposing this measure. Thank you, Mr. Speaker."

Representative Leong then rose and stated:

"Mr. Speaker, like the two previous speakers, I also oppose the bill and also because I read that bill. Thank you, sir."

Representative Meyer then rose in opposition to the measure and asked that her comments be inserted into the Journal, and the Chair "so ordered."

Representative Meyer's remarks are as follows:

"I am glad to see that the stakeholders in our medical community have come together to develop a comprehensive set of guidelines to protect the privacy rights of patients. However, I am dismayed by the way this bill implements these protections, and the number of exemptions to record confidentiality that are codified in the bill.

"This bill does an excellent job in preventing disclosures from medical providers to unauthorized outsiders. It sets up guidelines, provides sanctions, and does everything a privacy bill should do. But one important defect in the bill is the way in which it handles internal disclosures of confidential information in a medical organization.

"The problem is in the way this bill sets up a notification process that is intended to keep patients fully informed of their rights of confidentiality. But on the top of page 19, subsection (b), the bill states that confidential information may be disclosed within an organization for the purpose of 'treatment, payment, or qualified healthcare operation' -- as long as patients have been notified. This is a very broad range of

purposes, under which medical organizations could justify the internal disclosure of medical records.

"What constitutes notification? A signature on a notification form upon enrollment, or a conspicuous sign in a medical office. After a patient signs that notification form, this bill allows medical organizations to disclose information internally without the knowledge or explicit permission of the patients. The patient is in effect giving blanket authorization for medical organizations to disclose patient information internally.

"To whom can they disclose that confidential information? Apparently -- anyone they consider an 'agent.' Page 19, line 10, treats disclosure of confidential medical information to agents of medical organizations as if it were an internal disclosure. Yes, agents are restricted from disclosing information to another party, but this widening of the scope of authorized users of confidential medical records increases the possibility that the privacy rights of patients may be violated through an unwanted disclosure.

"Mr. Speaker, we need good legislation that will protect the privacy rights of patients. This bill isn't that piece of legislation. We can, and we should, pass something better. Thank you, Mr. Speaker."

Representative Rath then rose and stated:

"Mr. Speaker, I also rise in opposition to the same bill and I ask that the comments of the Representative from Waianae be included as my own," and the Chair "so ordered." (By reference only.)

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

"Mr. Speaker, other than general statements in the HMO Act and the Patient's Bill of Rights, there are no statutory protections regarding the privacy of an individual's personal medical information.

"This bill would provide protections for patient's medical records and for patient's privacy rights far in excess of the protections available under current law, which can, at present, permit exposure of a patient's protected health information without the knowledge of the patient.

"Mr. Speaker, people have an expectation and a right to privacy with respect to their personal health information records. This bill would provide that privacy protection by setting reasonable parameters under which personal medical information can be disclosed and used.

"This bill will give patients the peace of mind and the level of comfort to confide in their physicians. Mr. Speaker, this bill ensures that confidential personal medical information will remain confidential. Thank you."

Representative Kaho'ohalahala then rose to speak in support of the measure with reservations, stating:

"I think, Mr. Speaker, the only thing that had become very clear in the work of the Judiciary Committee was that we were lacking the input from, what I would call, the consumer or the people who are most affected by a bill like this.

"If you look in the Standing Committee Report, you will see reflected there, Mr. Speaker, that the bill had received support from the Departments of Health, Human Services, Commerce and Consumer Affairs, the Office of Information Practices, the Hawai'i Medical Association, the Hawai'i Medical Service Association, Queen's Health Management, Hawai'i Health Information Corporation, the Coalition for Health, Kaiser Permanente, State Farm Insurance, Common Cause Hawai'i, and Schering-Plough Corporation. And what you will see, Mr. Speaker, is lacking here is support from the consumer.

"So in that little bit of concern, I would like to say that it is for the consumer that we seek to find these protections and not hearing from them left me with a little bit of a concern. So I'd like to register a '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. 351, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PRIVACY OF HEALTH CARE INFORMATION," passed Third Reading by a vote of 39 ayes to 10 noes, with Representatives Auwae, Halford, Kahikina, Kawakami, Leong, Marumoto, Meyer, Pendleton, Rath and Schatz voting no and Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1036 and H.B. No. 72, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 72, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," passed Third Reading by a vote of 49 ayes, with Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1037 and H.B. No. 967, HD 3:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 967, HD 3, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN LANGUAGE COLLEGE," passed Third Reading by a vote of 49 ayes, with Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1038 and H.B. No. 1027, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1027, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAX EXEMPTIONS FOR AVIATION TRAINING FACILITIES," passed Third Reading by a vote of 49 ayes, with Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1039 and H.B. No. 1067, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1067, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Third Reading by a vote of 48 ayes to 1 no, with Representative McDermott voting no and Representatives Moses and Okamura being excused.

The Chair directed the Clerk to note that H.B. Nos. 642, 325, 134, 3, 351, 72, 967, 1027 and 1067 had passed Third Reading at 2:34 o'clock p.m.

Stand. Com. Rep. No. 1040 and H.B. No. 1105, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 1105, HD 2, pass Third Reading, seconded by Representative Yonamine.

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:

"This bill proposes to amend Act 213, SLH 1998 § 3, as it relates to claims against the State based on Year 2000 errors by computer-based systems.

"The theory and potential damage of the Y2K Bug has enamored and alarmed many. Technology experts claim that

repercussions for the numerical incapability of computer-based systems not Y2K compliant are far reaching and debilitating in nature. We're talking about a computer problem all over the world that could shut down power plants, ground airplanes, wreak havoc on banks and stock markets, paralyze high-tech hospital equipment, even trigger nuclear missiles from abroad.

"The Gartner Group estimates that Y2K could cost the federal government \$30 billion to fix. Granted that includes all fifty states, not simply Hawai'i. But this figure illustrates the magnitude of the problem this bill seeks to address. Another important statistic is the one from Lloyds of London which puts a national price tag of several hundred billion dollars to bring the entire world into compliance.

"This is no doubt a serious problem. And while we are working to be Y2K compliant, this bill address the litigation concerns relating to Y2K.

"I support HB 1105, HD1, Mr. Speaker, because it protects the government's interests from undue liability in the event that any disasters result from State-owned computer system failure. Mr. Speaker, essentially we are safeguarding the interests of the taxpayers by protecting the State coffers from frivolous lawsuits. The money ultimately belongs to the taxpayers, and so we are constitutionally obligated to spare their dollars from frivolous lawsuits which may arise out of this Y2K situation.

"Mr. Speaker, if even a few of the predictions made about the Y2K Bug really happen, there may be quite a few disgruntled and frustrated people in Hawai'i looking at us, their Representatives, to help solve their problems. It is important that we prevent, now, any liability on the part of the government for future computer-based errors.

"Again, Mr. Speaker, I stand in support of Stand. Com. Report No. 1040. I would like to add, however, that this measure, should it pass, does not encourage a slowing down of Y2K Compliance efforts. Rather, this bill is a supplement to the work being done by DAGS. The problems for residents and local businesses will still exist, even if the State is immune from liability claims. We have a responsibility to address their needs.

"For that reason, with passage of HB 1105, HD1, it is more important than ever that all computer-based systems in the various State agencies be Y2K compliant. Only with both of these elements, aggressive action to update and correct all State computer-based systems, and protective immunity for the State from financial liability, can we hope to make a smooth transition into the new century and the new millennium.

"Thank you, Mr. Speaker, for this opportunity to voice my support of this measure relating to governmental immunity from Y2K lawsuits."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1105, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CLAIMS AGAINST THE GOVERNMENT BASED ON YEAR 2000 ERRORS BY COMPUTER-BASED SYSTEMS," passed Third Reading by a vote of 47 ayes, with Representatives Hiraki, Leong, Moses and Okamura being excused.

Stand. Com. Rep. No. 1041 and H.B. No. 1593, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1593, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PUBLIC PROCUREMENT CODE," passed Third Reading by a vote of 47 ayes, with Representatives Hiraki, Leong, Moses and Okamura being excused.

Stand. Com. Rep. No. 1042 and H.B. No. 1617, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. 1617, HD 1, 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 47 ayes, with Representatives Hiraki, Leong, Moses and Okamura being excused.

Stand. Com. Rep. No. 1043 and H.B. No. 1621, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. 1621, HD 1, 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 47 ayes, with Representatives Hiraki, Leong, Moses and Okamura being excused.

Stand. Com. Rep. No. 1044 and H.B. No. 1693, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 1693, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Marumoto rose in support of the measure and asked that her comments be inserted into the Journal, and the Chair "so ordered."

Representative Marumoto's remarks are as follows:

"I rise to speak on HB1693 and submit the testimony of GMR in support.

'Honolulu needs another Arcadia, a modern, non-profit CCRC. Hawai'i is the third most rapidly aging state in the Nation. Between 1999 and 2010, the number of Hawai'i residents over 60 is expected to grow by 72 percent to about 300,000 people. The number of residents over 85 is expected to grow by 286 percent to over 40,000 people.

'Within a five-mile radius of the central Honolulu project site, there are over 16,000 households, over the age of 65, and with the financial capacity to purchase a CCRC life care apartment.

'Many of these seniors, because of their anticipated future physical and health problems, cannot wait for vacancy in Arcadia and therefore, they move to the mainland while they are still healthy, where there are many CCRC projects. For example, one project in Oregon has over 40 Honolulu seniors in residence. When they leave, they take with them their bank accounts and their experience and knowledge of Hawai'i. This is a serious loss to the community. They have left because there is no other CCRC project here for them. We hope to create one to meet this need. We are calling it, "Kapiolani Akahi".

'The passage of HB 1693 will support the funding of the State of Hawai'i Special Purpose Revenue Bond Issue which will provide the important long term funding needed for this proposed new CCRC in Honolulu.

'This project will benefit the economy of Hawai'i by providing: needed housing for seniors; construction volume; construction employment for about 400 employees; long term employment for about 125 employees; for retaining seniors in Hawai'i; for increased hospital, medical and other businesses in Hawai'i; \$80 million new investment capital to Hawai'i; and employment to architects, subcontractors, health care and other service providers, professional consultants, attorneys, accountants, managers and others who contribute their skills and knowledge to the project.

'We plan this project for the future long term benefit of Hawai'i. We are not seeking a large financial reward. There is no developer's profit. All the team players work for their fees. Please give a favorable consideration to House Bill 1693."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. 1693, HD 1, 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 47 ayes, with Representatives Hiraki, Leong, Moses and Okamura being excused.

Stand. Com. Rep. No. 1045 and H.B. No. 1085, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 1085, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Stegmaier rose to speak in support of the measure with reservations, stating:

"We, my staff in my office, attempted to get information on exactly what this emergency appropriation was needed to pay for. We found it very difficult, even contacting people who should have that information at hand, to get that information to be able to make a rational judgment about this measure. So since I'm still in the dark as to what this \$11 point whatever million would be used for, I'm going to vote in support but with significant reservations. Thank you."

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

"Mr. Speaker, while I do not have any reservations on this particular measure, I do believe that it is necessary for all of us to focus very directly on the Felix issue, or what has become known in Hawaii as the Felix issue. Because if you look around among the issues that we face right now, issues that have very broad impact both on education and health, and children's mental health specifically, and also to our budget, and if you go even beyond those to the optimum operation of government, I think you will find that in Felix you find concerns in all of those areas, concerns that we must address as we go forward.

"I don't speak with reservations because I am personally convinced that the monies we appropriate in this particular bill, and in the other bill before us today, which are emergency appropriations for the current fiscal year, must be funded and must be addressed. But I don't mean to suggest by saying that, that we do not have major concerns that have not been addressed in the Executive Branch. I think that in the Felix area, I could fairly say that this has not received the amount of attention that it needs to receive from both the operations of the Felix decree and just from basic management of government.

"So if you will allow me just to give a brief overview and to suggest some areas where we might be able to devote some additional attention in the remainder of this Legislature, either in discussion with the Executive Branch, or if those discussions are not fruitful, in our own Legislative Branch.

"Felix arises out of two federal acts, one enacted in 1973, the Rehabilitation Act, Section 504, and one in 1975, the Individuals with Disabilities Education Act, also known as IDEA nationally. Essentially what IDEA provides is that children with disabilities must receive a free and appropriate public education. This was an unfunded, for the large part, federal mandate. I think we have to recognize that. I think we have to recognize that it's one of our problems, but that was the fact. We were mandated to do these things without being provided sufficient resources. And we were mandated as for

children with disabilities to provide them with a free and appropriate public education.

"Now if you fast forward about 15 years or so to the lawsuit that was initiated by parents who were legitimately concerned that we were not complying with federal law in this State under the Felix lawsuit, which has not ended but which resulted in a consent decree under federal court order between the State Executive Branch and the parent class, directing the Department of Health and the Department of Education to administer a free and appropriate public education. Coupled with an implementation plan which was recently approved by the federal court, you will see that we have gotten ourselves into a situation where the court is directing through itself or through monitors many of the acts which we must now perform.

"The mistake that many of us make, and certainly I've heard it in the community, and certainly from those that for whatever reason want to expand Felix services or the Felix class (and there is some legitimate reasons to do that and some not so legitimate reasons to do that in my mind) is that we automatically accept that we are mandated, we must do this, we must do that because the court mandates that we do that. To some extent that's true. To some extent, because it is a federal act and we must obviously comply with federal law and because we are under a consent decree, we must do certain things.

"My problem, and where I think members need to focus, is: do we have to do everything we're doing? And are we, by putting ourselves in a situation where we accept the arguments that we are mandated to do certain things, essentially going well beyond what the federal law intends that we do, and essentially taking away services from other members of our children's community who need equal services in the education area? Let me talk about six particular areas where I think this is true and where I think we need to focus.

"By the way, I wanted to mention that this is not a problem that is unique to Hawaii. This problem is occurring all across the country. All states are faced with the effects of the IDEA today. As you go and talk to the other states, you will discover that many of them have faced the same bridges that we face today, but they have successfully crossed them. So this is really a result of looking around to the other states. This is a result of conversations that are going on as we speak in the federal departments, in the U.S. Congress, and in many of the agencies in Washington and throughout the other states that are concerned with this area. And they're talking about these six issues, which I don't believe that we have adequately talked about yet.

"The first is to obtain an adequate definition or clarification of what exactly the Felix class is. Exactly what children are we supposed to be addressing, and can we direct our attention to those kids and do the job there. Obviously, if it's too narrow a definition of the class, we're not complying with federal law nor with the federal court consent decree. But if it's too broad a definition, then we are obviously making a policy judgment here that we are extending the mandated, or what we think is the mandated, services well beyond the class. And we better do that consciously.

"That was the first and foremost criticism of the Legislative Auditor when she audited the Felix consent decree situation in December of last year, and she basically said, 'a primary problem is the State's failure to develop a working definition of the Felix class.' Now this can be done in a number of different ways. To do it statutorily, to do it legislatively is probably the worst way to do it, to be honest, because we're not there in the trenches. We don't know exactly how to put it together. We don't know how to define it. But if we have to do it, then we have to do it. This job should be done in the Executive Branch. It's not being done."

At this point, Representative Thielen yielded her time to Representative Case.

At 2:40 o'clock p.m., Representative Souki asked for a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 2:41 o'clock p.m.

The Chair stated: "Representative Case, you may proceed to finish up your synopsis of the Felix consent decree."

Representative Case continued, stating:

"Thank you, Mr. Speaker. If I could summarize five other points that I believe we should take a look at and that other states have looked at.

"The second is, obviously, to encourage continued coordination between the Department of Health and the Department of Education in this area. In other states these matters have been legislatively mandated, and that may be one area in which we can assist in the adequate delivery of Felix services.

"A third area was what Representative Stegmaier mentioned, which is accountability to better track monies that are expended on Felix.

"The fourth area that may be productive for us is to, as we did in the workers' compensation situation four years ago, provide a standardized fee schedule for the services being provided. I think we saw in workers' compensation that when we did that, we saw a reduction in rates. We could probably take a look at the same area here, and that has been an item that other states have done.

"The fifth area would be enhanced efforts in terms of reimbursements, from both private health care providers as well as the federal government.

"And the sixth area, which is actually underway on the federal level right now, is to increase federal funding from the federal government to the states for Felix-related compliance issues. That has been an area where many of the states are pursuing efforts. There was an expectation when the IDEA was enacted that the federal government would share somewhere around 40 percent. The figure has gone up now to a little over 10 percent. But there are active discussions in Washington right now to increase that substantially. And I think we should support those efforts.

"So I think these are areas where we can collectively pursue a better formulation of Felix so that we can deliver these services more efficiently and cost effectively. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. 1085, HD 1, entitled: "A BILL FOR AN ACT MAKING EMERGENCY APPROPRIATIONS FOR EDUCATION," passed Third Reading by a vote of 47 ayes, with Representatives Hiraki, Leong, Moses and Okamura being excused.

Stand. Com. Rep. No. 1046 and H.B. No. 1149, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. 1149, HD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE HAWAII HEALTH SYSTEMS CORPORATION," passed Third Reading by a vote of 47 ayes, with Representatives Hiraki, Leong, Moses and Okamura being excused.

Stand. Com. Rep. No. 1047 and H.B. No. 1750, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. 1750, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR BUSINESS SPECIALIST POSITIONS," passed Third Reading by a vote of 47 ayes, with Representatives Hiraki, Leong, Moses and Okamura being excused.

Stand. Com. Rep. No. 1048 and H.B. No. 1686, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. 1686, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF OMBUDSMAN," passed Third Reading by a vote of 47 ayes, with Representatives Hiraki, Leong, Moses and Okamura being excused.

Stand. Com. Rep. No. 1049 and H.B. No. 1170, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1170, HD 2, entitled: "A BILL FOR AN ACT RELATING TO COST-RECOVERY FEES FOR DELINQUENT LIBRARY ACCOUNTS," passed Third Reading by a vote of 46 ayes to 1 no, with Representative McDermott voting no and Representatives Hiraki, Leong, Moses and Okamura being excused.

The Chair directed the Clerk to note that H.B. Nos. 1105, 1593, 1617, 1621, 1693, 1085, 1149, 1750, 1686 and 1170 had passed Third Reading at 2:47 o'clock p.m.

Stand. Com. Rep. No. 1050 and H.B. No. 1596, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1596, HD 2, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS AND MAKING AN APPROPRIATION FOR HOUSING," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Marumoto voting no and Representatives Cachola, Moses and Okamura being excused.

Stand. Com. Rep. No. 1051 and H.B. No. 1616, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1616, HD 1, 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 48 ayes, with Representatives Cachola, Moses and Okamura being excused.

Stand. Com. Rep. No. 1052 and H.B. No. 1413, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1413, HD 1, entitled: "A BILL FOR AN ACT RELATING TO QUEST," passed Third Reading by a vote of 48 ayes, with Representatives Cachola, Moses and Okamura being excused.

Stand. Com. Rep. No. 1053 and H.B. No. 749, HD 3:

Representative Case moved that the report of the Committee be adopted and H.B. No. 749, HD 3, pass Third Reading, seconded by Representative Yonamine.

Representative Meyer rose to speak in opposition to the measure, stating:

"I believe that a licensing program would be far more appropriate. A licensing program would go one step further than a certification program and require more than a rubber stamping of the private registration requirement. This would include the passing of an examination to be licensed in the State as a dietician.

"Dieticians can have a profound effect on the health of their clients. Incorrect information about diet, particularly if the person has a health concern such as diabetes, can cause permanent injury or even death.

"If we really care about protecting consumers, we should support a licensure program for dieticians like they have done in 38 other states. Dieticians have fulfilled stringent educational requirements and are recognized by the medical community for their professional services for treating health problems. It is important for the safety of the general public that there be a clear distinction between persons trained to give dietary recommendations and those health food advocates who lack scientific background.

"For these reasons, Mr. Speaker, I would ask that my colleagues not support this bill. 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. 749, HD 3, entitled: "A BILL FOR AN ACT RELATING TO DIETITIANS," passed Third Reading by a vote of 48 ayes, with Representatives Cachola, Moses and Okamura being excused.

Stand. Com. Rep. No. 1054 and H.B. No. 855, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 855, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR EDUCATION," passed Third Reading by a vote of 48 ayes, with Representatives Cachola, Moses and Okamura being excused.

Stand. Com. Rep. No. 1055 and H.B. No. 1029, HD 3:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1029, HD 3, entitled: "A BILL FOR AN ACT RELATING TO PERMIT PROCESSING," passed Third Reading by a vote of 48 ayes, with Representatives Cachola, Moses and Okamura being excused.

Stand. Com. Rep. No. 1056 and H.B. No. 1041, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 1041, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Yamane rose to speak in support of the measure with reservations, stating:

"I have one reservation as this bill moves through the process. For this admirable idea, my only concern is that it be doable. It was a concern brought up that it would be an administrative nightmare to be able to do. Some were concerned that it might use more resources than it's worth. 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. 1041, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES HEALTH FUND," passed Third Reading by a vote of 48 ayes, with Representatives Cachola, Moses and Okamura being excused.

Stand. Com. Rep. No. 1057 and H.B. No. 1522, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1522, HD 1, entitled: "A BILL FOR AN ACT RELATING TO REAL PROPERTY APPRAISALS," passed Third Reading by a vote of 48 ayes, with Representatives Cachola, Moses and Okamura being excused.

Stand. Com. Rep. No. 1058 and H.B. No. 1594, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1594, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR AN INTERGENERATIONAL CARE CENTER AT EWA VILLAGES," passed Third Reading by a vote of 48 ayes, with Representatives Cachola, Moses and Okamura being excused.

Stand. Com. Rep. No. 1059 and H.B. No. 154, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 154, HD 1, pass Third Reading, seconded by Representative Yonamine.

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

"As stated in the Hawai'i Public Television strategic plan, which was submitted to us in 1997, 'Hawai'i Public Television is at the most important crossroads of its life. One road leads to what Winston Churchill called "the broad sunlit uplands where we can strive to be the best that we can be." The other leads to a withering away of this incomparable treasure, even possible extinction.'

"Hawai'i Public Television prefers to take the high road and believes that with the State Legislature and the State of Hawai'i as continuing partners, we can and will take that high road.

"This is what House Bill 154 is all about. It is about Hawai'i Public Television becoming a true community station, operated by a board of private citizens who feel, as we do, that KHET is a vital part of our statewide community. As stated in this bill, significant reductions in public funding of public television in this decade have resulted in major downsizing of the system, cancellations of long-running programs, reduction of broadcast hours, and a gradual deterioration of the physical plant.

"It became apparent several years ago that the future of Hawai'i Public Television would be as a private organization. As a result, their strategic plan detailed a five-year pact designed to take the system from a state agency to a non-profit community foundation. Though the strategic plan called for the transition from a public agency to a private foundation in 2002, that timetable was moved up by two years following the 1998 legislative session. This resulted in a 50 percent reduction in State appropriations to KHET. With that cut, Hawai'i Public Television's State support has been reduced 76 percent in six years.

"In becoming a community licensee, Hawai'i Public Television will follow the lead of Oregon and other systems around the country that have made similar transitions successfully. It will not be easy, particularly in the present economy, but this bill represents our best hope for the long-term vitality of public television in Hawai'i. Their mission will not change. Hawai'i Public Television will remain committed to educate, inform, enlighten, and entertain. 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. 154, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC TELEVISION," passed Third Reading by a vote of 48 ayes,

with Representatives Cachola, Moses and Okamura being excused.

Stand. Com. Rep. No. 1060 and H.B. No. 178, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 178, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Thielen rose in opposition to the measure and asked that her comments be inserted into the Journal, and the Chair "so ordered."

Representative Thielen's remarks are as follows:

"The reasons stated in HB178 for creating a task force are misleading. First, the Land Use Commission does not stifle economic development. Second, the Land Use Commission does not delay needed projects; in fact, law already requires the LUC to render its decision within one year. Delay is usually caused by market forces or by developers asking for time extensions.

"Finally, the LUC process is not duplicative of county's land use processes. Counties do not address or examine biological resource issues or impact on State facilities and infrastructure. Additionally, State agencies like the LUC often provide the public greater participation rights.

"No other place in the United States has protected agricultural land and ecologically sensitive areas like Hawai'i has. Its land use law is the best in the world, as noted by national expert Ian McHerg, author of *Design With Nature*. HB 178 sets in motion a task force to dismantle Hawai'i's Land use law, and I oppose taking this step."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 178, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," passed Third Reading by a vote of 46 ayes to 2 noes, with Representatives Schatz and Thielen voting no and Representatives Cachola, Moses and Okamura being excused.

The Chair directed the Clerk to note that H.B. Nos. 1596, 1616, 1413, 749, 855, 1029, 1041, 1522, 1594, 154 and 178 had passed Third Reading at 2:50 o'clock p.m.

Stand. Com. Rep. No. 1061 and H.B. No. 231, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 231, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Yoshinaga being excused.

Stand. Com. Rep. No. 1062 and H.B. No. 232, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 232, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Fox offered the following amendment to H.B. No. 232, HD 2:

"SECTION 1. House Bill 232 HD 2 is amended by adding the following sections and language to read:

"SECTION 7. Section 235-55.9, Hawai'i Revised Statutes, is repealed.

["§235-55.9 Medical services excise tax credit. (a) Each resident individual taxpayer, who files an individual income tax return for a taxable year, and who is not claimed or is not otherwise eligible to be claimed as a dependent by another taxpayer for Hawai'i state individual income tax purposes, may claim a medical services excise tax credit against the resident

taxpayer's individual income tax liability for the taxable year for which the individual income tax return is being filed; provided that a resident individual who has no income or no income taxable under this chapter and who is not claimed or is not otherwise eligible to be claimed as a dependent by a taxpayer for Hawai'i state individual income tax purposes may claim this credit.

(b) The medical services excise tax credit shall be six per cent of the nursing facilities expenses paid by or for the resident individual during the taxable year.

(c) For the purposes of this section "nursing facility expenses" are amounts actually paid by the taxpayer for services provided to the taxpayer or to any individual who bears a relationship to the taxpayer as described in section 152(a) (with respect to dependent defined) of the Internal Revenue Code by a nursing facility licensed under section 321-9 and 321-11 and any intermediate care facility for mentally retarded persons under sections 321-9 and 321-11; provided that the nursing facility expense was subject to the imposition and payment of the tax imposed by chapter 346E.

The amount of nursing facility expenses paid during the taxable year shall not be reduced by any insurance reimbursement.

(d) The tax credits claimed by a resident taxpayer pursuant to this section shall be deductible from the resident taxpayer's individual income tax liability, if any, for the tax year in which they are properly claimed. If the tax credits claimed by a resident taxpayer exceed the amount of income tax payment due from the resident taxpayer, the excess of credits over payments due shall be refunded to the resident taxpayer; provided that tax credits properly claimed by a resident individual who has no income tax liability shall be paid to the resident individual; and provided further that no refunds or payment on account of the tax credits allowed by this section shall be made for amounts less than \$1.

(e) The director of taxation shall prepare such forms as may be necessary to claim a credit under this section. The director may also require the taxpayer to furnish reasonable information in order that the director may ascertain the validity of the claim for credit made under this section and the director may adopt rules necessary to effectuate the purposes of this section pursuant to chapter 91.

(f) All claims for tax credits under this section, including any amended claims, must be filed on or before the end of the twelfth month following the close of the taxable year for which the credits may be claimed. Failure to comply with the foregoing provision shall constitute a waiver of the right to claim the credit."

SECTION 8. Section 237-16.5, Hawai'i Revised Statutes, is amended to read:

"[237-16.5] **Tax on written real property leases; deduction allowed.** (a) This section relates to the leasing of real property for purposes other than residential housing by a lessor to a lessee. There is hereby levied, and shall be assessed and collected annually, a privilege tax against persons engaging or continuing within the State in the business of leasing real property to another, equal to four per cent of the gross proceeds or gross income received or derived from the leasing; provided that where real property is subleased by a lessee to a sublessee, the lessee, as provided in this section, shall be allowed a deduction from the amount of gross proceeds or gross income received from its sublease of the real property. The deduction shall be in the amount allowed under this section.

All deductions under this section and the name and general excise tax number of the lessee's lessor shall be reported on the general excise tax return. Any deduction allowed under this section shall only be allowed with respect to leases and subleases in writing and relating to the same real property.

(b) The lessee shall obtain from its lessor a certificate, in the form as the department shall prescribe, certifying that the lessor is subject to tax under this chapter on the gross proceeds or gross income received from the lessee. The absence of the certificate in itself shall give rise to the presumption that the lessee is not allowed the deduction under this section.

(c) If various real property or space leased to the lessee have different rental values, then the total monetary gross proceeds

or gross income paid to a lessor for all real property or space shall first be allocated to the fair rental value for each real property or space. If the lessee leases less than one hundred per cent of real property or space that was leased from the lessor to a sublessee, then the total monetary gross proceeds or gross income paid by the lessee for that real property or space to its lessor shall be allocated. The percentage of real property or space subleased shall be multiplied by the monetary gross proceeds or gross income paid for the real property or space by the lessee to its lessor. The product of the preceding multiplication shall be deducted from the monetary gross proceeds or gross income received for real property or space by the lessee.

Once the allocations are made, the appropriate deduction under subsection (g) shall be made.

(d) The lessor shall make allocations under this section at the time the sublease is entered into and the allocations shall not be changed during the term of the sublease. There shall be a reasonable basis for the allocations, taking into consideration the size, quality, and location of the real property or space subleased. In no event shall the total amount allocated to all subleases exceed the total monetary gross proceeds paid by the lessee to its lessor. The director may redetermine the amount of the deduction under this section if the director finds that the basis for allocation is not reasonable or that redetermination is necessary to prevent the avoidance of taxes.

(e) As used in this section:

"Lease" means the rental of real property for purposes other than residential housing under an instrument in writing by which one conveys real property for a specified term and for a specified consideration, and includes the written extension or renegotiation of a lease, and any holdover tenancy.

"Lessee" means one who holds real property for purposes other than residential housing under lease, and includes a sublessee.

"Lessor" means one who conveys real property for purposes other than residential housing by lease, and includes a sublessor.

"Real property or space" means the area actually rented and used by the lessee, and includes common elements [as defined in section 514A-3].

"Sublease" includes the rental of real property for purposes other than residential housing which is held under a lease and is made in a written document by which one conveys real property for a specified term and for a specified consideration. Sublease includes the written extension or renegotiation of a sublease and any holdover tenancy under the written sublease.

"Sublessee" means one who holds real property for purposes other than residential housing under a sublease.

"Sublessor" means one who conveys real property for purposes other than residential housing by sublease."

SECTION 9. Section 237-24.3, Hawai'i Revised Statutes, is amended to read as follows:

"§237-24.3 **Additional amounts not taxable.** In addition to the amounts not taxable under section 237-24, this chapter shall not apply to:

(1) Amounts received from the loading, transportation, and unloading of agricultural commodities shipped for a producer or produce dealer on one island of this State to a person, firm, or organization on another island of this State. The terms "agricultural commodity", "producer", and "produce dealer" shall be defined in the same manner as they are defined in section 147-1; provided that agricultural commodities need not have been produced in the State;

(2) Amounts received from sales of:

(A) Intoxicating liquor as the term "liquor" is defined in chapter 244D;

(B) Cigarettes and tobacco products as defined in chapter 245; and

(C) Agricultural, meat, or fish products grown, raised, or caught in Hawai'i, to any person or common carrier in interstate or foreign commerce, or both, whether ocean-going or air, for consumption out-of-state on the shipper's vessels or airplanes;

(3) Amounts received by the manager or board of directors of:

- (A) An association of apartment owners of a condominium property regime established in accordance with chapter 514A; or
- (B) A nonprofit homeowners or community association incorporated in accordance with chapter 415B or any predecessor thereto and existing pursuant to covenants running with the land, in reimbursement of sums paid for common expenses;
- (4) Amounts received or accrued from:
- (A) The loading or unloading of cargo from ships, barges, vessels, or aircraft, whether or not the ships, barges, vessels, or aircraft travel between the State and other states or countries or between the islands of the State;
- (B) Tugboat services including pilotage fees performed within the State, and the towage of ships, barges, or vessels in and out of state harbors, or from one pier to another; and
- (C) The transportation of pilots or governmental officials to ships, barges, or vessels offshore; rigging gear; checking freight and similar services; standby charges; and use of moorings and running mooring lines;
- (5) Amounts received by an employee benefit plan by way of contributions, dividends, interest, and other income; and amounts received by a nonprofit organization or office, as payments for costs and expenses incurred for the administration of an employee benefit plan; provided that this exemption shall not apply to any gross rental income or gross rental proceeds received after June 30, 1994, as income from investments in real property in this State; and provided further that gross rental income or gross rental proceeds from investments in real property received by an employee benefit plan after June 30, 1994, under written contracts executed prior to July 1, 1994, shall not be taxed until the contracts are renegotiated, renewed, or extended, or until after December 31, 1998, whichever is earlier. For the purposes of this paragraph, "employee benefit plan" means any plan as defined in section 1002(3) of title 29 of the United States Code, as amended;
- (6) Amounts received for purchases made with United States Department of Agriculture food coupons under the federal food stamp program, and amounts received for purchases made with United States Department of Agriculture food vouchers under the Special Supplemental Foods Program for Women, Infants and Children;
- (7) Amounts received by a for-profit hospital[,]; infirmary[,]; sanitarium or a nonprofit or for-profit medical clinic[,]; health care facility[,]; dialysis facility[,]; health care center[,]; day care center for the elderly[,]; home care service for furnishing individuals medical or health care services, or both, including room and board and monitoring or supervision; surface and air ambulances; nursing facilities licensed under section 321-9 and 321-11; pharmacy[,]; or a practitioner licensed to administer the drug to an individual for selling prescription drugs [or], prosthetic devices, or medical equipment to an individual; provided that this paragraph shall not apply to any amounts received for services provided in selling prescription drugs or prosthetic devices.] or for furnishing health care services. This paragraph shall also apply to any amounts received for health care services provided by a licensed health care provider. As used in this paragraph:
- (A) "Health care provider" means a person holding a valid license issued under chapter 463E, 442, 447, 448, 451A, 452, 453, 455, 457, 457A, 457G, 458, 45, 460, 461, 461J, 463E, 465, 466J, or 468E.
- (B) "Health care services" means the practice of the occupation for which a health care provider holds a valid state license to the extent that the practice of the occupation involves the diagnosis, cure, mitigation, treatment, or prevention of disease.
- (C) "Medical equipment" means any device, instrument, appliance, apparatus, or contrivance, electronic, mechanical, or otherwise that is intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease.
- (A)(D) "Prescription drugs" are those drugs defined under section 328-1(4) and dispensed by filling or refilling a

written or oral prescription by a practitioner licensed under law to administer the drug and sold by a licensed pharmacist under section 328-16 or practitioners licensed to administer drugs; and

[(B)](E) "Prosthetic device" means any artificial device or appliance, instrument, apparatus, or contrivance, including their components, parts, accessories, and replacements thereof, used to replace a missing or surgically removed part of the human body, which is prescribed by a licensed practitioner of medicine, osteopathy, or podiatry and which is sold by the practitioner or which is dispensed and sold by a dealer of prosthetic devices; provided that "prosthetic device" shall not mean any auditory, ophthalmic, dental, or ocular device or appliance, instrument, apparatus, or contrivance;

(8) Taxes on transient accommodations imposed by chapter 237D and passed on and collected by operators holding certificates of registration under that chapter;

(9) Amounts received as dues by an unincorporated merchants association from its membership for advertising media, promotional, and advertising costs for the promotion of the association for the benefit of its members as a whole and not for the benefit of an individual member or group of members less than the entire membership; and

(10) Amounts received by a labor organization for real property leased to:

(A) A labor organization; or

(B) A trust fund established by a labor organization for the benefit of its members, families, and dependents for medical or hospital care, pensions on retirement or death of employees, apprenticeship and training, and other membership service programs.

As used in this paragraph, "labor organization" means a labor organization exempt from federal income tax under section 501(c)(5) of the Internal Revenue Code, as amended.

(11) All of the gross proceeds arising from the retail sale of food in supermarkets in this State.

As used in this section "food" means any food or food product for home consumption except alcoholic beverages, tobacco, and hot food or hot food products ready for immediate consumption, and:

(A) In the case of those persons who are sixty years of age or over or who receive supplemental security income benefits under Title XVI of the Social Security Act (42 U.S.C. §1381 et seq.), and their spouses, includes meals prepared by and served in senior citizens' centers, apartment buildings occupied primarily by senior citizens, public or private nonprofit establishments (eating or otherwise) that feed senior citizens, private establishments that contract with the appropriate agency of the State to offer meals for senior citizens at concessional prices, and meals prepared for and served to residents of federally subsidized housing for the elderly;

(B) In the case of persons sixty years of age or over and persons who are physically or mentally handicapped or otherwise so disabled that they are unable adequately to prepare all of their meals, includes meals prepared for and delivered to them and their spouses at their home by a public or private nonprofit organization or by a private establishment that contracts with the appropriate state agency to perform meal services at concessional prices;

(C) In the case of narcotics addicts or alcoholics served by drug addiction or alcoholic treatment and rehabilitation programs, includes meals prepared and served under rehabilitation programs;

(D) In the case of disabled or blind recipients of benefits under Title II or Title XVI of the Social Security Act (42 U.S.C. §§ 401 et seq., 1381 et seq.) who are residents in a public or private nonprofit group living arrangement that serves not more than sixteen residents and is certified by the appropriate state agency or agencies under regulations issued under section 1616(e) of the Social Security Act (42 U.S.C. §1382(e)(1)), includes meals prepared and served under the arrangement; and

(E) In the case of women and children temporarily residing in public or private nonprofit shelters for battered women and children, includes meals prepared and served by the residential shelters.

The word "food" may be further defined by the department of taxation through the enumeration of food items in rules or information releases, provided that the department shall consult with the federal Food and Nutrition Service of the United States Department of Agriculture in further defining the word "food" so that such further definition comports with the meaning of "food" for food stamp purposes.

(12) Amounts received by landlords, lessors, and landowners as residential rent."

SECTION 10. Section 237-30.5, Hawai'i Revised Statutes, is amended to read:

"[§237-30.5] Collection of rental by third party; filing with department; statement required. (a) Every person authorized under an agreement by the owner of real property located within this State to collect rent on behalf of such owner shall be subject to this section[.]; provided that this section shall not apply to residential rentals."

SECTION 2. Sections 7 and 8 of House Bill 232 H.D.2 are amended to read as follows:

"SECTION [7.] 11. Statutory material to be repealed is bracketed. New statutory material is underscored."

"SECTION [8.] 12. This Act shall take effect upon its approval and shall apply to gross receipts received on or after January 1, 2000[.]; provided that section 9 (§237-24.3(7) and (11) of this Act shall take effect on January 1, 2000, and section 9 (§237-24.3(12) of this Act shall take effect on July 1, 2001."

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

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

"This amendment takes a bill that will relieve the general excise tax on wholesale services and adds to it doing away with the general excise tax on food, medical services, and rent.

"If you look at the amendment, it starts out by eliminating the credits that currently go in those areas. So when the whole thing is cleared away, we're going to have no taxation of food sold in stores. We're going to have no taxation on medical services and no taxation on rent. This will be phased in.

"The first phase will begin on January 1, 2000. The food and medical services taxation through GET will disappear. And the second phase, which doesn't begin until July 1, 2001, the rent goes out. Because the food and medical services come in half way through the fiscal year, the impact estimated by the Department of Taxation for removing those two credits is \$73 million. That would double in the second fiscal year. Now, we believe that this kind of tax reduction is doable. It's not going to be easy, but it can be done.

"The current budget that we're going to review on Thursday is up approximately \$200 million over the current fiscal year. Fiscal year 2000 is approximately \$200 million above the fiscal year 1999 as we passed it out of the Legislature last year. So there is room for a \$73 million tax cut.

"The tax system that we have in Hawai'i is one of the most regressive in the country. A regressive tax is one that taxes people who are forced to spend on their basic necessities. That's what we have with our taxation on food, medical services, and rent. It hits poor people harder because they have to spend a higher proportion of their income on these services. For these reasons, most states do not tax food. For these reasons, almost no state taxes medical services with a sales tax, and almost no state taxes rent.

"One of the arguments for the general excise tax is that we were able to export this tax because one-fourth of the people who pay it, maybe up to 30 percent, are visitors in Hawai'i. So we were able to export a share of this general excise tax. In the areas we are making cuts: food, medical services, food bought in supermarkets and stores -- not in restaurants -- and rents, virtually none of this tax is exported. The people of Hawai'i pay it. The people here in Hawai'i very much need this kind of tax relief.

"I was struck, and I wonder, Mr. Speaker, if you were and other members of the House were, when an article appeared in the newspaper identifying the poverty rate for a family of four in the United States as \$16,700. We all know that the cost of living in Hawai'i is 30 percent higher than it is for the United States average. If we check out how much the real poverty rate is in Hawai'i by adding that 30 percent, that's our cost of living -- the price of paradise in Hawai'i. The actual figure for a family of four comes out to \$21,650. That's the poverty level in Hawai'i for a family of four.

"Mr. Speaker and legislators, I was struck by the data the most recent year available, 1995, showed. If you look at how much income tax people pay, over 70 percent of the income tax returns in the State of Hawai'i were for incomes of \$20,000 or less. So we basically have a population that is in the range of the poverty level. These people desperately need help with their food bills, with their medical bills, and with their rent bills.

"Now we firmly believe that if this money goes into play, into the economy, people won't have to send it to the government. Because they would be able to spend it the way they want to or to spend it on basic necessities, that money would be spent to create jobs here.

"Mr. Speaker, this economy is in a crisis. We have to think very seriously about how to change the way this economy operates in order to move forward economically so that we can do the kinds of things in Hawai'i that we want to do to help the people of Hawai'i. The change that we are recommending is finding the \$73 million in fiscal year 2000 and double that in the next fiscal year. Finding that money to give it back to the people of Hawai'i and doing so by significantly looking at the size of government and what we can do to right-size it without firing anybody. We think we can pay for it. We're up to the challenge. We hope the Majority is as well. Thank you, Mr. Speaker."

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

"Mr. Speaker, just to go back a little bit. During the preceding weeks, there were 40 tax bills that were sent to our Committee on Economic Development and Business Concerns. We heard some 23 titles, and then we asked testifiers to testify on a broad range of tax policy in the State of Hawai'i, and this issue never came up from any testifier. Then we had a task force that discussed where we should go to stimulate business development and tax policy for our State. We met with B&F, DBEDT and the Department of Taxation, and this issue was discussed and was not seen to be a high priority.

"We were also very cognizant, in sending the tax package out that we did, of the responsibility of the Finance Committee to balance the budget. I remember that just a few hours ago, a member of the Minority said one of our challenges in this session would be to balance the budget. I'm also struck by the comment of the previous speaker that, and I'm sure it'll come as a surprise to the medical community and to the retail grocery stores, that visitors don't shop in those stores. I think that that is not true.

"Most of us remember and do appreciate that a member of the Minority said that the tax package that we reported out, that we did a better job in a week and a half than ERTF did in three

months. I think we need to stick to the bill that's before us in its unamended form, and I urge the members to vote down this proposed amendment."

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

"Mr. Speaker, at the appropriate time, I will also ask for a roll call on this amendment.

"The reason why I support this amendment is because, well first of all, the underlying bill is a good one. The only drawback, I guess the only criticism one could make, is that it phases in the reduction of the pyramiding at such a slow rate that it's hard to tell whether any economic stimulus will result from that phasing in. Of course, you're phasing it in because you're concerned about the budget. But that's why we feel that it's important right now to address two things: one, the economic stimulus that would follow from a tax cut; and two, the regressive nature of our particular general excise tax, which the Representative from Waikiki has discussed.

"I just want to emphasize that, again, while certainly there are visitors who shop at our grocery stores, receive emergency medical care and other kinds of medical care, or may have to rent someplace, the vast majority of people who pay residential rent, buy groceries at Safeway or any other grocery store, or receive medical care are locals. So these are areas where we're targeting tax relief, specifically for residents as much as possible. It's not a science, but we're trying to tailor it for that.

"The reduction, or at least the elimination of the GET from these three key basic necessities of life, is designed to complement whatever stimulus might come out of the underlying bill. We wanted to make sure that any kind of reduction in the pyramiding is not so little, so late that we don't receive any stimulus. We're hoping that this would in an appropriate and reasonable fashion. We could have had the bill, as amended, and have it all apply in year one. But what we did was look to see where the numbers would work and phase it in over an appropriate and reasonable period.

"But I think this floor amendment complements very nicely with the underlying bill by: one, addressing regressivity; and two, adding to the stimulus effect. I think it's worthwhile to discuss this particular proposal. We introduced this measure, talked about, I don't think that this is a partisan measure. Many other states with Democrats have proposed taking away taxes from these other kinds of basic necessities of life. So it's not a partisan type issue, but for us we looked at those kinds of things that really hit residents and we figured that it was food, medical services and residential rent.

"So I urge the members to look carefully at this, at the regressivity in our tax system and how this is carefully tailored to address that. Also the stimulus, whether or not we are reducing pyramiding at such a slow rate that we may lose revenue and not get as much of a stimulus as we would really like out of this.

"So for those reasons, I strongly support the amendment to this otherwise very good bill, and also ask for a roll call at the appropriate time after discussion."

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

"Thank you very much, Mr. Speaker. On opening day, I heard expressions about how our job is to work collaboratively, in the best interest of the people of Hawai'i, and not on a partisanship basis. Though the claim has been denied very recently, it seems as though the introduction of this floor amendment moves us in that direction.

"Mr. Speaker, in the 14 years that I've had the privilege of serving as a member of this body, I guess I've learned that with

every piece of legislation that comes before us for consideration, there is the procedural aspects to consider and then there is the substantive. I would submit to you, Mr. Speaker, that on both counts, this floor amendment fails to meet the test.

"First of all, we know that we have a public hearing process where, whether through subject matter or the other committees that review any piece of legislation, it is our opportunity to hear from the public and to allow them to participate. Also, it is to learn about what impact the legislation would have before we make our decision.

"With respect to this floor amendment, I am not aware of any opportunity for a public hearing that has been presented. In fact, Mr. Speaker, if you look at the three aspects of the bill, that is, one, the excluding of residential housing from the general excise tax with respect to property leases, or if you look at the exclusion for numerous medical transactions from the GET, I think notwithstanding the representations made, there's a question as to what fiscal impact this would have. If we had had the opportunity to review these measures, questions could have been asked, fiscal impact could have been determined.

"With respect to the exclusion for food, that issue I understand has been around and I understand the cost of that is well over \$100 million. In fact, I believe the proponent of this floor amendment has indicated that by phasing it in a two-year period, you go from \$70 million to, I guess, approximately little over \$200 million if you were to double that amount in the second year.

"Mr. Speaker, while I think we want to provide help and assistance, I've learned, I guess, that it's very easy to support a popular measure, whether that be we need \$2 billion to repair and pull all of our school buildings into first class shape. Or even if we wanted to take \$1 billion in terms of tax credits or tax incentives to grow the economy to create jobs.

"I think one thing that I have learned though, Mr. Speaker, is that we have to be accountable. We have the responsibility for balancing the financial situation facing the State. We have to balance the budget. I make reference to that, Mr. Speaker, because just this afternoon, we decked House Bill 100, House Draft 1. And in trying to deal with that measure, Mr. Speaker, basically it was quite a challenge. We've seen our revenue picture decline. We've seen that in December, there was a 4.3 percent decline from the year before; in January, an additional 1.9 percent decline.

"We, only last year, passed the largest personal income tax reduction in the history of our State. But we are beginning to feel the impact of that this current fiscal year to the tune of almost \$50 million in the first year of the biennium, a further \$159 million reduction. This is putting money in the pockets of the people of Hawai'i, that's true. Yet, it does take away from our revenue picture. That will further increase into the second year of the biennium to a reduction of \$178 million and then in the out years, from \$235 million and onward. I think you get the picture.

"We need to act responsibly and I think, basically, given these concerns, this floor amendment fails to meet the test. Maybe two points very quickly, Mr. Speaker. I know we want to, at times, be all things to all people but prudence and responsibility allow us to say things like we cannot be Santa Claus. I think that's true. And given that, I'd like to further note, Mr. Speaker, that with respect to the floor amendment that is on our desks that Section 7, apparently by the floor amendment, would delete Section 235-55.9. That is bracketed out in the proposal. I would like to note for the record that there is no such Section 235-55.9 because by Act 23 in 1995, that measure had a sunset of June 30, 1997 and it's no longer in the books.

"For the foregoing reasons, I will be voting against the amendment. Thank you, Mr. Speaker."

Representative Pendleton then rose and stated:

"Just a few more comments in rebuttal. First, Mr. Speaker, with respect to the procedural concerns that the gentleman has raised. One particularly distinguished member of this body has stated that floor amendments are appropriate where the system appears broken.

"Now we spoke out from the very beginning that what you want to do is reduce taxes across the board rather than targeting specific types of credits for specific types of industries. You try to reduce taxes across the board as much as possible. We've set forth that bill, introduced it, sponsored it, put it in the hopper for discussion and it was not set for a hearing.

"Mr. Speaker, unless we use this vehicle, how else can we get this particular bill, this particular concept regarding removing the GET application from food, residential rent and medical care before this body. It wasn't set for a hearing. In Congress, they hear bills from both sides of the aisle. We're not trying to make any accusations but at this point, because there hasn't been a public hearing, this is the only vehicle we have up to this time to discuss this in a formal manner unless the Chair of Finance wants to commit to at least hearing the bill next session and setting it up for a hearing and letting people come and testify against it. Perhaps we can have the Chamber of Commerce, the people or residents say that they don't want to be exempted in terms of food, rent, or medical care because as they see it, the economic stimulus is inappropriate.

"But I think procedurally this is the only way we can bring this particular bill up at this time. I think if you look at the fact that this hasn't been set for hearing, it might qualify under the Representative from Manoa's definition that the committee structure, with respect to this particular bill, was broken.

"With respect to the substance of this bill, Mr. Speaker, again the stimulus here would be immediate, unlike a tax credit which finds its way stimulating the economy at some future time when a person pays that monthly check to the landlord, when a person buys that loaf of bread from the grocery store, when a person fills out a check to the doctor or the nurse. There's a savings immediately in the hand of the taxpayer which can then be invested, saved, or spent in the economy. So the stimulus is almost immediate. We think for that reason, it's a very good vehicle. Because it's so broad, it's not restricted to particular industries, but it's to everyone who has to eat, or live someplace, or require medical care. So on the substance, we think that this is a very good and appropriate floor amendment.

"for those reasons, I support this amendment, Mr. Speaker."

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

"The Finance Chair has done an admirable job for all of us here in the House, trying to pass out a balanced budget in these very difficult times. My only suggestion to the maker of the amendment is, if they truly wanted to be responsible, they should have presented us with a balanced budget based on their recommendation, which we don't have. Thank you, Mr. Speaker."

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

"I don't know about the rest of the members of the body, but my constituency asked me: 'Why don't they take GET off food? Why don't they take it off rent?' They ask me that. I don't think we need a public hearing. I think if you went out and asked the public: 'Do you want to pay GET on your grocery bill or your rent or your medicine?' They would tell you overwhelmingly that they don't.

"I think when we look at the general public and we talk about the income tax reduction, putting money into the pockets of our citizens, that's a fabrication. We're simply not taking the money out of their pockets. It's their money to begin with, and I think that sometimes we forget that. They're the people who work for it, they're the people who earned it -- it's their money. We're not putting it into their pockets. We're simply not reaching into their pockets and taking it out.

"This is one of those bills, if you want to know how we pay for this, we reduce the size of government. We can forego those huge pay raises, we can portion them down. And there's a long list of different items in our government budget that we can cut. And we can produce that list, we can produce those items. But people ask us, people ask me: 'will they hear this?' You can't even get a vote on it. So the only method we have to bring this to the floor, the only method the Minority has to put this on the table, is a floor amendment. It's the only vehicle we have to do it and I hope it will find support today. Thank you, Mr. Speaker."

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

"There is before us a floor amendment which is very expensive. This is the floor amendment which goes to the underlying bill which reduces the GET pyramiding effect. Regarding the underlying bill, your Committee on Economic Development heard this bill because the small businesses of the State of Hawai'i made their pleas and cries. And we heard the cries of the small businesses and because of that, we passed this bill which addresses the reduction of the GET pyramiding effect.

"Your Committee on Finance recognized the importance of the underlying bill, but because of the tough economic times we have implemented a seven year phasing effect so that we can afford this reduction. So now I ask you, members, how important is the GET pyramiding effect to you? Because if it is, then you would vote against the amendment. Let's not sacrifice the GET pyramiding reduction by amending this measure with an expensive cost item. Thank you, Mr. Speaker."

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

"Thank you. Our good colleague from Kaimuki already pointed out that with an amendment like this comes a responsibility of presenting a balanced budget. A hundred million dollars is a lot of money, add to that all of the emergency appropriations coming down from the administration. It surprises me and bewilders me as to how anyone would be able to balance a budget without some severe cuts. So I would like to take up the challenge from our good member from the Big Island in his proposal supporting this amendment. That he says he knows where we can cut \$100 million from our budget. And I welcome him to present that not only to me, but probably the entire body. Thank you."

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

"This amendment uses tax exemptions that is a shotgun, an inadequate response, to address regressivity when direct tax credits based on adjusted gross income can be employed if it is so desired. We also have wide-ranging human services programs that will be detailed in House Bill 100, House Draft 1, that more effectively and directly achieve desired social objectives that can benefit those who truly need those services. Thank you, Mr. Speaker."

Representative Fox then rose and stated:

"Briefly, Mr. Speaker, the figures on the reduction for the cost of eliminating the taxation of food and rent and medical services come from the Department of Taxation. That answers an earlier point. Basically, we accept the challenge offered by the good Representative from Kaimuki, Waikiki, and the good Representative from Pearl City to come up with a budget that will allow for this tax cut. It's a reasonable request. It's a fair one and we'll do our best working with all of you to do so. Thank you."

Representative Herkes then rose and stated:

"Mr. Speaker, I am certain that if we asked all of our constituents if they just as soon not pay any taxes at all, that we would get overwhelming support for that. As far as the regeneration that this would have, the amount that the withholding is lessened in the bi-weekly paycheck is almost immediate. And I am struck by the fact that the estimate is that over a four year period, there will be a \$250 million reduction in tax revenues, but only a \$50 million regeneration. So I think the argument about this massive regeneration does not fall within the figures that we are getting from the 'experts.' Thank you."

At this time Representative Pendleton requested a roll call vote.

The request for a roll call was put to vote by the Chair and the request was granted.

Roll call having been requested, the motion to adopt the amendment was put to vote by the Chair and failed to carry on the following show of Noes, Ayes and Excused:

Noes, 37: Representatives Abinsay, Ahu Isa, Cachola, Case, Catalani, Chang, Garcia, Goodenow, Hamakawa, Herkes, Hiraki, Ito, Kahikina, Kaho'ohalahala, Kanoho, Kawakami, Lee, Luke, Menor, Morihara, Morita, Nakasone, M. Oshiro, P. Oshiro, Saiki, Santiago, Schatz, Souki, Stegmaier, Suzuki, Takai, Takamine, Takumi, Yamane, Yonamine, Yoshinaga and Say.

Ayes, 12: Representatives Arakaki, Auwae, Fox, Halford, Leong, Marumoto, McDermott, Meyer, Pendleton, Rath, Thielen and Whalen.

Excused, 2: Representatives Moses and Okamura.

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 232, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Yoshinaga being excused.

Stand. Com. Rep. No. 1063 and H.B. No. 377, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 377, HD 2, pass Third Reading, seconded by Representative Yonamine.

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

"Mr. Speaker, my colleague, the 40 year old Representative from Upcountry Maui, the Vice Speaker and I, recently returned from Silicon Valley after meeting with hi-tech and bio-tech industry leaders and financiers.

"This bill is an excellent vehicle to allow for the continued discussion of what we learned on the trip, and what important steps need to be taken to lure knowledge and information-based industries to our State.

"Critical to these businesses is an educated and skilled work force, and secondly, what is attractive to these companies are

the quality of life issues that we sometimes take for granted. I think another point that was made repeatedly during the trip was that tax incentives and tax credits are not important factors in attracting these businesses.

"An important element in this bill are the references to the Internet exchange and the development of Internet-focused businesses. Hawai'i will need to embrace the concept of e-commerce to be a player in the global market. Already in our everyday lives, we have seen things like Amazon.com and the ability to download and purchase music on the Internet. People's buying habits are changing. The complexion of retailing is changing. The way we do business is changing because of the Internet. This bill will help lay the groundwork for Hawai'i's future in an important role in information-based technology. Please support the bill."

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:

"Our State's future stability, sustainability, and well-being will depend upon our ability to successfully diversify our economic base and thus lessen our dependence upon tourism as our primary industry, as well as our willingness to provide our local work force with the tools necessary to compete effectively in the global marketplace.

"Our intent, with HB 377, is to develop a substantive economic stimulus package that can help lay the foundation for a thriving high technology industry in the islands.

"On October 8, 1998, a group of Hawai'i's leading educators, public officials, and private sector representatives participated in the Hi-Tech Hawai'i Forum convened by Governor Cayetano. In her keynote address to the forum, Professor Pamela Samuelson of the University of California-Berkeley stressed the many strengths and assets (or as she terms these, building blocks) that Hawai'i has to offer in the burgeoning field of high technology:

"Diversifying into the high technology sector is a logical step for several reasons. First, high technology tends to be a high-growth, high-return economic sector. It generates rapid growth of new types of companies, new industry sectors, high-paying jobs, new investments in education, and a stronger tax base with which to provide superior public services. Second, a high technology industry, if planned appropriately, is not harmful to the environment. This is an important benefit to consider because the State's environment is a critical part of Hawai'i's culture and everyday life. Third, it can exploit advantages Hawai'i already possesses that are presently underutilized.

"Hawai'i has an extensive modern telecommunications infrastructure. This is a key resource for information technology development. Hawai'i also has a strong university and a network of community colleges as well as several existing centers of information-based development upon which information industries can be and are being built.

"Hawai'i's cultural diversity and reputation for hospitality should enable Hawai'i to attract information technology investments from Japan and other Asian countries as they recover from economic downturns. Hawai'i's exceptional livability should attract highly skilled workers, including the return of skilled Hawai'ian workers who moved to obtain mainland jobs, once the right kinds of jobs are available in Hawai'i.

"It would take some time to establish mindshare for Hawai'i as a place for high technology development, both in the minds of the local people and in the view of mainland and foreign investors. Hawai'i's tax structure puts it at a disadvantage for external high technology investments, and although local

investment funds are substantial, they have yet to make significant investments in Hawai'i's high tech start-ups. But it is possible to jump-start high technology industries by carefully attending to the comparative advantages of the local economy and by promoting public and private sector partnerships.

"Last month, I was privileged to accompany Governor Cayetano, his special assistant Joseph Blanco, DBEDT Deputy Director Bradley Mossman, University of Hawai'i President Kenneth Mortimer, Senator David Ige, and Representatives Hermina Morita and David Morihara to the San Francisco Bay area to ascertain the steps that Hawai'i must take to attract high technology firms to the islands. For three days, we visited a variety of high technology companies, including those involved in biotechnology, telecommunications, internet services, microchip technology and software, and met with a number of corporate executives. We left Silicon Valley with a better understanding of what actions need to be taken by the state government, the University of Hawai'i system, and the private sector to maximize our potential for attracting and retaining high technology industries. While we shouldn't delude ourselves into believing that Hawai'i can become a manufacturing center for high technology equipment overnight, there is certainly tremendous potential in the area of intellectual property development, i.e., software development and technology design, and telecommunications and information transfer.

"Once people overcome their first impression of our islands as some remote, faraway outpost somewhere in the Pacific Ocean, they will realize that Hawai'i's strategic location is ideal as a potential hub for Trans-Pacific fiber and satellite telecommunications networks. Our State already has in place what has been hailed by many in the industry as the most extensive, well-developed, and technologically advanced analog/digital telecommunications infrastructure of all fifty states. Indeed, it is probably our single most important material asset in our bid to capitalize on the growth of businesses using the internet. Certain specialized areas of expertise, such as Telemedicine, have already drawn the attention of mainland and international media and industry specialists.

"House Bill 377, HD2, would establish a Hawai'i Internet Exchange within the University of Hawai'i's Office of Technology Transfer and Economic Development to serve as a switching and peering point for Internet service providers, as well as a catalyst for the development of Internet-focused businesses. Additionally, its development would become a priority guideline in the Hawai'i State Planning Act.

"One point stressed in last October's Hi-Tech Hawai'i Forum was our need to continue the work begun last year by reducing the tax burden on businesses operating in Hawai'i, which would improve our business climate and increase the ability of Hawai'i firms to be globally competitive. One suggestion called for targeted investment and development tax credits to qualified high technology ventures. However, in Silicon Valley, several high technology company executives stressed that such tax incentives are not as high a priority in comparison to having a well-trained and educated work force or offering a higher quality of life. Nevertheless, HB 377, HD2, includes a technology-related job creation income tax credit to offset the cost of technology-related job creation costs, specific income tax credits for making increased expenditures for research and development activities in science and technology, and a high-technology business investment income tax credit of up to \$500,000 per year for three consecutive years for investing in a qualified high technology business. I acknowledge that these types of credits may not be the best incentives in comparison to providing stock option tax exemptions or tax exemptions for royalties, however, the idea and concept should not be dismissed as unimportant and ineffective.

"A key to any high technology industry in Hawai'i lies in having a major research university that can serve as a conduit to any new technology having commercial promise, as well as

develop and sustain a well-educated and skilled labor pool. Time and again during our trip, we heard that high technology businesses' number one priority is human resources. The responsibility for such falls primarily upon the University of Hawai'i and its related institutions. HB 377, HD2, establishes an Information and Telecommunications Work Force Training Program within UH, which will provide accelerated information technology education and training on the post-high school to graduate levels and makes use of our public, private, and for-profit educational institutions.

"Finally, this measure will help facilitate the creation of a high technology park in Kaka'ako. The issuance of up to \$100,000,000 in special purpose revenue bonds will assist the Ohana Foundation in developing a world-class training and education center for high technology industries here and abroad, and can help create that critical mass of highly-trained workers needed to attract established high technology companies to the islands.

"I would like to express my appreciation to the chairs and members of your Committees for their hard work and effort in fashioning this legislation. While there is undoubtedly a window of opportunity for us to literally create our own niche in this growing industry, we must also be cognizant that it will not remain open indefinitely. Therefore, let us be bold enough to seize the initiative, and position our State to truly tap its unrealized potential. I urge all my colleagues to support HB 377 HD2."

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

"I just have not had enough time to really absorb this entire bill -- it is quite massive. The Chairman of Finance has referred to Santa Claus and I really think Santa Claus has brought this bill to us. It looks like a Christmas tree decorated with innumerable tax credits and appropriations, training programs and new technology-related programs. Individually, these might be very good measures, but it's a bit hard to digest the entire bill and its ramifications.

"In addition to these wondrous programs is a \$100 million authorization for special purpose revenue bonds. It's in a big box at the bottom of the tree tied up with a nice red ribbon. I'm just wondering whether it is appropriate to have this measure incorporated into this bill with other items. So because of my reservations on the entire Christmas package, I will have to vote no on the measure. Thank you."

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

"In visiting Silicon Valley, what we've discovered is that the future commerce of high technology won't be done in molecules, it will be done in bytes and bits of information. Information that we are critically positioned -- Hawai'i in the middle of the Pacific. Because of our advanced telecommunications ability, one of the few advantages we have in any kind of industry, we are able to take advantage of the fact that the most valuable thing being produced right now is intellectual property. Property based on software. Property based on design. Property based on research.

"I look at this bill and I agree that it has some work to be done on it, but it's necessary because this has to be a vehicle for further discussion of how we, in Hawai'i, can participate in the high technology world. I thank you for those moments."

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

"I appreciate the comments of the House Republican Leader pointing out a basic flaw in the bill which is to provide funding for the Ohana Foundation as a section of this bill. That's one of the three major things going on in this bill. As near as I can

figure out, and I've spent some time trying to figure out this bill, it really is a struggle.

"There are two other important tax credits. One is for technology related job creation. In part two of the bill, technology related job creation means 'emerging industries that are technology intensive, including but not limited to electronics, biotechnology, or computer systems.' But then in part six, we have a different tax credit and this one goes for 'qualified high technology business,' and this is on page 19 of House Bill 377. Now we have a different definition of what we're dealing with. This is called 'qualified high technology business.'

"Now I guess I can tell you from reading this bill what this 'does not include':

"It doesn't include 'any trade or business involving the performance of the services in the field of law, engineering, architecture, accounting, actuarial science, performing arts, consulting, athletics, financial services, or brokerage services.'

"It doesn't include 'any trade or business where the principal asset of the trade or business is the reputation of skill of one or more of its employees.' It doesn't include 'banking, insurance, financing, leasing, rental, investing, or similar business...farming business, including the business of raising or harvesting trees. Any business involving the production or extraction of products of a character with respect to which a deduction is allowable under section 611, 613, or 613A of the Internal Revenue Code. Any business operating a hotel, motel, restaurant, or similar business...'"

Representative Takai then rose on a point of information, stating:

"Can the speaker tell us what the bill includes instead of what the bill doesn't include? We can go on all night."

Representative Fox then responded:

"Well, that's the way we get our definition. I thank the gentleman for his point, but that's how it's defined. It's defined based on what's not included. 'Any trade or business involving a hospital, a private office of a licensed health care professional, a group practice of licensed health care professionals, or nursing home.' That's what a qualified business is.

"Thank you, Mr. Speaker. I think this bill does indeed need some work."

Representative Kanohe then rose and stated:

"I wish to speak in support of the bill primarily to address the point of the \$100 million that's referred to. The \$100 million is a special purpose revenue bond issue. As we tried to explain in the Finance Committee, a special purpose revenue bond is not an obligation of the State and is an obligation of the person or entity that purports to draw on that bond issue. Thank you, Mr. Speaker."

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

"First, a potential conflict. I have another son who is a software developer living in Boulder, Colorado, so he's in the field," and the Chair ruled "no conflict."

Representative Thielen continued, stating:

"Thank you. Mr. Speaker, I've talked with Dave a lot. He just has been published by McGraw-Hill with his book on The 12 Simple Secrets of Microsoft Management. By the way, on Amazon.com, it's in the 200 range on books that are being sold quickly. He said that we have got to signal that we are business friendly.

"Two things he said: first of all, correct your poor business reputation; and second, improve the education system. And then we're going to really benefit from attracting hi-tech companies. Thank you."

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

"I want it to be clear that I fully agree with the importance of high technology, of our being open to other businesses, and of our work to try to attract people and companies who will create jobs. But the concern I have here is that when the Governor came back from his trip to Silicon Valley, he stated on the radio, and I heard him speak, that the most important thing that those people want are not specific credits that target this or target that or deductions. What they want is a very good and sound economy, a state government which creates an environment that overall is conducive of all businesses, good schools, and they mentioned infrastructure.

"It's interesting that the hi-tech people refer to the public education system as infrastructure, but apparently that is what they consider. They said that those things are the number one priorities rather than asking what kind of tax credits can you give us on particular items. So for those reasons, I think what we ought to do is focus on the overall economy, or on the overall business climate in order to attract them rather than this. This will probably be the first tax credit that I'm opposing, but I think it's important for me to make the point that we ought to look at the economy from a broad perspective in terms of lowering the taxes.

"The one concern, the quandary that I have, is on pages 16 and 17, Section 235. I believe that someone else mentioned this, but I'd just like to point out the language on page 17, beginning with lines 3. It says, '...up to a maximum allowed credit of \$500,000 for the tax year for each investment made by the taxpayer.' If that's not a lot of money, then what is? We're talking about trying to save people money when they buy a loaf of bread and here \$500,000 per person is reasonable.

"So I think we ought to look at the broad economy. Focus on that first and then assuming that the economy is good and we've lowered taxes as much as possible and we still aren't able to attract hi-tech people, then I would be more than eager to vote for something like that. But until that happens, for me it's a matter of timing. I'm going to oppose this particular measure at this time."

Representative Rath then rose and stated:

"Yes, Mr. Speaker, I rise in opposition to the same bill and I'd like the comments of the previous speaker recorded as my 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. 377, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," passed Third Reading by a vote of 44 ayes to 4 noes, with Representatives Fox, Marumoto, Pendleton and Rath voting no and Representatives Moses, Okamura and Yoshinaga being excused.

Stand. Com. Rep. No. 1064 and H.B. No. 136, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 136, HD 2, pass Third Reading, seconded by Representative Yonamine.

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

"Mr. Speaker, we all recognize the importance of maintaining our visitor accommodations and resort areas. In

our efforts, we continue to attract visitors and enhance their Hawai'i experience.

"The purpose of this bill is to upgrade Hawai'i's hotel stock by creating a tax credit for improvements made to properties in areas primarily zoned resort. Mr. Speaker, Hawai'i is not alone in the sun, sand and surf business. We need to keep improving our industry to maintain its health and prosperity. The visitor industry goes beyond hotels and includes many other businesses and attractions. We need to make sure that these businesses are also maintained and improved for the overall, positive visitor experience.

"Mr. Speaker, this bill is an example of government creating an environment friendly to renewed investments and job creation. 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. 136, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Yoshinaga being excused.

Stand. Com. Rep. No. 1065 and H.B. No. 151, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 151, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Stegmaier rose to speak in support of the measure with reservations, stating:

"Again, in this case we're appropriating monies for additional positions at the College of Education, but what we're not doing in the process of appropriating these monies for the positions, is asking the College to set any kind of goals for themselves. I remind the members that the Department of Special Education within the College of Education has been producing very few new teachers in special education. Literally, nine to 13 a year up until the mid-1990s. I think we need to hold the College accountable for specific results, and I hope that as this measure moves on that we are able to include those specifics in the bill. 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. 151, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TEACHERS," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Yoshinaga being excused.

Stand. Com. Rep. No. 1066 and H.B. No. 157, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 157, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Garcia rose to speak in support of the measure and asked that his comments be inserted into the Journal, and the Chair "so ordered."

"And just to add to those, Mr. Speaker. As we move on in this House, and together with our colleagues in the Senate to discuss in another measure the need to build a new prison, I would like to say that when you compare that effort with the bill that is now before us, that these two measures do not necessarily lock heads with each other. But in order for alternatives to incarceration and so-called rehabilitation programs to succeed, you need to have the space or the so-called hammer to ensure that those who are participating in these programs do abide by the program requirements or else they face incarceration.

"But, Mr. Speaker, should the effort to build a new prison fail because of any number of reasons, then I would call on my

colleagues, and my colleagues on the Senate side as well, to take a look at and support the measure that is now before us -- House Bill 157. Thank you."

Representative Garcia's additional remarks are as follows:

"In the few years that I have been closely associated with the problems of our State's corrections program - crime rates, crowded prisons and a high rate of recidivism among parolees - I have been particularly concerned with the impact that substance abuse has throughout our criminal justice system. We have all heard the numbers - eighty to ninety percent of our inmates have records of substance abuse. And they are released to the community only to return again and again.

"We are addressing this problem within our prisons with programs such as KASHBOX. For those entering our criminal justice system, we have a successful drug court program. However, there are a number of gaps in our programs to rehabilitate substance abusers. For example, both KASHBOX and drug court appear to focus their attention on first-time, non-violent offenders. Two strikes - and you're out of the programs. Drug abuse is an insidious, life-threatening addiction. Some who are addicted, for psychological and physiological reasons, do not respond to treatment as readily as others.

"In 1995 this body responded, partially, to the related problems of drug use and crime by the passage of Act 25. Not all of the program recommendations of that act were implemented. Some of those that were implemented have been successful. Others were not. I believe, Mr. Speaker, that four years ago when we passed the bill that became Act 25, we were more motivated by the crowded conditions in our prisons and the threat of federal intervention.

"Mr. Speaker and fellow legislators, the events in our communities and in our prisons in the past month have demonstrated in a most unfortunate way, the need to broaden the focus, and expand the capacity of our drug rehabilitation programs. House Bill 157, HD1, focuses on the successful programs of Act 25. It adds a program that would improve continuity in our efforts to rehabilitate those who are entering the criminal justice system as well as those on parole -- those who are half way back into the community.

"We have seen the results of similar programs in a number of other states. It is clear that money spent on rehabilitation has a demonstrated return on dollars saved over those spent on repeated incarceration. In Hawai'i, even if we use a year-round average, per day cost of \$60.00, recently quoted in a Big Island newspaper, it does not compare with the estimated cost of \$13.25 per day for Hawai'i Parole Authority's supervised furlough program or the \$6.09 per day cost of HPA's treatment diversion program.

"House Bill 157 would add 12 substance abuse counselors, social workers and psychologists to the PSD staffs. With a recommended caseload of 40 parolees per professional, this could allow the parole of as many as 480 additional inmates now housed in State prisons. Additional paroles would necessarily be subject to the careful screening and assessment of the HPA.

"The use of illegal substances is intricately entwined with the problem of crime. We must recognize this reality and deal with it adequately in our criminal justice system. I urge my colleagues to support H.B. 157."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 157, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CRIME," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Yoshinaga being excused.

Stand. Com. Rep. No. 1067 and H.B. No. 167, HD 3:

Representative Case moved that the report of the Committee be adopted and H.B. No. 167, HD 3, pass Third Reading, seconded by Representative Yonamine.

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

"Although the graduated licensing provisions have been removed from this measure, I am glad that it still contains license revocation for violations for drivers under 18 years of age. But I'm disappointed that the section which requires an adult to be with a minor at night from 11:00 p.m. to 5:00 a.m. has been removed from the measure. I hope we will reconsider at a later time, and I hope that the Senate might also consider this provision. 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. 167, HD 3, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE DRIVER LICENSING," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Yoshinaga being excused.

Stand. Com. Rep. No. 1068 and H.B. No. 1078, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1078, HD 2, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS REGISTRATION," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Yoshinaga being excused.

Stand. Com. Rep. No. 1069 and H.B. No. 718, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 718, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Yoshinaga being excused.

Stand. Com. Rep. No. 1070 and H.B. No. 316, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 316, HD 2, pass Third Reading, seconded by Representative Yonamine.

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

"Because of our economic crisis, arts programs in the Department of Education have been nearly eliminated. Without the State Foundation on Culture and the Arts, arts programs throughout the State would be non-existent.

"Today the State Foundation on Culture and the Arts funds nearly \$1 million from its general fund budget; the Works of Art Special Fund; Arts in Education Grant of the National Endowment for the Arts for arts education opportunities statewide through its foundation grants program; the Arts in Public Places Artists and Residence Project; the annual School Arts Excellence Awards, the schools arts exhibition shown year round at the Hawai'i Convention Center; partial underwriting of the Artist in the Schools Program; and a new grants initiative for fiscal year 2000 and 2001, to encourage the development of art curricula in our schools.

"In the Department of Education, students are not receiving a quality education in the arts, not only because of our tight fiscal situation, but mainly because we do not have adequate State student performance standards in this area. As other states have made headway in arts education, by comparison, Hawai'i

appears to be at a standstill, or some may argue that we are in fact moving backwards.

"The successful incorporation of any comprehensive arts in education program for Hawai'i's public school children must first begin with a systematic assessment of the fine arts content and performance standards for grades K-12, and then continue with the development and implementation of a strategic plan to incorporate these standards into the classrooms in a logical and beneficial manner.

"This bill calls for the working collaboration of the State Foundation on Culture and the Arts, Department of Education, the Hawai'i Alliance for Arts Education, the College of Education and the College of Art and Humanities at the University of Hawai'i at Manoa, the Hawai'i Association of Independent Schools and others. While the approach proposed in this bill may be unprecedented in our State, the major stakeholders in the arts education arena, along with the others from the arts education community, strongly believe that our shared mission can be successfully completed in a timely manner. Given the State's other difficult challenges, I believe that this public/private partnership approach will bring to fruition an arts education program that students of Hawai'i deserve.

"The Secretary of Education, Richard Wiley, wholeheartedly endorsed the arts in his annual State of the American Education address on February 16, of this year. And he said, 'We live in a world that is so much more visual and our young people see the world around them bursting with ideas. We need to foster their creativity and give them that sense of excitement that comes with a true search for knowledge. The arts are not a frill, but essential in this information age. There is a fusion coming, for example, between the arts and the computer and we need to be ready for it.'

"Additionally, if this legislation were approved, we'll have important opportunities to leverage additional funds from national sources..."

Representative M. Oshiro then yielded his time to Representative Takai.

Representative Takai continued, stating:

"To assist in the implementation of arts education standards. For instance, the National Endowment for the Arts has a specific category for efforts increase standards-based learning in the arts. Applications are due in August, but the State must demonstrate support in order to proceed. Passing this bill will demonstrate our support for arts education. Thank you, Mr. Speaker."

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

"Mr. Speaker, I've always felt that the arts is the universal language of all peoples. The arts cross all barriers and make individuals whole. We're talking about music, we're talking about drama, dance, the fine arts, and also film production.

"Just take all the musical concerts that come here and everyone -- the young, the old, the disabled, you name it -- are there to enjoy and get themselves into the concert. I am firmly convinced, as Representative Takai, that we need to build arts education in our schools. We need to get the standards in place so that we can go after all of the arts' federal funding that is available to schools. Thank you very much."

Representative Lee then 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 would like to speak in favor of the measure.

"This bill appropriates funds to review, revise and complete the Hawai'i content and performance standards in the arts and develops a strategic plan to fully implement these standards.

"I strongly support this measure because I believe that arts education may be the key to solving many of the problems we face in public schools.

"The arts, especially theater and the performing arts such as band and orchestra develop the qualities in students that help them succeed in other academic endeavors as well as in life skills. These are self-discipline, self-esteem, self-confidence, and self-reliance.

"The arts foster the mastery of skills that have lifelong value, and implications. My own son, Thomas was involved in theater starting out in his seventh grade English class at Wheeler Intermediate School. I went to school one day to see the class production of Romeo and Juliet, and lo and behold, Thomas was transformed into a Shakespearean character.

"Thomas' love for the theater never ended. He graduated in fine arts from Carnegie Mellon University and is now a professional actor in New York. He chose a difficult and demanding career, but he absolutely loves his work. A parent could not ask for more. At some times in his life, Thomas questioned his own abilities to succeed, but it was the strengths he developed in his junior high and high school arts experiences that have made him successful.

"I urge my colleagues to support this bill."

Representative Stegmaier then rose and stated:

"Thank you. Also in support and, Mr. Speaker, just to commend the Chair of Culture and the Arts Committee for his ingenuity in furthering arts education for our children by establishing an important leadership role for the State Foundation on Culture and the Arts in this very important, but neglected area. 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. 316, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ARTS EDUCATION," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Yoshinaga being excused.

Stand. Com. Rep. No. 1071 and H.B. No. 838, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 838, HD 1, pass Third Reading, seconded by Representative Yonamine.

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

"I believe that this bill has all the makings of being a landmark piece of legislation in terms of providing real relief to businesses in Hawai'i, particularly our smaller businesses.

"We keep hearing about how difficult it is to do business in Hawai'i, particularly with the continuing references to red tape and all the regulations to which businesses must comply. One of the real problems is a myriad of paperwork which businesses must prepare to meet numerous legal and withholding requirements such as federal and state income taxes, social security, retirement, medical, dental, vision and drug deductions, on behalf of the employees as well as employers' contributions for unemployment compensation, workers' comp, liability and casualty insurance. All of this paperwork, beyond the mission of the business, whatever it may be, is really what drives employers crazy.

"This bill would enable employers to contract all of this paperwork, much of which involves payroll. Now the reason that businesses do not do this today is that the tax due on the payroll is subject to the 4 percent GET, and that becomes prohibitive. The difference is that the GET that is levied on the entire per payroll amount, including all withholdings such as taxes and fringe benefits, and that's because our system requires the application of that tax every time that money changes hands from one entity to another.

"We have established a precedent in the past, so this is nothing new. Recently, we passed a bill which would exempt the 4 percent tax on hotels, farming, and telecommunications operation involving an owner that hires a management entity, and so that tax is not applied. We learned in the Finance Committee that the projected revenue loss would be \$750,000, and it was only at that time that I learned that some businesses actually were employing the service and subjected their payroll to the 4 percent tax. This only demonstrated the need and the value of this measure. We also learned that the amount of income would be the income of businesses and employers who would secure others to do the service for them, which would far exceed the current \$750,000 annual loss. So this is a very valuable piece of legislation.

"I must point out that the bill, in its current form, does call for licensure and regulation which I strongly oppose and, in my opinion, could subject this bill to a veto. So we need to make some changes to the bill as it moves through the process, but I urge everybody's consideration in helping passage of this bill to improve our business climate. 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. 838, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LEASED EMPLOYEES AND EMPLOYERS OF LEASED EMPLOYEES," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Catalani voting no and Representatives Moses, Okamura and Yoshinaga being excused.

The Chair directed the Clerk to note that H.B. Nos. 231, 232, 377, 136, 151, 157, 167, 1078, 718, 316 and 838 had passed Third Reading at 3:50 o'clock p.m.

Stand. Com. Rep. No. 1072 and H.B. No. 179, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 179, HD 2, pass Third Reading, seconded by Representative Yonamine.

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

"Mr. Speaker, this bill would identify and map important agricultural lands in accordance with our constitutional mandate to conserve and protect agricultural lands. This bill will also recommend incentives to encourage landowners to keep their land and their cultivation.

"To give you a brief historical background, in 1986, the LESA Commission submitted a report on its findings, conclusions and recommendations concerning: (1) the development of the initial inventory of the State's important agricultural lands; (2) a classification system to identify these lands; and (3) a process to review requests for a change in designation of specific parcels by important agricultural to urban or other uses.

"Unfortunately, Mr. Speaker, since 1986, and practically every year thereafter, legislation to implement the LESA system have been introduced, but failed. Our research has shown that previous bills that have been introduced and failed to pass are quite complicated when they tried to cover most, if not all, aspects that the report wants accomplished. By addressing most, if not all issues at one time, we are courting disaster. The parties affected by this bill, such as landowners,

developers, farmers and environmentalists, are fearful of the implications of a complicated bill. Hence, they ended up with opposition to the bill; thus, killing the bill.

"House Bill 179, HD 2, simplifies how we address agricultural lands with just two objectives: (1) is to identify and map important agricultural lands into prime agricultural lands, unique lands and other important agricultural lands; (2) is to study and recommend tax incentives to encourage landowners to keep their lands designated as important agricultural lands for agricultural purposes.

"House Bill 179, HD 2, also addresses the concerns and fears of the parties involved, and that is, the Commission's report is not final even after the Commission has mapped and identified agricultural lands. It still requires legislative action to validate the Commission's report. So all the parties will know what are designated important agricultural lands and at this time next year, hopefully, we'll come up with setting up policies.

"Through this bill, we will be able to act upon agricultural lands, important agricultural lands, slowly and cautiously and with a much better understanding of the situation. I urge my colleagues to vote in favor of this bill."

Representative Abinsay then rose to speak in support of the measure and asked that his comments be inserted into the Journal, and the Chair "so ordered."

"I would like to just mention something, Mr. Speaker, if I may. In addition to what the previous speaker mentioned that we are indeed mandated through Article XI, Section 3 that the State is supposed to conserve and protect agricultural lands. But also, if I may add, we're also mandated to promote diversified agriculture, increase agricultural self-sufficiency, and ensure the availability of agricultural lands. The Constitution also mandates the Legislature to provide standards and criteria in order to achieve these objectives. So this measure is a step in the right direction, Mr. Speaker."

Representative Abinsay's additional remarks are as follows:

"The purpose of this bill is to create a commission to identify and map important agricultural lands in Hawai'i.

"Mr. Speaker, Article XI, Section 3 of the Constitution of the State of Hawai'i mandates the State to conserve and protect agricultural lands and to promote diversified agriculture, increase agricultural self-sufficiency, and assure the availability of agricultural lands. The Constitution also mandates the Legislature to provide standards and criteria in order to achieve these objectives. So this measure is a step in the right direction.

"There had been much discussion in the past few years over land evaluation and site assessment (LESA) issues. The fact that we are addressing it again this year is good, but we need to also act now because at this point we have to take advantage of the tremendous potential our growing agricultural industry has to offer. Hawai'i's agriculture industry has had a major shift. In the last decades when the industry centered on vast sugar and pineapple plantation, today, the industry is now more focused on smaller scale and diversification, so this is an excellent time to review and reassess the LESA Commission's work of 10 years ago. As we attempt to develop new products and new markets, it is just as important that we understand, classify and protect our agricultural land resources -- lands that are essential for Hawai'i's agriculture.

"Mr. Speaker, this is a very good measure and I urge everyone's support for its passage for Third Reading. 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. 179, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL LANDS," passed Third Reading by a vote

of 49 ayes, with Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1073 and H.B. No. 661, HD 3:

Representative Case moved that the report of the Committee be adopted and H.B. No. 661, HD 3, pass Third Reading, seconded by Representative Yonamine.

Representative Kahikina rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. This bill, if implemented, would be to implement a cost recovery mechanism to allow the commercial mobile radio service providers to recover cost incurred for providing this wireless enhanced 911 system. It would basically locate the phone anywhere in the State of Hawai'i if a wireless phone was used for an emergency.

"My reservation, Mr. Speaker, as it goes on into more debate, is the equity in the cost that would be shared, especially the smaller wireless companies with a smaller consumer base. And that's why I'm registering my reservation vote."

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

"I have a long and a short speech. I'll use the short speech because I know all the members here will reciprocate in any further speeches.

"Basically, it comes down to leaving off all the free market and unregulated activity and cutting to the gist of it. The board that sets the rate is made up of members of the cellular phone companies and members from fire, police, safety, et cetera. There's no one, absolutely no one, involved with setting the rate who has any connection or any concern with the ratepayers.

"There should at least be some person on that panel that looks at this thing and says, 'what should the people be actually paying,' versus hiding every cost a company can in the rate and then the people who want the service, the fire people, et cetera, saying, 'we want the top of the line, the Mercedes Benz model of equipment, so yeah, you can keep raising the rate to pay for all of this.'

"So please, in future discussions, let's get at least one person on this panel. 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. 661, HD 3, entitled: "A BILL FOR AN ACT RELATING TO ENHANCED WIRELESS EMERGENCY 911 SERVICE," passed Third Reading by a vote of 47 ayes to 2 noes, with Representatives Goodenow and Whalen voting no and Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1074 and H.B. No. 1142, HD 3:

Representative Case moved that the report of the Committee be adopted and H.B. No. 1142, HD 3, pass Third Reading, seconded by Representative Yonamine.

Representative Rath rose to speak in opposition to the measure, stating:

"I'll keep the comments extremely short. As a former Councilman from Hawai'i County, this is obviously one of the things that should be left to the county to do. I think sometimes in the Legislature, we don't realize that we pass laws and stuff that are Oahu-centric, that they tend to believe that everybody lives on Oahu. In reality, it becomes very difficult for people on the Neighbor Islands to receive certifications or to have things looked at or to get approval for certain things. Especially problematic has been the Department of Health. So anything we can have done locally in the counties, I think we

should leave it to them. For that reason, I'll be voting against the bill. 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. 1142, HD 3, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENT," passed Third Reading by a vote of 43 ayes to 6 noes, with Representatives Fox, Halford, Leong, Meyer, Pendleton and Rath voting no and Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1075 and H.B. No. 259, HD 3:

Representative Case moved that the report of the Committee be adopted and H.B. No. 259, HD 3, pass Third Reading, seconded by Representative Yonamine.

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

"Mr. Speaker and colleagues, how many of us remember that old oil filter commercial where the mechanic says, 'You can pay me a little now or you can pay me a lot later.' All we need to do is look at the headlines in last Thursday's *Advertiser*, it says, 'Hawai'i Reading Scores Dismally Low Again,' to realize we pay a heavy price for our neglect. All we need to do is look at the growing budget for the Felix consent decree discussed earlier to realize that we could have avoided this dilemma if we had made the investment earlier. All we need to do is look at the price we must pay to ship prisoners to the mainland or to build a new prison to realize the cost we will continue to pay because we refuse to see the solutions that are as obvious as the noses on our faces. The problem is, we are seldom aware of the nose on our face until things begin to stink.

"But with this measure, we have a tremendous opportunity to set policy that acknowledges the importance of early identification, prevention, early intervention, early education and treatment. For our young children, whether they be high-risk, at-risk, disabled, or come from the wealthiest or strongest of families, the investment in early intervention and quality early childhood education and care will bring dividends that I assure you will be recognized long after we have left these hallowed chambers for greener pastures.

"The latest research on brain development shows that young children learn the most during the first five years of his or her life. That same research also proves that therapeutic and remediation strategies are more effective and less costly in the first five years of life than when the child is older. And definitely, it is more cost effective than trying to address the problems when they're adults.

"The screening proposed in this bill will encourage and promote a collaborative low-cost effort to provide access to a standard screen of screens to every child born in Hawai'i by the age of three. Sadly, because of how we usually do business here, we will respond to the crisis of low reading scores with more remedial programs. We will respond to children with emotional and behavioral problems with extensive dedicated services. And we will continue to respond to problems of drugs and crime with more prison beds. But this measure, Mr. Speaker and colleagues, is a small effort to say it is time to think out of the box and look at things through different lenses or as the Hawai'ians say, 'nana I ke kumu' or look to the source to solve our problems.

"I will close with this quote from Gabriella Mistral, a Nobel Prize winning poet from Chile, and I've read this many times before and I will continue to read this to remind us of our responsibility to our children. And I quote: 'We are guilty of many errors and many faults, but our worst crime is abandoning the children, neglecting the fountain of life. Many of the things we need can wait, the child cannot. Right now is the time his bones are being formed, his blood is being made, and his senses

are being developed. To him we cannot answer 'tomorrow', his name is today.' 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. 259, HD 3, entitled: "A BILL FOR AN ACT RELATING TO EARLY CHILDHOOD ASSESSMENTS," passed Third Reading by a vote of 49 ayes, with Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1076 and H.B. No. 260, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 260, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EARLY CHILDHOOD," passed Third Reading by a vote of 49 ayes, with Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1077 and H.B. No. 544, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 544, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Yamane rose and stated:

"Mr. Speaker, I rise in support of this measure, but I have a concern. The concern is, this measure deals with Quest funding. Right now, we in the State have a problem with the current Quest funding. This bill calls for having another program using the same resources. So as it moves through the process, it's a good idea, but my concern is we're not diluting the resources. 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. 544, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SAFETY NET HEALTH PLANS," passed Third Reading by a vote of 49 ayes, with Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1078 and H.B. No. 1080, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1080, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE NAMES OF CORPORATIONS, PARTNERSHIPS, AND LIMITED LIABILITY COMPANIES," passed Third Reading by a vote of 49 ayes, with Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1079 and H.B. No. 1637, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 1637, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Catalani rose to speak in opposition to the measure, stating:

"Although I can appreciate that some schools are unable to get school busses and they want to use tour buses when they need it, I have some serious concerns about the State's liability. The first is that school buses must meet previously entered federal safety standards, but tour buses do not. Secondly, the State will still be liable for any injuries sustained in a tour bus accident involving our public school children. The State cannot vouch for the maintenance and condition of those tour buses used to transport our children.

"For these reasons, I oppose this measure and I urge my colleagues to think about the safety of our children as a potential liability to the State in an accident involving a tour bus. 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. 1637, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL BUSES," passed Third Reading by a vote of 47 ayes to 2 noes, with Representatives Catalani and Stegmaier voting no and Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1080 and H.B. No. 1649, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 1649, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Yamane rose and stated:

"Mr. Speaker, I rise in strong support, but I would hope that as it moves through the process people can consider giving families a chance too. 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. 1649, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE CONVEYANCE TAX," passed Third Reading by a vote of 49 ayes, with Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1081 and H.B. No. 1014, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 1014, HD 2, pass Third Reading, seconded by Representative Yonamine.

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

"Mr. Speaker, among other things, this bill extends the Convention Center Authority's sunset date for one more year, and transfers the responsibility to market and operate the Convention Center from the Convention Center Authority to the newly created Hawai'i Tourism Authority, including taking over its debt service and operating costs.

"This measure, Mr. Speaker, provides for the Convention Center Authority's continuance to facilitate the completion of many unresolved issues and the integration and responsibilities from the Convention Center Authority to the Hawai'i Tourism Authority.

"This is not an unreasonable expectation. The Convention Center Authority has special knowledge, expertise and history in its relationship with the State, the visitor industry and the community that will help to resolve these issues and work towards a smooth and successful transition with the Hawai'i Tourism Authority. They will continue to oversee the Convention Center's operations during this transition. This will also enable the Hawai'i Tourism Authority the necessary time to complete its strategic marketing plan and to ready itself for taking over the Convention Center's marketing and operations.

"Mr. Speaker and members, with regard to the transfer of the Center's debt service to the Tourism Authority, as your Chairman of the Tourism Committee, I am especially concerned that this would reduce the visitor promotion funds that were earmarked from the TAT taxes. Yes, Mr. Speaker, I realize that this was not the intent of the Legislature when we passed the Tourism Authority bill last year. Our intentions were noble, to give the Tourism Authority the free reign to market Hawai'i. But this House has to be accountable to all of our people and this House is ultimately responsible for passing to the Senate a balanced budget.

"Mr. Speaker, as a member of your Finance Committee for the past ten years, I, as well as many of my colleagues who have served on the Finance Committee, have seen firsthand the cuts we've made in government services and programs year after year. But, Mr. Speaker, we are in desperate times and we need to take desperate measures. As we speak, DBEDT is in

the process of exploring refinancing options as a possibility of reducing the Convention Center's annual debt payments. If successful, this will reduce the annual debt payments substantially.

"Mr. Speaker and members, given the poor financial outlook for our State and this House's efforts to pass a balance budget, we need to keep all of our options open. I ask all of our members to support this measure. There is no vehicle in the Senate to address this issue, and we need to keep this measure alive as a vehicle to facilitate continuing discussions and potential consideration of any new information which may come from DBEDT before conference. Thank you, Mr. Speaker."

Representative Cachola then rose to speak in support of the measure with reservations, stating:

"As a former Chair of the House Tourism Committee when we created the Hawai'i Tourism Authority, I know exactly what the bill calls for because I was one of the members who crafted that bill. And that was to give more promotional and marketing dollars so that we can compete with other destination areas. I'm also fully aware that, at that time when we were passing that bill out or deliberating that bill, the visitor industry, particularly the Hawai'i Hotel Association, strongly supported the creation of the Hawai'i Tourism Authority as well as the increase of the transient accommodation tax from 6 percent to 7.25 percent with an understanding that the tourism promotion money would be increased from \$13 million to \$60 million.

"To change this arrangement to now transfer the Convention Center Authority to the Hawai'i Tourism Authority and its factions and to finance the Convention Center debt service from the \$60 million, to my mind, Mr. Speaker, is counterproductive and places Hawai'i at a great disadvantage. Also, I believe that it is a setback for Hawai'i to effectively compete with other destination areas with less money. I don't blame the visitor industry if they feel slighted because that's why they came on board to support that bill at that time -- they wanted an increase in promotional and marketing money.

"My greatest fear, Mr. Speaker, if we pass this bill as it is written now, is that the net promotion and marketing dollars might even be less than the funding in place before we passed the Hawai'i Tourism Authority in the bill that we passed last year. For example, the Convention Center's debt service in the second year, based on my recollection, will be about \$40 million. Even if, for example, the DBEDT is going to refinance the debt service, but to reduce it from \$40 million, let's say \$30 million, and now you also add the administration and operation of the Center, as well as the management expenses for the existing Hawai'i Tourism Authority, that will amount to less than what it was in 1998.

"So those are my concerns, Mr. Speaker. I know that this bill is still being massaged. It's early in the game so that when it's being massaged and going through the legislative process, that my concerns and those that I've stated will be addressed when we go through the grind. I do hope, Mr. Speaker, that we will find an answer. And I fully support House Bill 1014, HD 2, with reservations."

Representative Fox then rose to speak in support of the measure with strong reservations, stating:

"Mr. Speaker, I went through the process last year of creating this in Tourism, and the previous speaker is very right about most of the points that he made. I want to explain briefly why I support this bill. The most logical vote might be to vote against it, but the Hawai'i Tourism Authority, which we all agreed to sort of give a chance to get on its feet, is testifying that it would be in support of this bill if it wasn't for what was happening to it with the debt service.

"And what's happening to it with the debt service really just takes my breath away. It's like we have no memories at all. We all stood in this chamber last year and promised this Authority the chance to get going with \$60 million in marketing funds. And here we are, back less than 12 months later, saying: oh, by the way, we're going to stick the debt service and the operating losses on that fund that's supposed to be going for marketing tourism. And the theory is that if we can market tourism, we might be able to pull our economy out of the doldrums that it's in. So I'm just stunned. The visitor industry is so strongly against this bill. When it came before the Finance Committee, they were basically falling out of the rafters, in terms of the number of people they were stuffing in the room to just say that this is a terrible idea.

"The Representative from Kalihi mentioned some of the figures. At best, this is at least a \$7 million hit for the Hawai'i Tourism Authority in its present form. And that's if they do the best possible refinancing because that's \$5 million in operating loss and \$2 million from the refinanced debt service. If they don't get to refinance under these very favorable terms, it could be up to what the Representative from Kalihi said -- \$15 million to \$20 million subtracted from our marketing funds. And just less than 12 months later, we allow this to happen. Wow! Thank you, Mr. Speaker."

Representative Marumoto rose to speak in support of the measure with reservations and asked that her comments be inserted into the Journal, and the Chair "so ordered."

"My remarks incorporates some words from Dr. Richard Kelly of Outrigger Hotels and also I'd like to have the words of the Representative from Waikiki and the former Chairman of Tourism incorporated as my own," and the Chair "so ordered." (By reference only.)

Representative Marumoto's additional remarks are as follows:

"Last year, leaders in the hotel industry agreed to yet another increase in the transient accommodations tax to fund the new Hawai'i Tourism Authority. We authorized the HTA to spend \$55 million a year for tourism marketing. We voted for that bill with the assurance that our visitor industry would be bolstered. We were told that the increase in funding better reflected our commitment to Hawai'i's primacy among other fiercely competitive visitor destination markets.

"With this bill, we are reducing that \$55 million by at least \$20 -- maybe \$40 -- million annually, because the HTA will be responsible for paying the Convention Center's debt service -- a 36 percent reduction in marketing funding -- just when our industry and State need that money the most.

"No wonder taxpayers and voters are cynical, Mr. Speaker. No wonder the people throw up their hands and call us a bunch of crooks! The Legislature and Governor are playing a shell game -- diverting tourism marketing money that is supposed to increase business and jobs -- to pay debt on the Convention Center! This game could have been avoided if only the TAT had been used properly in the first place! Remember -- we originally raised the TAT to pay for the Convention Center. I'll bet Hawai'i's hotel industry remembers!

"But basically, this measure 'robs Peter to pay Paul', Mr. Speaker. Combining the two funds into a third takes money dedicated to tourism marketing, and redirects it to debt payment. We must find a way to pay the Convention Center's debt service without betraying our hotel industry again. Mr. Speaker, with your permission, may I insert the remainder of my remarks -- an article written by Dr. Richard Kelley -- in the Journal? Please join me in voting against this bill. Thank you."

The following is the article, by Dr. Richard R. Kelley, taken from the Outrigger Saturday Briefing, February 27, 1999, requested for insertion by Representative Marumoto:

"No More Sleight of Hand

"In exactly four months, on June 30, 1999, the Hawai'i Convention Center Authority is scheduled to terminate. This is not a surprise, the Authority was started with an end date in sight, and the June 30 date was set from the beginning.

"Now, Governor Cayetano has asked the State Legislature to assign the convention center operations to the Hawai'i Tourism Authority (HTA). This is not a surprise; the Hawai'i Tourism Authority is a logical, long-term overseer of the Convention Center. The big surprise is that the Governor is also suggesting the Hawai'i Tourism Authority be responsible for the center's operational losses and debt service -- estimated to be over \$20 million annually -- without giving HTA the equally large tax revenues the Convention Center generates throughout Hawai'i.

"The tortured history of hotel taxation

"Keep in mind that the Hawai'i Tourism Authority was created just last year for the purpose of marketing Hawai'i at a competitive level. HTA was given a \$55 million dedicated budget to do the job right.

"Keep in mind that Hawai'i's visitor industry and its private-sector distribution partners already spend well over \$200 million to market Hawai'i. The current plan calls for the Hawai'i Tourism Authority and Hawai'i's private sector to combine forces and market Hawai'i at a level much closer to what our State's toughest competitors spend to lure visitors.

"Now, it is being suggested that \$20 million be carved from that hard won marketing budget to operate the convention center. If one considers the tortured history of taxation and Hawai'i's visitor industry, it appears that more sleight of hand is now afoot.

"Hawai'i's private sector -- particularly the visitor industry -- has been more than willing to step up to the taxation plate for a good reason over the past many years. But, we are getting mighty tired of diverting our decreasing revenues from capital improvement projects, salaries and benefits, employee training, and many other important areas to pay an increasing tax burden on things we've already increased taxes for in the past.

"The plan for dedicated funding for tourism marketing was one of the important outcomes of the Economic Revitalization Task Force (ERTF) convened by the Governor in 1997. Stan Takahashi of Kyo-Ya (owner of Sheraton Waikiki) and I represented the hotel industry at those meetings.

"We and the ERTF agreed that the Legislature should raise the Transient Accommodations Tax (TAT) by one point to seven percent and designate three points of the total TAT, about \$60 million annually, for a dedicated fund primarily focused on marketing and not for any type of debt service. The fund would be directed by a small group of industry marketing professionals.

"The final version of the bill, which created the Hawai'i Tourism Authority, raised the TAT by 1.25 percent and provided only 2.75 percent (about \$55 million) for dedicated marketing. It was not exactly what we wanted, but it was close enough to get the support of the visitor industry.

"The HTA has worked tirelessly

"Many bright and capable executives from the visitor industry and related areas were appointed to the HTA and they have worked tirelessly for months to get the State's marketing going in the right direction. HTA board members, such as David Carey, have spent countless hours each week to develop the needed information and create a marketing plan for Hawai'i.

"Let the HTA get on its feet

"To change the formula and make the HTA responsible for the funding of the convention center would be a disaster. It would cut the funds available for marketing by almost 50 percent right at a time when we need every possible marketing dollar to get the industry moving again.

"We must stick with the plan developed and agreed to by the Governor, the ERTF, the Legislature and the visitor industry and let the HTA get on its feet without the proverbial 300 pound convention center gorilla on its back.

"There is a lot at stake here. If the Governor and the Legislature want to see the continued decline in the number of tourists and the hotel occupancy, then this proposal to move the HCCA into the HTA, is certainly going to lead us in that direction.

"No more sleight of hand

"It is also a question of trust.

"Can business depend on the promises of Hawai'i's government leaders? We at Outrigger believe that we can, and have just purchased two beachfront properties on Hawai'i and Maui based partly on the premise that full HTA funding, as passed by the 1998 Legislature, would be there year after year.

"Can workers depend on the promises made by Hawai'i's government? Visitor industry jobs account for 31.6 percent of total employment -- one job in every 3.2! Adequate funding for tourism marketing is vital to maintaining full employment. Fewer dollars for marketing means fewer new jobs and fewer hours for those employed. More marketing dollars means more jobs and more hours. It is that simple.

"Although economic times are tough, this is not a time to change everything we worked so hard to achieve during the past two years. Promises were made about the operation of the Hawai'i Tourism Authority and dedicated funding. Those who made the promises should be accountable. No more sleight of hand."

The following was also submitted as part of Representative Marumoto's remarks:

"The CCA board's position is that the life of the CCA should be extended a term of two years to provide for a smooth and successful transition under the Hawai'i Tourism Authority. There are still operational issues that have to be resolved; such as warranty/punchlist items, the noise and traffic problems, and the local community use policy. The Hawai'i Tourism Authority (HTA) was created primarily as a marketing entity to oversee the expenditure of the new \$60 million State of Hawai'i tourism marketing fund. Further, the HTA has just completed its search for an executive director, and may not be quite ready to assume this added responsibility without diluting the focus on the operations of the convention center.

"The CCA acts as the 'owner's representative' for the State of Hawai'i, to assure the operating policies and procedures protect the Hawai'i Convention Center, a \$350 million asset. The CCA board feels it extremely important to stay on top of the HCC operations and not to dilute the focus without an adequate planning and transition period. Currently the CCA sets policy and monitors the private contractor who operates the facility. Both the board and the staff will be extremely valuable to the decision-making process and negotiations if the management contract is to be extended. It also has special knowledge, expertise, and history that is critical to protecting the varied interests of the State, visitor industry, and the community.

"Finally the Legislative Auditor has just released its final report of the Convention Center Authority. The Auditor's office 'believes that the Legislature should postpone the sunset

of Chapter 206X and specify the responsibilities of the Convention Center Authority in ensuring the orderly transfer of its functions to another agency. If no state agency is involved in ensuring the proper management of the convention center, the State cannot be assured that its interests in the center are protected. Postponement of the sunset helps to ensure this."

Representative McDermott then rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, same measure. I'd just like to have the words of the Representative from Waikiki incorporated as my own, thank you," and the Chair "so ordered." (By reference only.)

Representative Souki then rose to speak in support of the measure with reservations, stating:

"First of all, I want to congratulate the Chair of Tourism for taking this very positive step in trying to look at the large picture rather than specifically for the hotels and for marketing. I think it's very bold of him. However, I do have some real reservations as to the computations that by accruing the debt, the Tourism Board will not fall into debt themselves. They're not losing revenue.

"Last year, Mr. Speaker, you and I and the Chairman of the Tourism Committee all sat in the negotiation with the Senate and with the Governor's office, and we all came to an agreement that the \$60-some million whatever should go entirely for marketing because the State of Hawai'i needs to be globally competitive. The newspapers hailed us for that. Tourism hailed us for that and that we were bold enough to finally take the right step.

"Now one year later, Mr. Speaker, Mr. Chairman of the Finance Committee, we are showing bad faith in allowing the Tourism Board to be responsible for the debt of the Convention Center. It was never intended to be that way. However, I do provide some reservations. If between now and conference time it can be shown by DBEDT and by the conferees that, in fact, the Tourism Board will not lose any revenue, then I will be speaking for this bill with no reservations at the final bill. However, if not so, I will be voting against the bill at the end of the conference.

"Mr. Speaker and members, thank you very much for allowing me this time."

Representative Cachola then rose and stated:

"Mr. Speaker, I forgot to mention one thing, if I may be allowed to rebut. Mr. Speaker, I think the Legislative Auditor came out with a good report and said that we should extend the life of the Convention Center Authority for at least two years. And that is to allow for the smooth and successful transition of the function of the Convention Center Authority and its operation to the Hawai'i Tourism Authority. We should, at least, look at that as a possible way of really assisting the Hawai'i Tourism Authority aside from looking at ways to market Hawai'i and at least delay the taking over of the operation of the Center. With that, Mr. Speaker, I support this bill. Thank you."

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

"What seems to be lost, and I can understand the concern about the debt, and I have to thank the Chair and Vice Chair of the Finance Committee for getting this bill out, is that the big thing behind this bill is we're combining the people that run the Convention Center with the people that market the Convention Center. Right now, you have separate marketing and separate operations. So right now, as far as getting conventions here, you have to go through two bodies to get it sold. At least now, there will be one group that's going to be responsible for the operation and marketing of the Convention Center. If we need

accountability, we only go to one body. We don't go to two bodies. And all of you here know what happens when we have to deal with two or more governmental agencies. 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. 1014, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TOURISM," passed Third Reading by a vote of 45 ayes to 4 noes, with Representatives Halford, Luke, Meyer and Rath voting no and Representatives Moses and Okamura being excused.

The Chair directed the Clerk to note that H.B. Nos. 179, 661, 1142, 259, 260, 544, 1080, 1637, 1649 and 1014 had passed Third Reading at 4:20 o'clock p.m.

Stand. Com. Rep. No. 1082 and H.B. No. 1749, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 1749, HD 2, pass Third Reading, seconded by Representative Yonamine.

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:

"Although Hawai'i's children are blessed with all of the beauty of our islands, they are put at a disadvantage. Living on an island isolates our children from the rest of the world. Hawai'i's children will have a very narrow view of the world if their horizons are not expanded. Geography helps give Hawai'i's children a global view of the way things are. In this age of information we cannot allow our children to have a narrow perspective of the world. The children of Hawai'i will need a solid foundation in geography to compete in the world market.

"The purpose of HB 1749 is to improve Hawai'i's geography education by funding training and staff development for public school teachers through the University of Hawai'i. This program when implemented will help insure Hawai'i's children receive an adequate background in world geography.

"Hawai'i's children need to be prepared to compete in a world market. A solid foundation in geography is just one of the tools that will help Hawai'i's children become productive and successful members of society in the future.

"We need to ensure our children are adequately prepared, not short changed when it comes to education."

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

"Due to the technological advances such as computers and the Internet, the world is getting smaller which makes competency in Geography for our students much stronger than ever before. Goals 2000 Educated America Act of 1994 designated Geography as one of the core subjects that all students needed to demonstrate competency in to ensure that they use their minds well, are prepared for responsible citizenship, further learning, and productive employment in our Nation's modern economy. And in response to this Act, national geographic standards of 1994 were produced.

"The Department of Education has developed new standards that will mesh with the national standards. The Geography Department of the University of Hawai'i has been training and developing educators to implement these national geographic standards. As one testifier stated, 'you cannot touch students without touching teachers.' Therefore, this bill supports teacher training for those who can start and develop the geography standards in their schools. And so I ask for your support. This

has a very small funding base of \$50,000 which is matched one for one by the National Geographic Society to allow this kind of training to take place. Thank you, Mr. Speaker."

Representative Meyer then rose in support of the measure and asked that her comments be inserted into the Journal, and the Chair "so ordered."

Representative Meyer's remarks are as follows:

"This bill is aimed at enhancing geography competence in schools statewide by incorporating national geography standards into the Department of Education's Hawai'i Content of Performance Standards and by appropriating funds for the University of Hawai'i to train and develop educators to promote local implementation of the national geography standards.

"At a time when Hawai'i's schools are so far below the national standards in many areas of curriculum, we as legislators need to do everything in our power to see that bills such as this one are passed. Geography education is an essential part of the standards based educational program, and this bill is a critical step toward bringing our State supported schools up to the standard set at the national level. I also support the appropriation of funding to the University of Hawai'i so that more and more educators will be sufficiently prepared to teach the youth of Hawai'i about Geography.

"With today's technology, we can communicate with countries half way around the world in a matter of a few seconds. It is imperative that Hawai'i's students have a thorough understanding about the cultures of other countries and understand the relationship between themselves and the rest of the globe."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1749, HD 2, entitled: "A BILL FOR AN ACT RELATING TO GEOGRAPHY EDUCATION," passed Third Reading by a vote of 47 ayes, with Representatives Luke, Menor, Moses and Okamura being excused.

Stand. Com. Rep. No. 1083 and H.B. No. 1624, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1624, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CAPTIVE INSURANCE," passed Third Reading by a vote of 47 ayes, with Representatives Luke, Menor, Moses and Okamura being excused.

Stand. Com. Rep. No. 1084 and H.B. No. 1620, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1620, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH CARE COMMUNITIES," passed Third Reading by a vote of 47 ayes, with Representatives Luke, Menor, Moses and Okamura being excused.

Stand. Com. Rep. No. 1085 and H.B. No. 1403, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1403, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HUNTING," passed Third Reading by a vote of 47 ayes, with Representatives Luke, Menor, Moses and Okamura being excused.

Stand. Com. Rep. No. 1086 and H.B. No. 1361, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1361, HD 2, entitled: "A

BILL FOR AN ACT RELATING TO CHARTER TOUR OPERATORS," passed Third Reading by a vote of 47 ayes, with Representatives Luke, Menor, Moses and Okamura being excused.

Stand. Com. Rep. No. 1087 and H.B. No. 1280, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 1280, HD 2, pass Third Reading, seconded by Representative Yonamine.

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

"At the very onset, I would just like to mention that out of the bills that we carefully addressed in your Committee on Agriculture, I would say that this is the most important bill because this is about leadership. You know very well, Mr. Speaker, colleagues, that in every organization or agency you might have the best set up, but if you don't have the leadership, cooperation and collaboration, you will never be able to accomplish anything.

"I would like to mention that this bill is something that we have to address aggressively and we'll make sure that ADC is going to continue and let me tell you why.

"House Bill 1280, House Draft 2, in its amended form, will change the composition of the Board of the Agribusiness Development Corporation or ADC. We have amended this bill to give more autonomy to ADC. At present, Mr. Speaker, ADC cannot act or make decisions on its own without the approval of the Board of Agriculture. As evident in the past four and half years, since ADC was established, because of these restrictions, ADC has not been able to do and accomplish any of its goals and objectives.

"Mr. Speaker, colleagues, ADC should continue because I am convinced that given flexibility and authoritative power, ADC is one entity that can act as a leader in developing and promoting the agricultural industry in Hawai'i. The Agribusiness Development Corporation was empowered by the Legislature to facilitate the transition from the plantation years to a new era of diversified agriculture. The agency is empowered to complete the task of managing the State's agricultural assets, assist in promoting agricultural markets, and coordinate the development of programs so that the industry could attain its purpose and goals.

"Mr. Speaker, we have an agency that has so much promise of becoming a significant, as well as an effective, force into the development of Hawai'i's agriculture industry. And yet it is so divided to the degree that it can never succeed with its present set up. Much has been said, and I agree as I'm sure many of you here would agree, that Hawai'i's agriculture is a good industry, but given the right direction it could provide greater opportunity for economic development. It is also an industry that is lacking our leadership.

"Mr. Speaker, March 5, 1999, in the issue of the Star-Bulletin there was an article about agriculture. How big the industry is? That managing from U.H. is specifically mentioned that what is lacking in agriculture is leadership. So we have been right from the very beginning.

"I believe that ADC can and should take a strong active role in leading agriculture. ADC is the answer, but the agency needs badly of restructuring because there is no leadership within the agency itself. The opportunity for change is now, Mr. Speaker, in House Bill 1280, House Draft 2.

"By restructuring the ADC composition, we can complete the task of redefining ADC. We can take bold steps in re-establishing its authority by giving ADC autonomy and making it a well staffed, highly focused, redevelopment agency. And so therefore, we must give ADC the additional time it deserves

to give it the chance to live up to its expectations. That is what this bill is hoping to accomplish, Mr. Speaker, and I am fully convinced that it can be done. Colleagues, once again, I ask and trust that you will support me in this endeavor. Thank you, Mr. Speaker."

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

"Mr. Speaker, I rise in support of our Chair of Agriculture and his support for this bill, but I have some concerns. If we would look at ADC's track record, I think most of us who have had any background with our Agriculture Chair and our former Agriculture Chair, we know that they have an abysmal track record. But I'm confident that our Agriculture Chair will do something about it with this bill and, hopefully, we can look for better results in the future. Thank you."

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

"In 1996, the Legislature asked that the Departments of Business, Economic Development and Tourism; Commerce and Consumer Affairs; and Agriculture be combined into no more than two departments. It's not exactly the Legislature's fault that this hasn't happened, although we share some of the blame.

"Now, we're talking about having two different outfits dealing with agriculture. I don't think we're going in the right direction. And for the balance of my remarks, I'd like to have the remarks of the Representative from Kaimuki/Waikiki entered as my own, thank you," and the Chair "so ordered." (By reference only.)

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

"I was going to vote no, but I understand and respect the Chair of the Agriculture Committee's request to give them a year. Let's see what they can do. They do have an abysmal track record as noted by the Representative from Kaimuki. The one concern that I have is that we're creating a, not a 'baby bell', but a 'baby DBEDT' and a 'baby Department of Agriculture.' So we are adding more to the bureaucracy rather than streamlining things. I don't know, but let's take a look at it for a year and then I'm sure that the Chair of Agriculture is going to make sure they either produce or they're gone. Thank you."

Representative Abinsay then rose and stated:

"I would just like to mention that in a way our previous speaker is right. But let me just mention why it happened, why they were not able to accomplish so much. It's all because of the setup. Everything that is going on in ADC -- all the transactions, discussions -- they are going to be approved by the Board of Agriculture. The Chair of the Department of Agriculture is also a representative of ADC. At the same time, he is also the Chair of BOA and a resident Chairman. Because of that, we know from the very beginning that something is wrong. We are going to eliminate that in this bill -- the duplication. So, hopefully, we have given them more time that they will be focused in trying to accomplish the functions of ADC. 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. 1280, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 42 ayes to 5 noes, with Representatives Fox, Leong, Marumoto, Meyer and Pendleton voting no and Representatives Luke, Menor, Moses and Okamura being excused.

Stand. Com. Rep. No. 1088 and H.B. No. 1237, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 1237, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Marumoto rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, this is the fireworks bill. I regret to say that this bill does not fully address all my concerns. Whereas, it does make it a misdemeanor to possess, purchase, sell, transfer, set off, ignite or discharge aerial common fireworks without a license or permit. It does not ban the importing, storing, and wholesaling of common consumer aerial fireworks. Things can be done simply with a license or a permit. The State licenses this endeavor.

"Without such a ban, the public will continue to be able to obtain and set off aeriels illegally simply because of their ready availability. It is the common consumer aerial fireworks that pose the greatest danger to our citizens and to public and private property. They represent health and fire hazards to our community and their use and availability must be specifically restricted. On the other hand, special aerial fireworks should be available by permit for public exhibitions run by professionals.

"This House Bill becomes effective upon approval and this is as it should be. On the other hand, the Senate Bill would not take effect until after next New Year's Eve. This provision, of course, means that the situation as we greet the year 2000 will be as bad and probably far worse than what we suffered through the past few years. To paraphrase an old saying, 'relief delayed is relief denied.'

"As I have said before, I am a strong proponent of less government in our daily lives. In this case, because of the potential risk of injury to both persons and property, I believe it is time to step in and take whatever measures are necessary to completely ban the use of common consumer aerial fireworks. Please spare us from a war zone in Honolulu next New Year's. Thank you, Mr. Speaker."

Representative Schatz then rose and stated:

"Mr. Speaker, I rise in support of the same measure with reservations and I'd ask the Clerk to enter the previous speaker's remarks as though they were my own," and the Chair "so ordered." (By reference only.)

Representative Takai then rose to speak in support of the measure with reservations, stating:

"I'd also like to ask that the words of the Minority Leader be entered into the Journal as if they were my own," and the Chair "so ordered." (By reference only.)

"And I'd like to add just briefly, Mr. Speaker. If we're going to give the counties the option of allowing for permits, I think that's half a loaf. And I think we should maybe consider allowing the counties the full bag. I think this is a home rule issue and one that is probably necessary to look at county by county because I think the concerns from the County of Honolulu are very different from the Counties of Maui, Kauai and the Big Island. Thank you, Mr. Speaker."

Representative P. Oshiro then rose to speak in support of the measure, stating:

"Mr. Speaker, in light of the widespread and increase use of fireworks this recent New Year's celebration that we had, numerous thoughts, ideas and opinions have surfaced regarding our need to impose provisions to regulate, minimize and some to ban the use of common fireworks throughout our State. Concern has also been raised, Mr. Speaker, relating to the increased availability and use of aerial fireworks, which under present law today is banned unless you have a permit for special occasions. Short of that, it's banned.

"This bill, Mr. Speaker, directly addresses both of these compelling and important issues. For aerial fireworks, while our present law prohibits the discharging, igniting or setting off of these aerial fireworks, our law enforcement officials who have had difficulty in witnessing the setting off or discharging of these fireworks, have had difficulty in enforcing these provisions. What this bill would do, Mr. Speaker, would be to add possession of an aerial firework as a prohibited act, which would greatly assist our law enforcement officials in citing violators, and thus lessening the distribution and ultimately its illegal use of aerial fireworks.

"For common fireworks, there are those again who advocate for a statewide ban while others support and enjoy the use of these fireworks as allowed under our present law. So we have those who want to ban it and those who enjoy the use under present law. This bill, Mr. Speaker, seeks to strike a balance. It seeks to strike common ground or define common ground between these two extreme positions by allowing the counties to regulate the use of common fireworks through the issuance of certificates of use. This bill, again, Mr. Speaker, is effective upon approval. So not after the New Year's of the year 2000, but upon approval, this bill will be effective and it will impact our upcoming New Year's Eve celebrations.

"It is envisioned, Mr. Speaker, that with this new program the widespread and unregulated use of fireworks, as was experienced this past New Year's Eve, will be significantly curtailed and reduced. This measure, Mr. Speaker, as was mentioned by my colleague from Aiea, also recognizes any differences and sentiments between each of our counties by providing the home rule option for each county. First off to be determined by ordinance, whether or not they want to regulate fireworks by certificates of use, and secondly, should they desire to regulate, this bill would give them the flexibility to set their own parameters above the minimum statutory requirements. So home rule, Mr. Speaker, is addressed in this bill.

"So Mr. Speaker, again, the intent of this is to strike a balance, a very delicate balance between the two extremes, to ban or to leave as is. This bill seeks to strike that balance. And Mr. Speaker, I believe that this is a very reasonable proposal that amicably and fairly addresses this very, very compelling issue. Thank you."

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

"I think some of the comments made about the importance of home rule and having the counties participate are very germane. I stand in full support of this measure at this time. I think some of the concerns raised about illegal imports are more enforcement issues. The aeriels that do get smuggled in now are not necessarily in aerial only boxes that have permits or not. So I think that is sort of a red herring on this issue.

"But I would like the comments of the Chair of the Judiciary and Hawai'ian Affairs Committee to be inserted as my own as well, thank you," and the Chair "so ordered." (By reference only.)

Representative Marumoto then rose and stated:

"The Chairman of the Judiciary and Hawai'ian Affairs Committee mentioned that the counties can enact other ordinances regulating fireworks, but I note in the bill that there is an exception provided for sections 132D-7, which are the key provisions in this bill. I don't think they could touch any provisions that are set out in this manner so you will still be able to import aerial fireworks.

"I realize that there is a problem that the Representative from Waimanalo pointed out, but on the other hand, aeriels are far easier to enforce than other types in that they go up in the air so

it can be seen from maybe a block away. The Fire Chief of Honolulu sat for many hours waiting to testify. He did call for a total ban and he said that there is a real enforcement problem, but he would be very happy to see the ban of aeriels if not the whole 'kit and kaboodle.' Thank you very much."

Representative P. Oshiro then rose and stated:

"Mr. Speaker, just to further clarify. Under present law, the importation of fireworks, whether common fireworks or aerial fireworks, is banned unless you have a valid permit that is authorized by the department. So it's regulated. I think the difficulty with the aeriels, in my opinion, is the use of the aeriels. And the bill, again, would prohibit the possession of aeriels which would severely or greatly enhance the enforcement of the statute and thus curtail its use. 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. 1237, HD 2, entitled: "A BILL FOR AN ACT RELATING TO FIREWORKS," passed Third Reading by a vote of 47 ayes, with Representatives Luke, Menor, Moses and Okamura being excused.

Stand. Com. Rep. No. 1089 and H.B. No. 1172, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 1172, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Marumoto rose to speak in opposition to the measure, stating:

"I am voting against this measure. And very briefly, there seems to be a mechanism in this bill to raise money for the General Fund. A certain percentage of these fees from the Bureau of Conveyances will be given over to the General Fund. This is not to be confused with the conveyance tax, but some of the money will be kept for program use and for staff. So when it's special funded like this, these types of programs tend to escape the close scrutiny of the Legislature.

"The most egregious part of this bill is that the department can set their own fees. So they will always raise their fees if there's a need to provide more for the programs or for the staff and we thought that was not a very good mechanism to set up this program. Thank you very much."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1172, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE BUREAU OF CONVEYANCES," passed Third Reading by a vote of 37 ayes to 10 noes, with Representatives Auwae, Fox, Leong, Marumoto, Meyer, Pendleton, Rath, Stegmaier, Thielen and Whalen voting no and Representatives Luke, Menor, Moses and Okamura being excused.

Stand. Com. Rep. No. 1090 and H.B. No. 176, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 176, HD 2, pass Third Reading, seconded by Representative Yonamine.

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

"This bill proposes that beginning May 1, 2000, wholesalers and stores selling cigarettes will be required to affix a stamp to the bottom of each individual package of cigarette prior to distribution. And beginning September 1, 2000 no cigarette pack shall be sold without this stamp.

"Enforcement, according to this bill, will be under concurrent jurisdiction of the County Liquor Commissions, Attorney General, Prosecuting Attorneys and the County Police Departments. Hawai'i has the highest cigarette tax at \$1 per

pack and I will add that we should be very proud of this. We are the envy of many states and their anti-tobacco advocates.

"We were told when we raised the tax two years ago that smoking would decrease because of this additional tax burden. And although direct evidence is still forthcoming, ancillary data points to a decrease in smoking because of this tax.

"However, what concerns me is the data from the Department of Taxation that shows a significant decrease in the number of cigarettes sold between July and September of 1997 versus 1998. In a three month period from July to September 1997, there were 247 million cigarettes sold in Hawai'i. In 1998, during those same three months, only 221 million cigarettes were sold. This reflects a 25 million cigarette difference. And our raw data cannot account for this significant decrease except that people may be illegally buying more and more tax exempt cigarettes.

"What concerns me is the subsequent decrease in tax revenues associated with this decrease. In October of 1997, the Department of Taxation collected \$3.6 million. In October of 1998, a year later, the Department of Taxation collected \$3.1 million or about \$.5 million less than the year before. In November of 1997, the Department of Taxation collected \$2.6 million. A year later the Department of Taxation collected only \$2 million or about \$600,000 less than the year before.

"I've reviewed the data and am now convinced that we must support this bill because it will address the few possible ways in which people may be bypassing State laws. These include: (1) purchase of cigarettes for sale through the Internet or by mailing, that is through smuggling and the further reselling of these cigarettes; and (2) purchase of cigarettes for sale through institutions exempted from the State cigarette tax, that is military institutions and the further reselling of these cigarettes. 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. 176, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TOBACCO TAX," passed Third Reading by a vote of 45 ayes to 2 noes, with Representatives Meyer and Rath voting no and Representatives Luke, Menor, Moses and Okamura being excused.

Stand. Com. Rep. No. 1091 and H.B. No. 499, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 499, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Thielen rose in support of the measure with reservations and asked that her comments be inserted into the Journal, and the Chair "so ordered."

Representative Thielen's remarks are as follows:

"Let me preface my remarks by saying that we had 57,797 active members, 2,650 inactive vested members, and 27,403 retirees and beneficiaries in the ERS as of March 31, 1998.

"This bill seeks to give Conservation and Resources Law Enforcement officers of the DLNR the option of converting from class C to class A members of the ERS. While it is widely recognized that our police officers and firefighters are already class A or contributory members of the ERS, and that a separate class of government workers can be justified by the inherent risks and dangers of the positions these workers hold, the consequences of any and all actions by the Legislature to expand this separate class need to be understood.

"In 1997, the Legislature passed a law that allows the ERS to retain all investment earnings in order to reduce the system's unfunded liability in a timely fashion. While the ERS has made improvements in decreasing the unfunded liability to 7 percent

as of June 30, 1998, this still amounts to almost \$600 million. This bill will increase the unfunded liability by up to \$5 million. While this is not a significant amount in and of itself, we must remember that increasing the unfunded liability by any amount defeats the Legislature's intent to reduce and eventually eliminate the unfunded liability. The Legislature needs to define its priorities clearly and seek to eliminate the unfunded liability completely before it passes laws that add to the problem before it is solved."

Representative Meyer then 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:

"This bill goes a long way toward creating a fair and equal retirement system between law enforcement officers. Currently county police officers, firefighters, county lifeguards, state narcotics investigators, attorney general investigators all have similar retirement plans, one of the few law enforcement personnel agencies that don't are Conservation and Resources Law Enforcement Officers of the Department of Land and Natural Resources. Conservation and Resources Law Enforcement Officers have jobs and tasks that are just as, if not more, dangerous and stressful than the other aforementioned safety officers. It is time that we make them equal in terms of retirement benefits.

"In addition, it will attract and or retain current Conservation and Resources Enforcement Officers, which will correct the loss of qualified employees suffered in recent years by the Department of Land and Natural resources. Although one drawback will be the 12.2 percent contribution rate, which will certainly cut into each officers take home pay, something they may want to avoid especially in today's economy.

"My reservations come from the fact that this bill will increase the Employee's Retirement System unfunded liability and the annual State general fund. With the State of Hawai'i's declining economic condition as well as shrinking tax revenues, we should make a sincere effort to curb such unfunded liabilities."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 499, 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 Luke, Menor, Moses and Okamura being excused.

Stand. Com. Rep. No. 1092 and H.B. No. 1416, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 1416, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Thielen rose in support of the measure with reservations and asked that her comments be inserted into the Journal, and the Chair "so ordered."

Representative Thielen's remarks are as follows:

"Like the earlier bill, HB1416, HD2, seeks to allow deputy sheriffs of the Department of Public Safety to convert from non-contributory to contributory members of the ERS. My concerns are again that the Legislature is rowing in two directions at the same time with this and similar bills. Although it is commendable that our State has reduced the unfunded liability of the system and from another perspective, increased the funded liability ration to 93 percent, we must remember that the goal is to eliminate the unfunded liability completely. Furthermore, at 93 percent, Hawai'i still ranks below 18 other states, including ten states that have funded ratios above 100 percent.

"This bill will increase the unfunded liability by \$3.2 million. Compared with the current total unfunded liability, this is a small amount. But given this attitude with every ERS bill that seeks to expand contributory membership, we will soon be looking at significant numbers. Should the economy spiral down further, state and county governments would have to pony up increased contribution amounts funded by taxpayers like you and me. Before we tinker with enhanced memberships that result in increased liabilities, we should fund those liabilities already incurred."

Representative Meyer then 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:

"My support and reservations are identical with those I shared regarding House Bill 499, HD 2, Standing Committee Report 1091.

"I would like to specifically mention the fact that this bill will increase the Employee's Retirement System unfunded liability by \$6.5 million! In addition, the annual State general fund contributions will increase by \$1 million."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1416, 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 Luke, Menor, Moses and Okamura being excused.

The Chair directed the Clerk to note that H.B. Nos. 1749, 1624, 1620, 1403, 1361, 1280, 1237, 1172, 176, 499 and 1416 had passed Third Reading at 4:47 o'clock p.m.

At 4:47 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 4:57 o'clock p.m., the Vice Speaker assumed the rostrum.

Stand. Com. Rep. No. 1093 and H.B. No. 1636, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1636, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TRAFFIC ENFORCEMENT," passed Third Reading by a vote of 49 ayes, with Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1094 and H.B. No. 1711, HD 2:

Representative Case moved that the report of the Committee be adopted and H.B. No. 1711, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative Meyer rose and asked if she could be excused from voting on H.B. No. 1711, HD 2, saying:

"I am one of 200 pier owners in Kaneohe Bay. There could be an appearance of impropriety if I were to vote on this bill."

The Chair answered: "You may be excused."

Representative Meyer thanked the Chair.

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

"Mr. Speaker, the primary goal of this bill is the establishment of a uniform policy for dealing with residential piers in Kaneohe Bay.

"The purpose of this bill is to protect the piers in Kaneohe Bay by taking steps to ensure that all piers are in compliance with State permit regulations.

"This bill also eliminates the requirement that all sunbathing and swimming piers built on submerged lands have signs indicating the public's right to use the pier and includes private residential non-commercial piers as items not requiring prior legislative and Governor approval on easement dispositions.

"Mr. Speaker, studies indicate that there are close to 200 shoreline structures including piers, docks and/or platforms located on submerged land in Kaneohe Bay. The majority of these structures were built without State, federal or county permits and are considered illegal.

"This bill will help resolve citizen complaints and take steps to ensure that all structures in Kaneohe Bay are in compliance with State permit regulations. Thank you, Mr. Speaker."

Representative Catalani then rose in support of the bill and asked that the previous speaker's remarks be entered into the Journal as her own, 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. 1711, HD 2, entitled: "A BILL FOR AN ACT RELATING TO KANEHOHE BAY," passed Third Reading by a vote of 48 ayes, with Representatives Meyer, Moses and Okamura being excused.

Stand. Com. Rep. No. 1095 and H.B. No. 1675, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 1675, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Kahikina rose in strong support of the measure and asked for a potential conflict ruling, saying that he is one of the 43 percent claimants that have been adjudicated, and the Chair ruled "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1675, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN HOME LANDS TRUST INDIVIDUAL CLAIMS," passed Third Reading by a vote of 49 ayes, with Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1096 and H.B. No. 1668, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 1668, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Meyer rose in strong support of the bill with some reservations, stating:

"The original bill would have the College of Tropical Agriculture at the University look into the problems that taro farmers are presently having. The largest problem over the last few years has been pocket rot. Some of the members here, we traveled to Kauai a year or so ago and went through many of the taro patches and saw firsthand the problems -- corms that looked perfect from the outside but when you cut into them, there are these pockets of rot, and it's made it so that the yields have dropped dramatically, and the labor involved has gone up as well because of the extra handling that you have to do in cutting and cutting out the pocket rot.

"This bill was amended in Finance and the money that would have been appropriated to CTAHR is now going to go to ADC. I just question if that's the proper place for it to go, and that's my reservation. I certainly want somebody to solve this problem, but I'm not sure that that's the appropriate place to look for the cure. Thank you, Mr. Speaker."

Representative Morita rose in support of the measure and asked that her comments be inserted into the Journal, and the Chair "so ordered."

Representative Morita's remarks are as follows:

"Taro is a very important crop for many economic, environmental, cultural, scenic and health reasons not only to the district I represent, but also to many other areas statewide. Taro farmers, both commercial and subsistence growers, have gathered statewide to identify and address common concerns which result in the introduction of this measure.

"The economic value of taro has been underestimated. Economically, taro generates one of the highest total sales revenue for agricultural crops, and one of the highest tax generating crops grown and sold in the State. However, the economic viability of taro is threatened by disease. Hopefully, the research supported by this appropriation will aid in resolving the disease problems plaguing the taro industry."

Representative Kawakami then rose in support of the measure and asked that her comments be inserted into the Journal, and the Chair "so ordered."

Representative Kawakami's remarks are as follows:

"I rise in strong support of this measure to provide funds for taro farmers to alleviate the disease that is decimating their crops. The funding from this measure will allow taro farmers to do experiments to manage the problems that have risen due to the taro rot.

"Taro is a staple food product. It was the sustenance of Hawai'iian people. We cannot allow our crops to dwindle because of the disease.

"I ask for your support of this measure to help protect Hawai'i's taro farms and ensure our supply of taro."

Representative Abinsay then rose and stated:

"Just to address the concern of our colleague here from District 46. She is questioning or trying to understand why the change of the expending agency from CTAHR to ADC. I was informed that CTAHR, for some reason, when the money is given there is no further study or accountability of the money. With ADC, they will be asking for the money and given as to what amount they need, and they will be responsible in giving a report. And I think that's the main intention of the change. 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. 1668, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR TARO RESEARCH," passed Third Reading by a vote of 49 ayes, with Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1097 and H.B. No. 1664, HD 3:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 1664, HD 3, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 49 ayes, with Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1098 and H.B. No. 1298:

Representative Case moved that the report of the Committee be adopted and H.B. No. 1298 pass Third Reading, seconded by Representative Yonamine.

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:

"Mr. Speaker, as part of the United States Armed Forces in the Far East (USAFFE) during World War II, Filipino soldiers endured many hardships and fought fiercely side by side with their American comrades to promote democratic values.

"I believe strongly that the Filipino-American veterans of World War II deserve to receive veterans' benefits that their American counterparts receive, including the right to be buried in a national or state veterans' cemetery.

"Because of this inequity, House Bill 1298 will appropriate funds to provide financial assistance to Filipino-American veterans of World War II so that they can be accorded the proper burial that they so deserve. Therefore, I ask all of you to support passage of this measure. Thank you, Mr. Speaker."

Representative Cachola then rose in support of the measure and asked that his comments be inserted into the Journal, and the Chair "so ordered."

Representative Cachola's remarks are as follows:

"This bill will provide financial assistance for the proper burial of Filipino veterans of World War II.

"World War II Filipino veterans courageously risked their lives for freedom and democracy alongside U.S. troops. However, some of these veterans are still denied the honor of being buried with their comrades in arms. Currently, only veterans who joined the Philippine Scouts before October 6, 1945, are entitled to be buried in a national or state veterans cemetery.

"The Legislature recognizes the right of these valiant men who served honorably in active duty:

- (1) Under the command of the United States Armed Forces in the Far East;
- (2) Within the Philippine Army;
- (3) Within the Philippine Scouts; or
- (4) With a recognized Philippine guerrilla unit.

"These men can choose to be buried either in Hawai'i or returned to the Philippines for an honorable burial by relatives.

"This bill provides the financial assistance for their proper burial.

"I urge my colleagues to vote in favor of this bill."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1298, entitled: "A BILL FOR AN ACT RELATING TO BURIALS," passed Third Reading by a vote of 49 ayes, with Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1099 and H.B. No. 156, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 156, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Garcia rose in support of the measure, stating:

"Mr. Speaker, this is the bill that would provide for the financing of a prison should we decide collectively to do so. It

speaks mainly to providing the Governor the vehicle to seek private financing of the proposed prison.

"This bill furthers the State's need to address chronic overcrowding in our prison system, and this bill authorizes the Governor to proceed with the development of an in-state facility using private or public funds, or he could use a combination of both.

"In its amended form, the bill provides the flexibility needed to begin construction on a fast track basis. It includes safeguards, including that the cost of private funds do not exceed the cost of public funds, that the development of a new facility be designed to complement the State prison system with regard to levels of security for male and female inmates, and that the facility be developed with regard to impacts and in partnership with the neighboring communities.

"There is, Mr. Speaker, in my mind little question that a new facility is needed, and soon. This is evidenced by the fact that the State has some twelve hundred inmates housed in several prisons on the Mainland. And as is evidenced by the measure that will come before this House on Thursday, the House is proceeding with plans to construct five hundred additional beds here in our in-state prison system. But even with the transfers to the Mainland, Mr. Speaker, and our construction of additional beds, we are still woefully short to the tune of some five hundred beds.

"I was glad to see the other day that the State of Hawai'i has finally, although with some conditions outstanding, come out from under the consent decree that was imposed on the Oahu Community Correctional Center of some years ago.

"Mr. Speaker, again, as will be further evidenced by the bill that will come before this House on Thursday, with regard to our efforts to assure that the State does not add to the debt service of publicly-funded projects, it will become quite clear that this will be the bill that will be the one to finance the prison if it is still needed and still recommended at the end of this session. Thank you very much."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 156, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONS," passed Third Reading by a vote of 48 ayes to 1 no, with Representative Arakaki voting no, and Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1100 and H.B. No. 423, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 423, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO MATCH FEDERAL FUNDS FOR THE HAWAII FORESTRY AND COMMUNITIES INITIATIVE," passed Third Reading by a vote of 49 ayes, with Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1101 and H.B. No. 797, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 797, HD 2, entitled: "A BILL FOR AN ACT RELATING TO OUTDOOR RECREATION," passed Third Reading by a vote of 49 ayes, with Representatives Moses and Okamura being excused.

Stand. Com. Rep. No. 1102 and H.B. No. 142, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 142, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Rath rose and offered the following amendment to H.B. No. 142, HD 1:

"SECTION 1. House Bill 142 H.D.1 is amended by deleting the contents of the bill in its entirety and replacing it with the language of House Bill 1133 as follows:

'SECTION 1. The book **Reinventing Government** has become the catalyst for focusing on the need to change government to be more efficient, effective and responsive to the needs of the public. Osborne and Plastrik in their book "Banishing Bureaucracy" have defined "reinvention" as meaning the fundamental transformation of public systems and organizations to create dramatic increases in their effectiveness, efficiency, adaptability, and capacity to innovate. This transformation is accomplished by changing their purpose, incentives, accountability, power structure and culture."

'The public and executive branch agency outcries resonate everywhere that the civil service system has become an overburdensome hierarchy and exitless labyrinth of laws, rules and regulations that seem to only serve the purpose of thwarting rather than promoting and facilitating the ability of government agencies to be more responsive to meeting the public needs.

'It is clear that we must begin to reduce complexity and to make government more people centered by ensuring that government is responsive to serving the needs of the people and the workers who provide those services. To do this we must craft civil service legislation that will provide a new legal framework and climate which encourages partnerships between labor and management based on mutual recognition and respect.

'To set the stage and promote the need to work together to craft this new civil service, it is proposed that a sunset provision be established for civil service and collective bargaining laws. Such a sunset concept would serve to "clear-the-deck" and make readily apparent the need to seriously engage in the process of creating a new statutory framework. It is further proposed that the director of human resources development be charged with the responsibility to design and effectuate a process to reconsider the civil service system by establishing partnerships with all stakeholders.

'SECTION 2. Chapters 76, 77, 78, 79, 80, 81, and 82, Hawai'i Revised Statutes, are repealed.

'SECTION 3. The director of the department of human resources development shall identify and work collaboratively with the various stakeholders governed by the provisions of Chapters 76, 77, 78, 79, 80, 81, and 82, in order to draft replacement legislation if deemed necessary. The director shall submit to the Legislature and governor, by January 15, 2000, a report of findings, recommendations and proposed replacement legislation. The Legislature shall hold hearings and consider the recommendations of the director.

'SECTION 4. This Act shall take effect on June 30, 2000."

Representative Rath moved that the amendment be adopted, seconded by Representative Whalen.

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

"Mr. Speaker, I'm in strong favor of reviewing the State Civil Service. I think everybody in the House agrees, and the Governor definitely agrees, that it's like having an old automobile that doesn't start and doesn't run very well and it's time for a new one. The private sector can move very quickly to change to meet the demands of business, and government tends, by its very nature, to move slower, but we must meet the demands of our people, and especially in respect to the efficiency of government. If we are going to get ourselves out of a nine year recession, we're going to have to change the way government does business, and we're going to have to effectively serve people in a more efficient manner.

"Now, the amendment that I put forth obviously is not a Republican amendment, if anybody's read it. It basically takes the contents of the Governor's bill, which is 1133, and replaces the contents of 142.

"This amendment is basically a forced measure that says we must act as we are increasingly getting the reputation, although we're only partially through the session, as a do-nothing Legislature. And I think we really have to take action that restores faith in the citizenry that we are really going to do something. We're not just going to give lip service, we're not going to create another task force, we're not going to study something endlessly -- study it to death -- that we really are serious about making dramatic changes in the way our State Civil Service System operates.

"This isn't just a benefit to the departments themselves in getting it done. It's actually a benefit to the employee. If we could make the proper and the right changes in Civil Service which, as the Governor has pointed out. . . he points out here in the book Banishing Bureaucracy, and again mentions reinventing government. The prologue to the bill, of course, is taken directly from the State-of-the-State address.

"I agree with Governor Cayetano, and I agree with him putting this bill in. I guess that's to show you that good ideas don't have party labels. This is a very good idea on his part for us to make sure that we do take a solid measure that the citizens can really believe in. They can say, hey, they really did do something this time. They moved in the proper direction.

"It may seem a little strange for a Republican to stand up and put forth a bill of a Democrat Governor, but his bill didn't come through committee. It was heard, so I don't think there's a procedural problem. I think we should all have at least the opportunity to vote on it, and that's why I offer it. Thank you very much, Mr. Speaker."

Representative Yoshinaga then rose to speak against the floor amendment, stating:

"I believe that I address this Caucus on the Governor's proposal which is being proposed in the floor amendment as visionary. But such a vision cannot be implemented with a sweep of a hand. I believe that your Committee on Labor and Public Employment which heard the Governor's proposal, after due deliberation, made a best effort in terms of collectively and collaboratively coming up with a proposal that would be viewed as fair and orderly in transitioning to the 21st century on the modernization of Civil Service. And your Committee is committed to undertaking such an enormous endeavor.

"I would like to point out to the members here that the Governor's Office of Collective Bargaining itself opposed the review of Chapter 89 at this time, which is in the floor amendment. Also, our Legislative Reference Bureau at the hearing requested that due to the number of chapters to be reviewed by this measure, that these chapters should be reduced.

"Your Committee deliberated and heard the testimony, and upon review of all of the testimony, came up, as I said, with this proposal which has proposed a panel -- it's not a kind of just, you know, talk story committee. But it's a panel which has specific guidelines and specific target dates within which to implement change. But it's not just any kind of change. It's after due and deliberate procedures that will provide, I think, assurance to our employees that we are doing it in the best interest of all the stakeholders to the process.

"And I would like to finally state that we're early in the process and we're heading to conference, and my understanding at this point is that the Senate is passing over a similar proposal to the Governor's proposal, so your Committee will have another opportunity to consider and to debate such a proposal.

"So, therefore, for all of the foregoing reasons, I ask all members to please vote against the floor amendment. Thank you."

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

"You know, most people aren't aware of the practical nature that most of us have when we're talking amongst ourselves, and it's often a joke about creating another study, and that's what we've done here with the bill as it arises on the floor today."

"Mr. Speaker, the time is passing quickly to do a study and let's wait and see often creates delay. We don't have time for delay. I think the strange hour that we're in is indicated by the fact that two Republicans are asking the Democrat Majority to support a Democrat Governor's bill. And I think it goes to show that we're serious about trying to make the changes. Change will not occur. . . I forgot the exact quote earlier -- just a few moments before by just a wave of the hand. I agree, it takes a decision, often difficult decision, and it takes leadership. Leadership comes from having the integrity and the strength to make the hard decisions."

"This bill, the Governor's bill, will repeal the Civil Service laws and say what we need to change, we would change in the next session. The bill that is before us now is another study. We'll do something maybe, maybe we don't -- who knows?"

"The Governor's bill says we're serious about something in Hawai'i. We're serious about making government work the way it should work, and I would like to note, in urging your support, or rather to just note something, it was earlier stated that even the Governor's Office of Collective Bargaining testified in opposition to this. But in the Committee Report that came out of Labor it says that they testified supporting the intent of this bill; however, they preferred the amendment. So, there's a little misrepresentation there. The Governor's Office of Collective Bargaining supports this amendment as does the Department of Human Resources. The only ones that actually opposed it were the HCDA, HSTA and the UPW, and I am not going to get into any sort of thing, but you can imagine, nothing negative, but if your interests are being affected, of course you are extremely concerned."

"That's where the leadership comes in to make the hard decisions, Mr. Speaker, and I urge the House to please support the amendment, and let's move this vehicle forward to show the State of Hawai'i that we are serious about making government more efficient and more effective. And those of you Representatives that are sitting here in your chairs today, please do not hide behind procedure because the bill was heard, it was held in Committee, and now is an opportunity for those of you who have talked in the past about wanting to reform Civil Service to vote accordingly, because if you were not on the Labor Committee, you didn't have an opportunity to vote on it so here is your opportunity."

"When the time is appropriate, I will ask for a roll call vote. Thank you."

Representative Catalani then rose to speak against the floor amendment, stating:

"I am speaking against this floor amendment for the following reasons, as was pointed out by the Representative from the Big Island, the Labor Committee did hear this proposal and decided to hold this measure in favor of convening a task force to take a comprehensive look at the Civil Service laws, including which items that can be included in collective bargaining."

"Secondly, the Administration proposed an amendment to their original bill that would more fully engage the stakeholders of the Civil Service system to make meaningful changes. The

Labor Committee also rejected this proposal in favor of our comprehensive task force, taking a look at the laws."

"In summary, as the Committee fully discussed the different ways to address reform of the Civil Service laws and decided to use this vehicle, House Bill 142, HD 1, to create the task force, I would urge my colleagues to oppose the floor amendment and vote in favor of the bill laying on the table right now. Thank you."

Representative Marumoto then rose to speak in favor of the amendment, stating:

"I believe that the Civil Service laws should be rewritten to provide clarity between Civil Service law and collective bargaining contracts, and also the agreements that have been written between the unions and the departments. We need changes such as the elimination of 'bumping' and rewriting of job classifications, and clarification of management rights. We need a new, modern Civil Service based on merit and competitive selection, and clearing the decks will enable us to rewrite the Civil Service laws for the next century. Thank you."

Representative Rath, in rebuttal, stated:

"In the amendment, Chapter 89, collective bargaining, is not included. I would submit that we are the only state that has collective bargaining and Civil Service. And in an abnormal situation like that, collective bargaining represents the employees. Those are the stakeholders on that side. They have that vehicle. On the other side, in most states, Civil Service protection is just that -- Civil Service protection -- because they do not have a union or collective bargaining."

"In this State, Civil Service should more closely resemble the company policy as is written in the private sector corporation. Since we have both and since they have been so long, back as far as 1963 I believe, I think the time is past due to restructure this. I know the unions are against this, as Representative Whalen said, they are going to act in their own selfish best interest and, you know, I can't blame them for that. But nonetheless, we are here to act in the best interest of the taxpayers and they deserve to have the kind of services that they're paying for. And it is not the employee standing in the way themselves, it's the system they operate under. So let's fix the system."

"Thank you, Mr. Speaker, and if we could, I'd like to call for the question."

At this time, Representative Whalen 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.

Roll call having been requested, the motion to adopt the amendment was put to vote by the Chair and failed to carry on the following show of Noes, Ayes and Excused:

Noes, 38: Representatives Abinsay, Ahu Isa, Arakaki, Cachola, Case, Catalani, Chang, Garcia, Goodenow, Hamakawa, Herkes, Hiraki, Ito, Kahikina, Kaho'ohalahala, Kanoho, Kawakami, Lee, Luke, Menor, Morihara, Morita, Nakasone, P. Oshiro, Saiki, Santiago, Say, Schatz, Souki, Stegmaier, Suzuki, Takai, Takamine, Takumi, Yamane, Yonamine, Yoshinaga and M. Oshiro.

Ayes, 11: Representatives Auwae, Fox, Halford, Leong, Marumoto, McDermott, Meyer, Pendleton, Rath, Thielen and Whalen.

Excused, 2: Representatives Moses and Okamura.

Representative Yonamine rose in support of the measure and asked that his comments be inserted into the Journal, and the Chair "so ordered."

Representative Yonamine's comments are as follows:

"Mr. Speaker, House Bill 142, HD 1, calls for the appointment of a representative Task Force to conduct a comprehensive review of Chapters 76 and 77 of Title 7, Hawai'i Revised Statutes, which deals with State civil service and compensation laws. This review will seek consensus on necessary changes and keep in mind the equitable balance of management and employees and their rights.

"Mr. Speaker, I believe that the review of these chapters is a step in the right direction and will help us focus on the State's dwindling financial resources in the future and update the principles of productivity, efficiency, and service to the public. However, I believe that this review may not go far enough to help us devise a better government. We need this bill to keep alive our original objectives and a review of 7 chapters of Title 7, our Human Resources Laws.

"It is a comprehensive look and long overdue. The bill will deal with the re-investment in Human Capital -- employees and their knowledge, skills, abilities and motivation, and management's ability and capacity to provide the supervision, training and working climate.

"Mr. Speaker, civil service reform has been talked about in our chambers over the last four years. I commend the Governor for a strong and clear message that our civil service laws need to be reviewed and changed because of changing times and circumstances since the 1950's. And we agree, let's make the necessary changes now.

"During the past years, we've had a series of proposals, passed them and most of them died in the Senate. Others were killed in Conference Committee; other proposals from the Administration never passed the Governor's desk for submittal to the Legislature. But today is today. So let's get going.

"Mr. Speaker, this bill still needs revamping:

- (1) Repeal the civil service laws in two years. This is the hammer we need to tell management, unions and the public, that action, not mere talk and obstructions, will be our will; and
- (2) We need perhaps to look at the composition of the task force and make changes in the appointments. We need people who are non-partisan, and can stand above the fray so they can recommend the necessary changes in the law.

"Keeping in mind that our civil service system was meant to counteract the 'spoils system', a merit system was devised that says in part, equal opportunity, impartial selection, just opportunity for advancement, et cetera. These factors may also need to be reviewed in light of a growing populace, need for specialized skills, more information readily available quicker than before, and the need for adjustment and change to meet various demands for service.

"It is not a question of whether we need less or more government, but rather we face a demand for better government. Government must become results-oriented; more efficient and less bureaucratic; have more leadership that calls for defining missions and desired results; and can change the organizational culture of our State government.

"House Bill 142, HD 1, can lead us in the right direction."

Representative Case then rose in support of the measure and asked that his comments be inserted into the Journal, and the Chair "so ordered."

Representative Case's remarks are as follows:

"Mr. Speaker, I support this measure because I support any measure which might lead to fundamental reform in our civil service and collective bargaining laws, which are found primarily in Hawai'i Revised Statutes Title 7 (Public Officers and Employees). But I do have great concerns with the debate generally and this measure specifically which break down into the following categories: (a) an apparent continuing lack of understanding of the connection between economic revitalization and civil service/collective bargaining reform; (b) the apparent inability of public employee unions to understand the importance of such reform to their own long-term viability and their own membership's well-being, and to engage in constructive discussion of such reform; and (c) substantial doubt as to whether this measure in its current form would effectuate true reform. In expressing these concerns, I follow my remarks on this House floor on May 1, 1995 (HB 1965), March 5, 1996 (HB 3464), and April 14, 1998 (SB 2259), and elsewhere.

"On the first concern, let me say it bluntly: the overall cost of our State government, not the size and number of positions per se, is the largest single obstacle to economic revitalization. When that cost is debated, the focus is usually on size and positions, but virtually ignored is overall efficiency.

"An efficient government, even a relatively large one, can produce the same level of services, even with the same number of positions, at less cost. We do not, by any means, have an efficient state government, and the principal culprit is our decades-old civil service and collective bargaining laws as interpreted by numerous layers of administrative and court decisions.

"As a result, we are condemned here to endless debate over choices between raising or lowering taxes, increasing or decreasing spending, and hiring or laying off public employees, choices that are thus far mutually exclusive. But with an efficient, motivated, trained workforce, we would not face such stark choices; we could achieve a highly compensated and stable government employee base, providing needed services, at a cost fully consistent with overall economic health and reasonable taxation.

"Regarding my second concern, this basic connection, which is a familiar concept in the federal government and in other countries and states, and which has led to reform elsewhere, is now recognized by most legislators and the Governor, the counties and the public. Yet the leadership of the public employee unions has steadfastly refused even to recognize the possibility of any problem or to engage in any meaningful discussion.

"For example, the House considered resolutions in 1997 encouraging all stakeholders, including the unions, to discuss potential problems in Title 7; the unions opposed those resolutions. In 1998, a House majority package bill proposed specific reforms; the unions opposed that bill. When the bill was converted into a resolution, the unions opposed the resolution. And the current bill, which merely calls for a representative task force to review portions of Title 7, was opposed by the unions (e.g., Hawai'i State Teachers Association: 'nothing is wrong with Chapters 76, 77, and 89, and therefore we see no need in conducting a review of these chapters'; United Public Workers; Hawai'i Government Employees Association; and University of Hawai'i Professional Assembly (on related HB 1133): no need for legislation as Governor can just proceed).

"Mr. Speaker, I don't know about anyone else, but when I hear people saying that there's no reason to discuss an issue, I usually become very convinced that there is every reason to do so. This situation is a perfect example.

"Moreover, I worry greatly about the longer-term consequences of this posture to the public employee unions. There is no doubt in my mind that the union movement generally and the right of public employees to bargain collectively were positive developments in Hawai'i's history. Yet today, for various reasons including but not limited to the lack of perspective and broader thinking demonstrated thus far by the union's response to civil service/collective bargaining reform, I believe that public support for public employee unions and, perhaps more important, public employee support for their own unions, is decreasing rapidly. That cannot be a positive development.

"My concerns with the bill are threefold. First, in its limitation to just two of eighteen chapters in Title 7, it risks accomplishing nothing. Most glaringly, it omits chapter 89, relating to collective bargaining in public employment. Second, the panel called for is obviously unbalanced. Third, the bill does not incorporate the Governor's proposed 'drop-dead' provision on the affected chapters effective June 30, 2000. Frankly, I agree with the unions that such a provision is generally undesirable and unnecessary, but only if the necessary commitment to a meaningful, balanced and representative discussion is demonstrated; unfortunately, because that commitment has not been demonstrated, the drop-dead provision is the only way to go.

"Mr. Speaker, a comprehensive review and revision of Title 7 is absolutely inevitable; the only question is how that review and revision will occur. This bill preserves the germ of an organized process but, in its present form, it will not do the job, leaving us all to far less preferable and certainly more difficult means of getting to the same result."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 142, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT," passed Third Reading by a vote of 49 ayes, with Representatives Moses and Okamura being excused.

The Chair directed the Clerk to note that H.B. Nos. 1636, 1711, 1675, 1668, 1664, 1298, 156, 423, 797 and 142 had passed Third Reading at 5:25 o'clock p.m.

Stand. Com. Rep. No. 1103 and H.B. No. 850, HD 1:

Representative Case moved that the report of the Committee be adopted and H.B. No. 850, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Yamane rose in support of the bill with some concerns, stating:

"I can understand the reasoning for extending the amnesty period, but by the same token the responsible drivers are paying for it. They subsidize themselves so there might be a concern against the insurance companies, but the people that are paying now-- the responsible drivers that have their own coverage -- are paying for this subsidy. Thank you, Mr. Speaker."

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

Representative Luke then rose and stated:

"Mr. Speaker, I share the same concerns as the Representative from Kaimuki, and I'll be voting aye 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. 850, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE," passed Third Reading by a vote of 40 ayes to 8 noes, with Representatives Ahu Isa, Catalani, Fox,

Leong, Marumoto, Pendleton, Stegmaier and Thielen voting no, and Representatives Hiraki, Moses and Okamura being excused.

Stand. Com. Rep. No. 1104 and H.B. No. 166, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.B. No. 166, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," passed Third Reading by a vote of 48 ayes, with Representatives Hiraki, Moses and Okamura being excused.

Stand. Com. Rep. No. 1105 and H.B. No. 149, HD 2:

Stand. Com. Rep. No. 1106 and H.B. No. 150, HD 2:

Representative Case moved that the reports of the Committee be adopted and H.B. No. 149, HD 2; and H.B. No. 150, HD 2, pass Third Reading, seconded by Representative Yonamine.

Representative McDermott rose in opposition to the measures, stating:

"I recently had the opportunity to lead a delegation of parents, students and concerned athletes to the Board of Education, and it was a learning experience for me to be on the other side of the table. And what we shared with them was our concerns about Radford High School. I'm sure some of you are tired of hearing about the dilapidated condition that the school is in. What I found from the Board members is that they're folks just like you and I. They're citizens, they were caring, inquisitive, concerned, and they were compelled to find solutions. After leaving that meeting I felt, boy, maybe we should give these guys some more power, some more authority, perhaps the authority to appropriate funds.

"But as I sit here now, I'm certain that if they were appointed, whether it be by a Democrat or a Republican Governor -- either party, it doesn't matter -- they would have, I would think, political agendas that would mirror whatever administration that would be, and I don't think they would be regular folks. They would be politically active, politically connected folks. Let's face it, some of these folks who get elected are well known -- Mr. Brodie, Karen Knudsen -- and there are folks that you don't even know their names but by the luck of the draw where they are placed on the ballot, and it's kind of a flawed system, but in that mix you get a diversity of people, regular citizens, and people who are more well known.

"So I'm going to vote no on this measure because I think I had a revelation and also I had another revelation -- it's actually this evening -- many more members are speaking more than I have. Thank you."

Representative Ito then rose in support of House Bills 149 and 150, stating:

"Mr. Speaker, these bills build accountability into Hawai'i's public school system at the highest level. Under these bills, the Governor would be accountable for public education.

"Today, all of the state departments, except for the Department of Education, have their Board members appointed by the Governor. If any of those appointees don't perform, the Governor is held responsible. That's how it should be for education as well. These bills make the Governor clearly responsible for public education. Thank you, Mr. Speaker."

Representative Fox then rose to speak against the bills, stating:

"We just heard about accountability. Earlier we talked about the Judiciary. The Governor appoints all the people in the Judiciary and we don't have any sense when we vote for

Governor that we're deciding how to pick judges. The same problem arises. . ."

Representative Say rose on a point of order and stated:

"I don't believe the Governor has the final say because it comes before the Judicial Selection Commission, as far as the individuals that are referred to him. So if the Judicial Selection Commission made that final decision that three or four individuals be submitted for the judgeship, that's where it occurs -- at the Commission."

Representative Fox continued, saying:

"The final say is with the Governor.

"The Economic Revitalization Task Force had a Subcommittee on Education, and up to the Economic Revitalization Task Force came a recommendation to do something about our education system. That recommendation was to send the School Board decision-making down to the county level, basically the district level, and to appoint the Board at that level.

"Unfortunately, the Majority has picked the wrong half of that recommendation. They should have picked the half that sends the Board down to the lower levels where the people get to know the people that they are voting for. We can get away from this thing where people run islandwide for the Board of Education with no resources to get themselves known, or they run on all the Neighbor Islands with no resources to get themselves known.

"We need boards down at the district level. We certainly don't need this essentially bankrupt idea of going back to a statewide appointed Board of Education. Members of the Legislature, you forced this on the people of Hawai'i in 1994. You put a measure on the ballot -- those of you who were here then -- to have an appointed Board. And the people of Hawai'i said: 'No, we don't want this.' They voted by 30,000 votes against the idea of an appointed Board of Education. Only 42 percent of the electorate voted in favor of this appointed Board.

"Can't we come up with a better idea than an appointed Board of Education? Thank you, Mr. Speaker."

Representative Yonamine then rose to speak in favor of the bills, stating:

"These two bills will allow the people to decide, and that's a good way to go. And I think this will make it the fourth time we have offered a referendum to the people of Hawai'i. In all three cases, the people have said, we need an elected Board.

"Now, in this day and age, what is happening to us? We used to be very clear about our own responsibilities in this whole thing. You know, we want to make someone accountable for public education, and I am presuming that this would be the Governor and an appointed Board, who appoints the Superintendent, who appoints 21 other elected people -- DSS and others. We also have in this scheme of things about 200 SCBMs who are in turn flexing their muscles, in terms of having more say and accountability in the local school level. We have up to 25 charter schools, two already created, two more under what you call the 'New Century Schools', and we have, by law, 25 charter schools who will operate and conduct itself as an autonomous board. And then we have something like 76 'lay superintendents' in the Legislature. So the question here is: Are we trying to centralize the power by making the Governor accountable when, in fact, the system also says that we're trying to decentralize the power and say, in terms of public education?

"So, in support of the bill I say one more time: let's get the people to decide -- okay? And as for the Board of Education, whom as you know I've always supported elected Boards, they

need to do a real good job of doing some homework. One is, do away with the one man/one vote issue and challenge the federal judge's decision to the way we elect the people right now. Everyone on the Neighbor Islands vote for each other. Everyone here on Oahu vote for each other, whether you're a district representative or the community-at-large. So actually, we don't have a franchise. If that's the case, then maybe we ought to make it an appointed Board. But I think the Board of Education's challenge is ahead of them. Our own task is to ensure that public accountability is actually taking place, but we want to make sure that the Governor is not the only one who's accountable for public schools, believe you me, under this bill.

"And so, I would just say, well, let's support the bill and let the people decide and then when it comes back to us, let's get our heads together and start talking about real governance, proper and appropriate governance of our public schools. Thank you."

Representative Yonamine's additional remarks are as follows:

"This bill is an important step toward clarifying the issue of accountability in public education. At present, the responsibility and authority for public education is ambiguous. The Board of Education is supposed to be responsible for establishing education policy, yet the Legislature has the funding authority as well as establishing school policies and curriculum. Many people also believe that the Governor has the authority to make changes in our public school system throughout his Departments of Budget and Finance, and Accounting and General Service. Collective Bargaining also has an influence on the school system. This ambiguity in governance is often cited as the reason for the lack of improvement in the quality of education, student achievement, and problems with facilities and transportation.

"However, while clear accountability may be the foundation required for making improvements in our public schools, replacing an elected school board with one that is appointed by the Governor is not a panacea for solving all of Hawai'i's school problems.

"In fact, policy may already be eroded in that:

- (1) Initiatives such as school and community based management allow individual schools to create their own board; and
- (2) Under the State's constitution, the Legislature can still govern the 'elected' school board.

"More important than the 'manner' in which the Board of Education is selected, is the autonomy given to the Board in managing our public education system. We owe it to the people of Hawai'i to find ways to improve our public education system without sacrificing representation and participation in policy making and governance. By focusing on the larger issue of autonomy rather than changing from an elected to an appointed school board, we will not only resolve the issue of accountability, but we can begin in earnest to make improvements in our public schools.

"I support this bill only because it will allow the people to decide the fate of our elected Board.

- (1) Will this bill enable the Governor to be accountable for Public Education? He will appoint a superintendent and 21 other top administrators; he will totally control the budget, through B&F; CIP projects and repair and maintenance through DAGS; have his say on school transportation and other components of Public Schools.
- (2) Will this answer the question accountability? We are still trying to decentralize decision-making in the

public schools; up to 25 independent charter schools, New Century schools, over 200 SCBMs, each expanding its frontiers, and each wanting greater voice in our schools.

- (3) And then we have 76 law superintendents who are not shy about adding our deleting funds and programs, making decision on the School department's rules, policies and regulation.

"The point is we are not able to centralize or decentralize authority in the public school system and there is a lack of a comprehensive, cohesive plan to make the public school more accountable -- and accountable to whom?"

"As for the elected Board, I've said it before that it has to challenge the one-man, one vote principle; change the election process for our Neighbor Island and Oahu; and truly make it possible for an election of our Board members in the various districts, by the voters in that district, and for the voters in that district.

"The major task ahead of all of us is to take a comprehensive look at government and undertake another Task Force on Governance like we did in 1992."

Representative Pendleton then rose and asked for a ruling on a potential conflict, saying that his wife is a member of the Board of Education, and the Chair ruled "no conflict."

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

"I don't want to belabor it, but the Governor of the State of Hawai'i appoints practically as many people as the President of the United States. We have so many appointed boards, appointed judges. We don't need appointed school board members. With all these appointments and this so-called accountability, then we must lay at the Governor's feet all the problems that we have because he's appointed most of the people that are in the decision-making positions. Thank you, Mr. Speaker."

Representative Lee rose in support of the measure with reservations and asked that her comments be inserted into the Journal, and the Chair "so ordered."

Representative Lee's remarks are as follows:

"I would like to speak in favor of HB 150, HD2, and HB 149, HD2, which call for an appointed Board of Education and a constitutional amendment to change the elected Board of Education to an appointed Board, with reservations.

"More than ten years ago, this House passed a measure calling for more local control in the schools and established the School/Community-Based Management process. This measure was widely acclaimed and supported by the business community. When SCBM actually did get started, some local businesses did participate in Councils, however participation was spotty.

"My own community was one of the first to establish SCBM in the schools. Although it has not been a success in every way, it has brought parents and community into the schools and created much more of a dialogue between schools and community than ever existed before. SCBM has been handicapped from the start by lack of funds and an unwillingness of the bureaucracy to give up much of its power in the schools to parents and community members. The tediousness of the process has been another drawback.

"However, I do not see the establishment of an appointed board to be the solution to our problems in the schools. We need more, not less local control. We need to have school board members we recognize and who know our communities.

"Many would argue that it is the statewide system itself that indeed is the problem with the schools.

"I will vote with reservations for now, but remain dubious that an appointed school board is the solution to anything -- in fact, it may compound the problem."

The motion was put to vote by the Chair and carried, and the reports of the Committee were adopted and H.B. No. 149, HD 2, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE X, SECTION 2, OF THE HAWAII CONSTITUTION, TO CHANGE THE BOARD OF EDUCATION FROM AN ELECTED BOARD TO AN APPOINTED BOARD," and H.B. No. 150, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 36 ayes to 12 noes, with Representatives Auwae, Fox, Halford, Leong, Marumoto, McDermott, Meyer, Morihara, Pendleton, Rath, Thielen and Whalen voting no, and Representatives Hiraki, Moses and Okamura being excused.

"DISSENT TO STAND. COM. REP. NO. 1105
Honolulu, Hawai'i
March 5, 1999

RE: H.B. No. 149, H.D. 2

Honorable Calvin Say
Speaker, House of Representatives
Twentieth State Legislature
Regular Session of 1999
State of Hawai'i

Sir:

We the undersigned dissenting members of the Committee on Finance oppose changing the board of education from an elected body to an appointed body and beg leave to file this dissent to Standing Committee Report No. 1105 in reference to H.B. 149, H.D. 2, PROPOSING AN AMENDMENT TO ARTICLE X, SECTION 2, OF THE HAWAII CONSTITUTION, TO CHANGE THE BOARD OF EDUCATION FROM AN ELECTED BOARD TO AN APPOINTED BOARD.

Education is of great importance to Hawai'i's people and we believe the people should have the utmost participation in its development and governance. The board of education should be representative of the populace whom they serve rather than appointed by the governor. The board should also be accountable to the public since it is the public that receives the services of the board. Educational services are core services that have a tremendous impact on the future of Hawai'i and its residents. It is therefore prudent to make the board of education accountable to the very people whose lives they touch so deeply. Others who agree that an elected board is more accountable and democratic include the Hawai'i State Teachers Association, the Board of Education, and Common Cause.

The dissenting members further believe that making the board directly accountable to each school district community, not to the governor, would enhance the performance of an elected board. Each district board member should be chosen from the people who know the true performance of the schools in their respective school districts.

Therefore, we believe the Legislature should propose eight regional elected boards, one for each school district (including a new West Hawai'i district), rather than continue with a single statewide board -- elected or a new appointed board. We therefore oppose passage of H.B. 149 as written.

Respectfully submitted by the following members of
your Committee on Finance,

/s/ Barbara Marumoto, member
 /s/ Galen Fox, member
 /s/ Colleen Meyer, member
 /s/ Mark Moses, member

"DISSENT TO STAND. COM. REP. NO. 1106
 Honolulu, Hawai'i
 March 5, 1999

RE: H.B. No. 150, H.D. 2

Honorable Calvin Say
 Speaker, House of Representatives
 Twentieth State Legislature
 Regular Session of 1999
 State of Hawai'i

Sir:

We the undersigned dissenting members of the Committee on Judiciary oppose changing the board of education from an elected body to an appointed body and beg leave to file this dissent to Standing Committee Report No. 1106 in reference to H.B. 150, H.D. 2, RELATING TO EDUCATION.

Education is of great importance to Hawai'i's people and we believe the people should have the utmost participation in its development and governance. The board of education should be representative of the populace whom they serve rather than appointed by the governor. The board should also be accountable to the public since it is the public that receives the services of the board. Educational services are core services that have a tremendous impact on the lives of the average citizen. They also have an impact on the future of Hawai'i residents. It is therefore prudent to make the board of education accountable to the very people whose lives they touch so deeply.

Making the board directly accountable to the public rather than the governor would enhance the performance of the board since the people who know the everyday performance of the department of education will be able to choose whom they feel are most qualified to make the policy decisions the board has to make.

We also feel the Legislature should take the additional step of creating regional elected boards rather than one board to make them that much more accountable and in touch with the residents of Hawai'i. We therefore oppose passage of H.B. 150, H.D. 2.

Respectfully submitted by the following members of your Committee on Judiciary and Hawai'ian Affairs,

/s/ Cynthia Thielen, member
 /s/ David A. Pendleton, member
 /s/ Paul Whalen, member
 /s/ Emily J. Auwae, member"

The Chair directed the Clerk to note that H.B. Nos. 850, 166, 149 and 150 had passed Third Reading at 5:39 o'clock p.m.

THIRD READING

H.B. No. 1073, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 1073, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TELEMARKETING FRAUD," passed Third Reading by a vote of 48 ayes, with Representatives Hiraki, Moses and Okamura being excused.

H.B. No. 1491, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 1491, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SUBPOENAS," passed Third Reading by a vote of 48 ayes, with Representatives Hiraki, Moses and Okamura being excused.

H.B. No. 766, HD 1:

Representative Case moved that H.B. No. 766, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Thielen rose to disclose a potential conflict on H.B. 766 and the other bills that relate to condominiums, saying that she owns a condominium, and the Chair ruled "no conflict."

Representative Leong rose to disclose a potential conflict on all bills relating to condominiums, saying that she owns a condominium, and the Chair ruled "no conflict."

Representative Abinsay rose and asked for a potential conflict ruling on all of the bills relating to condominiums, saying that he owns a condominium, lives in a condominium, and is an officer of the Association, and the Chair ruled "no conflict."

The motion was put to vote by the Chair and carried, H.B. No. 766, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," passed Third Reading by a vote of 48 ayes, with Representatives Hiraki, Moses and Okamura being excused.

H.B. No. 792, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 792, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BAIL BONDS," passed Third Reading by a vote of 48 ayes, with Representatives Hiraki, Moses and Okamura being excused.

The Chair directed the Clerk to note that H.B. Nos. 1073, 1491, 766 and 792 had passed Third Reading at 5:41 o'clock p.m.

H.B. No. 1063, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 1063, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CODE OF FINANCIAL INSTITUTIONS," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Yamane and Yoshinaga being excused.

H.B. No. 1070, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 1070, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE INSURANCE CODE," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Yamane and Yoshinaga being excused.

H.B. No. 1198, HD 1:

Representative Case moved that H.B. No. 1198, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Meyer rose in opposition to the bill, stating:

"The purpose of this bill is to establish a special fund to provide a means of payment for the acquisition of the Department of Taxation's Integrated Tax Information Management System, and for costs related to its operation: maintenance, monitoring, and improvements.

"The main reason that I am voting against this is that this bill will create a special fund and it adds another special fund to the numerous other funds created in the past few years. In many of the Auditor's reports, she has been highly critical of existing special funds and recommended that many of them be repealed and programs funded directly from the general fund. Note that the monies in special funds are not subject to the general fund expenditure limitation.

"Mr. Speaker, House Bill 1198 sets no limit on the amount of general excise tax funds that can be transferred directly into this special fund. Hence, the Director of Taxation could divert an unlimited amount, so long as the fund does not exceed five million dollars.

"Recent examples of this type of special fund we can find if we go back ten years ago, when lawmakers earmarked \$90 million in general excise taxes to be deposited to the credit of the Educational Facilities Special Fund. This is when the State had lots of money and they just simply took the first \$90 million of general excise tax revenues.

"This has the effect of reducing the tax revenues to the general fund, giving a false picture of the State's total revenues from taxes. Special funds do not receive the same degree of scrutiny due in part to the restrictions imposed on how or for what they can be spent.

"In this time of economic malaise, it is more important than ever that taxes go directly to the general fund rather than being diverted to special funds. Thank you, Mr. Speaker."

Representative Marumoto then rose and stated:

"I couldn't have said it better myself. I would like to have the previous speaker's remarks taken as my own -- in favor with reservations," and the Chair "so ordered." (By reference only)

The motion was put to vote by the Chair and carried, and H.B. No. 1198, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE INTEGRATED TAX INFORMATION MANAGEMENT SYSTEMS ACQUISITION BY THE DEPARTMENT OF TAXATION," passed Third Reading by a vote of 43 ayes to 4 noes, with Representatives Fox, McDermott, Meyer and Pendleton voting no, and Representatives Moses, Okamura, Yamane and Yoshinaga being excused.

H.B. No. 533, HD 1:

Representative Case moved that H.B. No. 533, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Stegmaier rose to speak in support of the measure with reservations, stating:

"I am supporting this measure because it extends the exclusion of a victim's prior sexual behavior to civil cases, and it would safeguard the alleged victim against the invasion of privacy, potential embarrassment, and sexual stereotyping that is associated with public disclosure of intimate sexual details and the infusion of sexual innuendo into the fact-finding process. That was the finding of an advisory committee concerning Federal Rules of Evidence No. 412.

"My concern is that the testimony included Professor Addison Bowman, representing the Supreme Court Standing Committee on Hawai'i Rules of Evidence, in opposition to this measure. Among the members of the committee were Judge Bambi Weil, Judge Dexter Del Rosario, Ms. Charlene Iboshi from the Prosecutor's Office, and Mr. Richard Pollock from the Public Defender's Office. And what Professor Bowman shared was some concerns that the committee had; specifically, the idea of extending the more protective criminal rule to civil cases appear to be logical and sensible, they said, but the

members queried: 'Are there differences in the civil context that might possibly account for a difference in treatment?'

"The most obvious difference is that the criminal sexual assault victim complainant appears in court as a prosecution witness with little or no say in the matter. The civil side victim, by way of contrast, is a sexual harassment plaintiff seeking tort damages for unwelcome sexual initiatives and resultant emotional distress. They ask: 'Does this shield become a sword in this context?'

"The committee opposed the change in the statutes because they found that there is anecdotal material on both sides of the issue, but apparently nothing more. They found that evidence of forensic victimization of sexual harassment plaintiffs has not been furnished to the committee, nor has the committee uncovered any instances of abuses committed under current law. Therefore, the committee concluded that the case for change has simply not been made.

"For these reasons, while I understand the intent and support the intent of the measure, I do share the same concerns that were mentioned by this particular committee. Thank you."

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

"I support this measure which would conform Hawai'i Rules of Evidence to the current Rape Shield Laws with respect to sex offense cases. This measure will protect the plaintiff, usually a woman's sexual conduct as inadmissible unless brought up by the plaintiff.

"I understand the previous speaker's concern, and this measure is actually a compromise with Professor Bowman and some of the proponents of this bill. What we have come up with is to provide an opportunity for women who have been subject to such a harassment to bring an action against her perpetrator or employer.

"In the past, one of the defenses that was used against the victim of sexual harassment is to prove that she 'walked' from the advances of the perpetrator. Her past sexual history is used to show this welcomeness. At the Judiciary Committee, I circulated some questions posed by defense attorneys, indeed asking about the past sexual activity of the plaintiff for not only against the perpetrator, but for all of her past sexual behavior.

"For this reason, I believe we need this measure to protect women so that they will feel free to bring action against their perpetrators not to encourage more litigation, but to protect the rights of these women who need to be protected. Thank you."

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

"Two decades ago, when Hawai'i's Legislature pioneered the concept of Rape Shield Laws, we were a leader. And then in recent years, we have yielded our place.

"This bill is a step forward in protecting the rights of women and children, and will conform State law to current federal laws of evidence. Thank you very much."

The motion was put to vote by the Chair and carried, and H.B. No. 533, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII RULES OF EVIDENCE," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Yamane and Yoshinaga being excused.

H.B. No. 1430, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 1430, HD 1, entitled: "A BILL FOR AN ACT RELATING TO

STATUTORY REVISION: AMENDING, REENACTING, OR REPEALING VARIOUS PROVISIONS OF THE HAWAII REVISED STATUTES AND THE SESSION LAWS OF HAWAII FOR THE PURPOSE OF CORRECTING ERRORS AND REFERENCES, CLARIFYING LANGUAGE, AND DELETING OBSOLETE OR UNNECESSARY PROVISIONS," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Yamane and Yoshinaga being excused.

H.B. No. 995, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 995, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ATTORNEYS' FEES," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Yamane and Yoshinaga being excused.

H.B. No. 1003, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 1003, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HABITUAL CRIMINAL BEHAVIOR," passed Third Reading by a vote of 47 ayes, with Representatives Moses, Okamura, Yamane and Yoshinaga being excused.

The Chair directed the Clerk to note that H.B. Nos. 1063, 1070, 1198, 533, 1430, 995 and 1003 had passed Third Reading at 5:50 o'clock p.m.

H.B. No. 648, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 648, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM MAINTENANCE FEES," passed Third Reading by a vote of 45 ayes, with Representatives Halford, Moses, Okamura, Rath, Takamine and Yoshinaga being excused.

H.B. No. 1623, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 1623, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAPTIVE INSURANCE," passed Third Reading by a vote of 45 ayes, with Representatives Halford, Moses, Okamura, Rath, Takamine and Yoshinaga being excused.

H.B. No. 1692, HD 1:

Representative Case moved that H.B. No. 1692, HD 1, pass Third Reading, seconded by Representative Yonamine.

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

"I congratulate my colleagues on their appreciation of the situation faced by travel agents. They have been squeezed from both ends over the past several years. The airlines have reduced commissions from 10 percent to 8 percent, as well as imposing a \$50 maximum on commissions. The State of Hawai'i then imposes a 4 percent GET on these already reduced commissions. And to make matters even worse for them, federal law prohibits them from passing to the customer the 4 percent GET on airline ticket commissions. The final indignity is that travel agents must compete with the airlines to sell tickets. When an airline sells a ticket to a customer, they do not charge the State GET since federal law prohibits taxation of airline tickets.

"This bill recognizes the plight of these small businessmen and women by reducing the 4-1/2 percent GET on commissions from airline tickets to the wholesale rate of 1/2 percent. The

GET is not reduced on other commission income received by travel agents. The GET on airline tickets which, in this bill, is currently blank percent was 1/2 percent in an earlier draft of the measure. At that rate, the tax would be 25 cents. Truly a penny ante tax.

"I think it should be zero percent. This would create a level playing field for both travel agents and airlines in selling airline tickets. I urge passage of this bill at zero percent. Thank you."

The motion was put to vote by the Chair and carried, and H.B. No. 1692, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 44 ayes to 1 no, with Representative Suzuki voting no, and Representatives Halford, Moses, Okamura, Rath, Takamine and Yoshinaga being excused.

H.B. No. 647, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 647, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES," passed Third Reading by a vote of 45 ayes, with Representatives Halford, Moses, Okamura, Rath, Takamine and Yoshinaga being excused.

H.B. No. 411, HD 1:

Representative Case moved that H.B. No. 411, HD 1, pass Third Reading, seconded by Representative Yonamine.

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

"Mr. Speaker, I rise in opposition because I am appalled that our State government continues to tinker with and regulate an already reeling private industry.

"This bill will financially cripple automobile dealers. There are already safeguards to protect consumers from buying 'lemon' vehicles. They are called warranties. Allowing someone to buy a car, initiate the registration process, and put up to a hundred miles on it will reduce its value. We all know who ends up paying in the end. And trust me, it's not just the automobile dealers. These folks will pass on the additional cost to consumers.

"This legislation opens a real Pandora's box of problems for automobile dealers when it comes to manufacturer's rebates and the shortened warranty periods for subsequent purchases of vehicles returned due to the rescinded contracts. Consumers need to know, when they sign on the dotted line for large purchases such as automobiles, that it is serious and binding. Let us keep in mind that this isn't like returning a shirt that didn't fit to a retail outlet. Once a vehicle has been let off the lot for three days and driven up to a hundred miles, it loses thousands of dollars in value.

"Mr. Speaker, this bill will not give an additional protection to consumers. The only thing House Bill 411, HD 1, does is increase the cost of doing business as well as the price tag on vehicles. If this bill were to pass, can rescissions on diamond rings be far behind? Thank you, Mr. Speaker."

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

"I think an important point needs to be clarified. I really believe that the previous speaker is expressing concerns or opposition in regards to the original language that was contained in this bill, and that was previously reviewed by the House Consumer Protection and Commerce Committee.

"The original language would have required automobile dealers to provide to consumers a three-day rescission right.

The Hawai'i Automobile Dealers' Association testified in strong opposition to that original language because they felt that such a mandate would cripple and place an undue burden on automobile dealers in the State of Hawai'i. In light of those concerns, your Chair asked the representative of HADA and the proponent of this bill, the Department of Commerce and Consumer Affairs, to work out an acceptable compromise language which we could then consider.

"The draft that is before you is the result of the dialogue that took place between the representatives of HADA and the Department of Commerce and Consumer Affairs, so that the bill that we are now voting on will not mandate a three-day rescission period but, rather, would just merely require that automobile dealers disclose to the consumer as to whether or not a three-day rescission right applies to the particular transaction.

"As such, in light of those clarifying remarks, I think that this bill is a pro-consumer bill which also balances the concerns of the automobile dealers. As such, I recommend that we pass it out of the House today. Thank you."

The motion was put to vote by the Chair and carried, and H.B. No. 411, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLES," passed Third Reading by a vote of 42 ayes to 2 noes, with Representatives Auwae and Meyer voting no, and Representatives Halford, Moses, Okamura, Rath, Takamine and Yoshinaga being excused.

H.B. No. 1276, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 1276, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," passed Third Reading by a vote of 45 ayes, with Representatives Halford, Moses, Okamura, Rath, Takamine and Yoshinaga being excused.

H.B. No. 1411, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 1411, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ACUPUNCTURE PRACTITIONERS," passed Third Reading by a vote of 45 ayes, with Representatives Halford, Moses, Okamura, Rath, Takamine and Yoshinaga being excused.

The Chair directed the Clerk to note that H.B. Nos. 648, 1623, 1692, 647, 411, 1276 and 1411 had passed Third Reading at 5:59 o'clock p.m.

H.B. No. 1072, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 1072, HD 1, entitled: "A BILL FOR AN ACT RELATING TO REVERSE MORTGAGES," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Yoshinaga being excused.

H.B. No. 107, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 107, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," passed Third Reading by a vote of 42 ayes to 6 noes, with Representatives Leong, Marumoto, Pendleton, Rath, Thielen and Whalen voting no, and Representatives Moses, Okamura and Yoshinaga being excused.

H.B. No. 1267, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 1267, HD 1,

entitled: "A BILL FOR AN ACT RELATING TO FORECLOSURES," passed Third Reading by a vote of 47 ayes to 1 no, with Representatives Thielen voting no, and Representatives Moses, Okamura and Yoshinaga being excused.

H.B. No. 1344, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 1344, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ATTORNEYS' FEES," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Yoshinaga being excused.

H.B. No. 336, HD 1:

Representative Case moved that H.B. No. 336, HD 1, pass Third Reading, seconded by Representative Yonamine.

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

"Mr. Speaker, the Committee on Agriculture recognizes the importance of microorganism in business and biotechnology research. Agriculture in Hawai'i is in the process of change and diversification. We are developing new crops and commodities. We recognize the fact that agricultural research and biotechnology are themselves new areas being developed. All of these ventures require the importation of new plant varieties for breeding and for microorganism, which are needed for research in plant transformation, disease and pest control, and other new technologies for agriculture.

"The whole area of microorganism is evolving rapidly, and so to adapt to these rapid changes, current State laws must be changed or somehow modified to give the research community the much needed flexibility to the importation and use of microorganism.

"House Bill 336, HD 1, would somehow or somewhat ease up the regulations in the importation and use of microorganism in the State for such purposes. However, we must also be aware of the danger that such importation and use of these microorganisms pose to the environment, animals, humans as well as the agricultural industry as a whole. We must exercise some balance in this area between improving the process of importation and use of microorganism to facilitate the development of biotechnology in Hawai'i while, at the same time, ensuring the safety of our unique and fragile environment.

"We have worked diligently in amending this bill, Mr. Speaker, to take into consideration the Department of Agriculture's concerns as well as those of the University of Hawai'i's biotechnology research experts. This bill would establish and define the lists of prohibited, restricted and approved animals, plants and microorganisms. It also provides for the procedures for dealing with each category and methods to be followed for importing microorganisms that are not included on any of these lists. And these types of microorganisms will not be allowed entry into the State without the Department of Agriculture's review.

"Although this bill may still need some work, I believe that it is a step in the right direction toward supporting Hawai'i's biotechnology research, education and business interests while, at the same time, preserving and safeguarding our environment. Therefore, I urge all members to support passage of this measure. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and H.B. No. 336, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PLANT AND NON-DOMESTIC ANIMAL QUARANTINE," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Yoshinaga being excused.

H.B. No. 945, HD 1:

Representative Case moved that H.B. No. 945, HD 1, pass Third Reading, seconded by Representative Yonamine.

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:

"Agriculture today is at an important crossroads as the only growth industry in Hawai'i to help lead us to economic recovery. I believe that every effort should be made to stimulate agricultural activities such as the expansion of commercial activities within agricultural park leases.

"Farmers that operate in many of Hawai'i's agricultural parks do not have the resources and skills to market their crops to the public. Furthermore, current law limits commercial activities within agricultural park complexes. Through the passage of House Bill No. 945, and with the assistance of the Department of Agriculture, farmers would be able to establish commercial operation by allowing them to process, market and display crops or produce in agricultural parks, including any product created through value-added processes. This activity would give added income to farmers whom, for most instances, have to find work elsewhere to supplement their income from farming.

"Mr. Speaker and colleagues, I believe that the Legislature and the Department of Agriculture must act as partners in taking a pro-active role in assisting farmers and promoting agricultural commercial activities in agricultural parks. The benefits derived from these activities would be tremendous to both farmers and the State. Therefore, I urge all of you to support passage of this measure.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and H.B. No. 945, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL PARKS," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Yoshinaga being excused.

H.B. No. 1529, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 1529, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ROBBERY," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Yoshinaga being excused.

The Chair directed the Clerk to note that H.B. Nos. 1072, 107, 1267, 1344, 336, 945 and 1529 had passed Third Reading at 6:03 o'clock p.m.

H.B. No. 67, HD 1:

Representative Case moved that H.B. No. 67, HD 1, pass Third Reading, seconded by Representative Yonamine.

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

"This was one of the bills in the Small Business Caucus. I want to thank the Chair of Judiciary for introducing the bill, and also for helping to get it to the floor today.

"This bill was strongly supported by the Chamber of Commerce, and this will go a long way to help the business climate here in Hawai'i. Thank you, Mr. Speaker."

Representative Pendleton then rose in strong 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 support for HB 67, HD1, found on Page 23 of the OD. This bill relates to limiting recovery for non-economic damages in tort actions and codifies a court rule relating to offers of judgement. I support this bill because it represents the best compromise between the interests of all parties involved. Both businesses and consumers will be provided added protection and a means of receiving equitable compensation for damages.

"A person victimized by the negligence or wrongful act of another must be equitably compensated for those injuries. However, the present system often leaves defendants with virtually limitless exposure in many of these cases. HB 67, HD1, represents an effort to implement reforms in Hawai'i's civil justice system that will benefit Hawai'i's business community as well as the public generally by discouraging frivolous claims and facilitating the fair and quick resolution of meritorious claims.

"Mr. Speaker, businesses will benefit from the reforms made possible by HB 67, HD1, because of its potential to reduce insurance premiums. One of the major costs of doing business in Hawai'i is the cost of insurance. Due to the openness of Hawai'i's existing tort laws, insurers are unable to quantify possible financial exposure for the insured, thus resulting in outrageous liability insurance premiums. Capping of both punitive and non-economic damages eliminates the primary cost driver for liability insurance premiums.

"I also support HB 67, HD1, because consumers are provided added protection and opportunities for compensation for injuries and related non-economic damages. I expressed reservations with the original draft of HB 67, HD1, because it seemed to limit the opportunities for fair redress. However, the amendments to this bill while leaving an (albeit increased) cap on damages, thereby offering a measure of protection for businesses, also leaves room for exceptions. Particularly in the cases of malicious or fraudulent intent to cause injury or a conscious and flagrant disregard for the rights and interests of others, consumers may sue for noneconomic damage awards in excess of the standard \$500,000 cap. This is particularly appropriate with respect to those injured victims who have sustained very serious injuries due to no negligence on their part. I'm thinking of quadriplegics and the like.

"I support fair and equitable tort reform which seeks to strike a balance between preventing frivolous lawsuits, on the one hand, and permitting full and fair recovery by victims of money damages for their injuries, which injuries were inflicted by others who were negligent.

"I am a Republican. And so I strongly support business big and small. I'm also an attorney who has represented in the past those who were victims of tortfeasors, as they say in tort law. That is to say, I have represented plaintiffs in civil cases. We need to mend, not end, the civil justice system. We need our courts to be available even to the poor who may need to be compensated by drunk drivers, malpractice of professionals, or the like. I think this bill is an honest attempt to strike the right balance.

"I commend the Chair of Judiciary for his commitment to finding a balance. It's a privilege to work with him on this issue and many others.

"Mr. Speaker, in closing, I lend my voice to the host of others in support of HB 67, HD1; businesses both large and small, and private citizens. I support HB 67, HD1, because, to sum up, it decreases unpredictable outcomes in litigation,

clarifies standards of assessing liability and damages, deters frivolous claims, and promotes settlement.

"Together all of these elements will serve to improve businesses, protect consumers, and contribute to our efforts to grow Hawai'i's economy. I am glad to see that NFIB and the Chamber of Commerce of Hawai'i supported this effort. I have, in voting for this bill, not only lived up to a campaign promise, but have voted consistently with my conscience in finding the right balance between competing concerns.

"Thank you, Mr. Speaker, for the opportunity to speak in support of this measure regarding the reform of our tort system."

The motion was put to vote by the Chair and carried, and H.B. No. 67, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL JUSTICE REFORM," passed Third Reading by a vote of 45 ayes, with Representatives Chang, Moses, Okamura, Santiago, Schatz and Yoshinaga being excused.

H.B. No. 1004, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 1004, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOMICIDE," passed Third Reading by a vote of 45 ayes, with Representatives Chang, Moses, Okamura, Santiago, Schatz and Yoshinaga being excused.

H.B. No. 1007:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 1007, entitled: "A BILL FOR AN ACT RELATING TO FIREARMS," passed Third Reading by a vote of 45 ayes, with Representatives Chang, Moses, Okamura, Santiago, Schatz and Yoshinaga being excused.

H.B. No. 1471, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 1471, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," passed Third Reading by a vote of 45 ayes, with Representatives Chang, Moses, Okamura, Santiago, Schatz and Yoshinaga being excused.

H.B. No. 1501, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 1501, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WIRETAPPING AND ELECTRONIC SURVEILLANCE," passed Third Reading by a vote of 45 ayes, with Representatives Chang, Moses, Okamura, Santiago, Schatz and Yoshinaga being excused.

H.B. No. 664, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 664, HD 1, entitled: "A BILL FOR AN ACT RELATING TO REQUIRED RESERVES FOR A DEPOSITORY FINANCIAL SERVICES LOAN COMPANY," passed Third Reading by a vote of 45 ayes, with Representatives Chang, Moses, Okamura, Santiago, Schatz and Yoshinaga being excused.

H.B. No. 1296, HD 1:

Representative Case moved that H.B. No. 1296, HD 1, pass Third Reading, seconded by Representative Yonamine.

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

"This bill deals with the Kaneohe Bay Master Plan. As you know, I represent Kahaluu and I live on Kaneohe Bay. As originally introduced this bill would have changed the Master Plan, and that was a concern of mine. And for that, I am very thankful to the Chairman of the Ocean Recreation and Marine Resources Committee because that was taken out.

"The bill makes some changes that I think are positive, and I hope that there will be room for small changes along the way. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and H.B. No. 1296, HD 1, entitled: "A BILL FOR AN ACT RELATING TO KANEOHE BAY," passed Third Reading by a vote of 45 ayes, with Representatives Chang, Moses, Okamura, Santiago, Schatz and Yoshinaga being excused.

The Chair directed the Clerk to note that H.B. Nos. 67, 1004, 1007, 1471, 1501, 664 and 1296 had passed Third Reading at 6:07 o'clock p.m.

H.B. No. 658, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 658, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Yoshinaga being excused.

H.B. No. 1622, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 1622, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INTOXICATING LIQUOR," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Yoshinaga being excused.

H.B. No. 185, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 185, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Yoshinaga being excused.

H.B. No. 199, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 199, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE OLD KAIMUKI PUBLIC LIBRARY," passed Third Reading by a vote of 46 ayes to 2 noes, with Representatives Ahu Isa and Kawakami voting no, and Representatives Moses, Okamura and Yoshinaga being excused.

H.B. No. 1683, HD 2:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 1683, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HIGH TECHNOLOGY," passed Third Reading by a vote of 48 ayes, with Representatives Moses, Okamura and Yoshinaga being excused.

H.B. No. 1040, HD 1:

Representative Case moved that H.B. No. 1040, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Thielen rose and stated:

"In the interest of time, I would like to have my remarks opposing House Bills 1040 and 1039 inserted into the Journal," and the Chair "so ordered."

"Mr. Speaker, these two bills combined establish the 'rainy day fund', but it really creates a light drizzle on the taxpayers, and I don't support the bills.

"Thank you, Mr. Speaker."

Representative Thielen's remarks are as follows:

"This bill attempts to place some limitation on the expenditures that can be made from the Emergency and Budget Reserve Fund, but it does not go far enough. Yes, the bill does keep the Legislature from raising State salaries with emergency fund money, and there is a need for 3/4 approval of the Legislature to approve expenditures, but that's about it.

"If this is indeed an emergency fund, as the bill title states, then the moneys should be used to pay for emergencies. In part the bill does that, authorizing expenditures to be made to pay the costs of natural disasters, or emergencies declared by the Governor, but what about the rest? What about maintaining the funding levels of programs determined to be essential to health, safety, and welfare? Is this really an emergency?"

"We've had to make cuts in the funding levels of these programs over the last several years, but this painful process does not really constitute an emergency. I see few department heads coming forward to claim that their programs are somehow non-essential, so this provision alone opens the door wide for an emergency fund spending spree. Other provisions in the bill opens that door even wider -- authorizing expenditures in a recession, and authorizing payments of State debts or capital improvements when interest rates are unfavorable. These so-called restrictions are so wide in scope that there would be little real limitation on the expenditures of this emergency fund. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and H.B. No. 1040, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AN EMERGENCY AND BUDGET RESERVE FUND," passed Third Reading by a vote of 36 ayes to 12 noes, with Representatives Arakaki, Auwae, Fox, Halford, Leong, Marumoto, McDermott, Meyer, Pendleton, Rath, Thielen and Whalen voting no, and Representatives Moses, Okamura and Yoshinaga being excused.

H.B. No. 1039, HD 1:

Representative Case moved that H.B. No. 1039, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Thielen rose in opposition to the measure and asked that her comments be inserted into the Journal, and the Chair "so ordered."

Representative Thielen's remarks are as follows:

"This bill contains language talking about 'excess revenues' and 'financial reserves' and 'surpluses', but what is this really? The existence of a general fund surplus in excess of the 5 percent means that the government is charging too much in taxes for the services that it provides. All programs are fully funded, and there is still taxpayer money left over. It's not a surplus - it's an overcharge of the taxpayer.

"When you get overcharged at the cash register, you can go and get reimbursed. Under current law, the Legislature reimburses at least some of the money back to the taxpayer. But under the provisions of this bill, half of the overcharge gets diverted into a special fund, waiting to be expended another day, leaving only half a reimbursement for the taxpayer.

"Over the last several years, the downturn in State revenues has forced this Legislature to take a hard look at our expenditures, and make cuts where possible. Although this process has been painful it has had one beneficial effect -- it brings accountability to State finances. By having to search every program for waste or inefficiency in order to balance the budget, we insure that State programs are properly using scarce State resources. By funding an emergency reserve fund, we will lose this important mechanism that insures we are spending taxpayer dollars wisely.

"By charging extra today in the good times to keep funding the State programs in the bad times, we only insulate these State programs from stringent fiscal accountability, allowing momentum budgets to inexorably keep increasing the size of government. Our constituents are already concerned that the State charges too much in taxes for the services it provides. Let's not make matters worse by denying them the return of their overcharge, the return of their hard earned tax dollars. We don't need another special fund to hide money in, we need to give the money back to its rightful owners - the taxpayers of this State. Thank you, Mr. Speaker."

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

"I am in strong opposition to this measure, Mr. Speaker. This bill points out the difference in our respective philosophies. It demonstrates to whom we believe tax money belongs. Those on this side of the aisle remain cognizant that tax money comes from the people and any excess should be returned to the people.

"This amendment, if ratified, would cut in half the amount of money that could be returned to our taxpayers. This Legislature and preceding ones have been most prudent in determining the amount of excess funds to return. Most times the amount has been a mere one dollar, but once it was over a hundred dollars. There may come the day when we need to return much more, so why make this change in our State Constitution?"

"To form a stabilization fund is not a good reason. Though it sounds like a good idea, every dollar in the general fund, or every dollar in special funds over which the Legislature has jurisdiction, should be spent with the same regard that the proposed stabilization fund calls for.

"We must remember that this country came into being because of excessive taxation. King George of England was far too greedy and overtaxed the colonists. With that in mind, we should keep the capability to return as much excess revenues to the people who have worked so hard to earn it. Thank you."

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

"The original provision in the State Constitution ensures that people are reminded of just how much money the State is sitting on. Thus, it strengthens the accountability relationship between taxpayers and lawmakers, and this should not be changed.

"The Tax Review Commission noted in their recommendations that one of the reasons policymakers used to deflect in past attempts to reduce the overall level of taxes in Hawai'i. . . one of the reasons in the arguments about reducing taxes was that, with the high level of taxes that existed, you created generous revenues that produced and provided a cushion against economic downturns. The Tax Review Commission also noted that retaining the cushion can also lead to misallocation of resources between public and private sectors. That is, in fact, a large factor in our current economic situation. All but six states have 'rainy day' funds. However, most of the rest of the country is not in an economic slump.

"House Bill 1039 proposes a constitutional amendment requiring the Legislature to give back half of the excise general fund revenues as a tax refund and deposit the other half in a 'rainy day' fund. But if you read the bill carefully, you will see that it really doesn't require anything. It says 'the Legislature may give back half of the excess revenues to the taxpayers. May, if the 3/4 super majority called for in the bill doesn't vote to appropriate most of the funds for the purpose of providing a temporary supplemental source of funding during times of emergency, economic downturn, or unforeseen reduction in revenues. We must move towards more accountability, not less; fewer taxes, not more. Thank you, Mr. Speaker."

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

"I think we're suffering under an illusion here that somehow we're trying to hide money or, you know, keep it from the public's eye. But this bill has nothing to do with that. I think the public and we all very knew how much money we had when there was a surplus. In fact, that was the problem because it had to be spent, maybe people felt urged, compelled to spend it. And now, when we really need it, it's not there. So this isn't about money being hidden.

"This is a way that we can prepare for the very difficult times that inevitably happen when you look in an economic forecast spread out over fifty years. Inevitably, there are ups and downs, and this is a very sensible and logical way to keep our government and our economy running smoothly. Thank you."

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

"Mr. Speaker, this is a devious bill, and it took a lot of work for us to uncover where the deviousness is. Most of the efforts seem to be going in the setting up of a 'rainy day' fund. The bill does provide the constitutional amendment that's being offered to people. It does provide that 50 percent of the money over 5 percent will go into a 'rainy day' fund and the balance, the other 50 percent, will be available to be returned to the taxpayers.

"But this bill also repeals the provision that was put in the Constitution by the 1978 Constitutional Convention requiring that money be returned to the people. In the part of the Constitution that we're repealing, the word is 'shall'. In the substitute language that we're putting in through this constitutional amendment, the word 'shall' changes to 'may'.

"That's an extremely significant change and one that has received very little attention. It means that the people no longer can count on the money coming back to them. We have to be much more forthright about what we're doing in these measures than the discussion of this bill has provided so far. Thank you, Mr. Speaker."

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

"Mr. Speaker, I guess we've heard the level of partisanship maybe lies a little bit with the discussion on this measure. I've heard a lot of rhetoric. I've heard talk about being more forthright, I've heard talk about how one side of the aisle perhaps feel it has not forgotten that it's the taxpayers' money. I don't think there's any difference which side of the aisle you are on. I think the Majority does feel that it's a heavy responsibility, the position that we're in, trying to serve to the best of our ability. I think there's a clear commitment on this side of the aisle also.

"I would like to talk about the bill a little bit, Mr. Speaker. When you look at the constitutional amendment itself, basically it does provide for a 'rainy day' fund. And it does provide that once the constitutional 'trigger' is set, then half of the funds does go into the general fund and the other half into the 'rainy

day' fund. It also provides that you have a super majority requirement -- the 3/4 vote of both houses -- before any of those funds can be spent.

"The point of dispute clearly seems to be whether or not the Legislature would be mandated to return all of the funds or whether it would be discretionary. And therein, I think, lies the difference that maybe a lot has been made regarding what is contained in the bill.

"The bill, in its current form, the constitutional amendment using the word 'may' does allow discretion to the Legislature. That discretion can become very critical. One example is, the last time it was triggered was in 1995. That means that during a time when we were basically in a recession, when there were real limitations, in terms of financial resources being available, the trigger in the Constitution would have then required the funds to be returned to the taxpayers. I think the importance of the discretionary latitude that the Legislature would have is so clearly demonstrated or illustrated this year.

"This year, Mr. Speaker, in fashioning the budget, and both sides of the aisle have been participating in that process, it was a great challenge because things are so tight. As mentioned in earlier discussions, because of the personal income tax and the impact that it has on the revenue side of the picture because of structural changes we've put into place earlier, given the current state of the economy, given the decrease in revenues that have occurred, it is not easy to maintain core services, especially essential services -- areas like education, like health care, basic health care. You know, these are all core functions of government and for us to lock ourselves in so that when times are very tight, we would not have that discretion, it would mean that we could not provide in those areas because we would have mandated ourselves to return the funds. This is not to say that it's bad to return the funds.

"All I'm trying to point out is that, again, depending on the circumstances where you have a situation where the financial resources are very limited, like the current situation, it does tie the hands of the Legislature. And it seems as though if the Legislature had some flexibility, it could then determine whether the best use of those funds was to return it to the taxpayers or that there were more urgent priorities that needed to be dealt with and could be done so only with the use of those funds. Thank you very much, Mr. Speaker."

The motion was put to vote by the Chair and carried, and H.B. No. 1039, HD 1, entitled: "A BILL FOR AN ACT PROPOSING AMENDMENT OF ARTICLE VII OF THE HAWAII CONSTITUTION TO ESTABLISH AN EMERGENCY AND BUDGET RESERVE FUND," passed Third Reading by a vote of 36 ayes to 12 noes, with Representatives Arakaki, Auwae, Fox, Halford, Leong, Marumoto, McDermott, Meyer, Pendleton, Rath, Thielen and Whalen voting no, and Representatives Moses, Okamura and Yoshinaga being excused.

The Chair directed the Clerk to note that H.B. Nos. 658, 1622, 185, 199, 1683, 1040 and 1039 had passed Third Reading at 6:21 o'clock p.m.

H.B. No. 1682, HD 1:

Representative Case moved that H.B. No. 1682, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Pendleton rose to speak in opposition to the bill, stating:

"My opposition is based on the fact that I think, from looking at the bill, I think one could reasonably conclude that the purpose may be to eventually tax nonprofits, or at least to make such taxation more easy in the future. For that reason, I'm casting a no vote."

Representative Rath then rose to register a no vote "for the same reasons as the previous speaker," and the Chair "so ordered."

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

The motion was put to vote by the Chair and carried, and H.B. No. 1682, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INCOME TAX," passed Third Reading by a vote of 37 ayes to 11 noes, with Representatives Ahu Isa, Auwae, Fox, Halford, McDermott, Pendleton, Rath, Stegmaier, Suzuki, Thielen and Whalen voting no, and Representatives Moses, Okamura and Yoshinaga being excused.

H.B. No. 1055, HD 1:

Representative Case moved that H.B. No. 1055, HD 1, pass Third Reading, seconded by Representative Yonamine.

Representative Rath rose to cast a no vote, saying:

"Mr. Speaker, this is a tax increase that is nothing more than a property tax. And even if the money is going to the counties, I think it's improper. We want to reduce taxes, not increase it. And I'll limit my comments to that, Mr. Speaker. Thank you."

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

"To keep a pledge I made to my constituents, I will never ever vote for a tax increase. Let me tell you, it feels good. Thank you."

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

"Originally, as this House Bill was introduced, it would have split the ad valorem tax or the proceeds from the ad valorem tax to the counties, the State, and to the highway fund. And I said to my colleagues that I would support this vehicle or this bill if all the monies went directly into the highway fund.

"Although this bill is an empowering bill, it empowers the counties to decide whether or not they would like to have this ad valorem tax. It doesn't look like any of this tax is going into, or as a result of this bill, will be going specifically to highway improvements at the county level or at the State level. Therefore, I do have some strong concerns. Thank you."

Representative Leong then rose to cast her no vote, and the Chair "so ordered."

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

"Most states are abandoning this type of property tax on vehicles because the administration and appeals costs ultimately reduce revenues. Let's say one car over \$50,000 in Blue Book value has chronic mechanical problems or extremely high mileage, its value will be for appeal. Ultimately, administering the tax will cause more problems than the tax is worth. This may be even more true on a small island like Kauai, but it may not be a major factor on the island of Oahu where we have over a half million cars.

"Moreover, auto dealers have testified that this measure will hurt their already struggling businesses. In other testimony, people who rely exclusively on their vehicles for business have said the same. Tax experts have testified that this bill will distort both the used and new car markets and damage these businesses and that imposing a flat registration fee based on vehicle weight makes much more sense. You can dispute vehicle values but you can't dispute the weight of vehicles.

"Funding for the counties should come from the sources they have now, from the TAT and property taxes. Let's send a message that reducing the TAT to counties and burdening people with more taxes is not the way to balance the books.

"Mr. Speaker and colleagues, this tax is a 'lemon.' Don't drive it off the lot. Thank you."

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

"Our counties have been asking for more funds to operate, and they have been strapped for cash as property values statewide has declined. With property taxes being their sole primary source of income, the counties have had little flexibility in tapping into new sources of revenue.

"Mr. Speaker, this bill just gives the counties that option to render flexibility. And based on the value of the vehicle, the counties may impose, I say may impose, a tax of one percent. This means that any particular county can establish a smaller tax rate, or it can decide to impose none at all and remain with the status quo. This is an option. Thank you, Mr. Speaker."

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

"In so doing, I would ask that the previous speaker's remarks be entered into the Journal as if they were my own," and the Chair "so ordered." (By reference only.)

"Thank you, Mr. Speaker.

"I would like to add to that, Mr. Speaker, that while we've heard the characterizations of this being a tax increase, I think, as the previous speaker noted, this is an option. I think it was the Minority Floor Leader that indicated what we have is what is before us. No matter what the rhetoric, no matter what the allegation, I think if we read the committee report, on page 1 of the committee report, it says: 'Your Committee has amended the bill...' because certainly in the original measure of the bill, it came from the Administration -- it was a tax increase. If you will look at the committee report, it says it has amended the bill by 'authorizing, rather than mandating, the counties to impose the county vehicle ad valorem tax.'

"Now, this is corroborated by looking at the bill itself, because if we look to House Bill 1055, HD 1, on line 5 of the first page, it says: '...each county may impose...' 'May' refers to that option.

"Finally, Mr. Speaker, if you look to page 2, line 22 '(g) Each county may adopt ordinances as may be necessary to implement this section. In other words, the County Council would have to take action before any of this is implemented. In the process, each county would have had to have a public hearing so that their constituency would be able to come and testify and provide their input, and then the County Council could decide on its own, given all of the circumstances, whether it was appropriate or not.

"Mr. Speaker, I've heard home rule mentioned a lot. And it seems as though what this vehicle does is it honors home rule. But what I wanted to add to that, Mr. Speaker, is that at the beginning of session the Mayors of all four counties came to the Finance Committee and indicated their needs, and indicated, as they've done in the past, that they were looking for assistance. They were looking for partnership. They made the point, Mr. Speaker, that whether you're a state government or a county government, the constituency -- the people you serve -- is the same. And, therefore, it made sense to work in partnership to try to attend and meet those needs.

"Basically, Mr. Speaker, your Committee on Finance has been working collectively to try to address that concern and has developed, hopefully, what is a package of assistance, including

some CIP funding resources. I would note that because of the Employees' Retirement System and the savings that has resulted from the return on investments, that financial assistance also will be made, and in most instances has already been made available to the county. In addition, Mr. Speaker, this vehicle was part of that attempt to provide assistance, not mandating, not determining for the counties, but providing them with a tool, providing them with an option so that if they so chose, they could then take the necessary steps to implement this.

"Thank you very much, Mr. Speaker."

Representative McDermott then rose and stated:

"I don't know where to begin. First, I would admit that I did not have the expertise in Finance as the previous two speakers have. But it is clearly evident to me, as a resident of Oahu, that over the last several years we in the State government, over the last two years since I have been here, have balanced the budget partly on the backs of the City and County of Honolulu. And I hear this talk about tight fiscal times, but you know, just in October we had a \$150 million surplus, Mr. Speaker. So I don't know where these tight fiscal times are coming from because we had a \$150 million surplus. It must have evaporated.

"But if this county vehicle ad valorem tax -- that's what it says: 'County Vehicle Ad Valorem Tax'. If it walks like a duck, if it talks a duck, and it quacks like a duck, it must be a duck. And I suspect that if this goes to the counties and they pass it, your constituents, my constituents, they will hold us responsible. So I could review this also as a term on this bill, because if you vote for it, you're going to limit your term, and I'm against it."

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

"Mr. Speaker, I speak against this bill as a former Chairman of the Finance Committee for the Hawai'i County Council.

"What we do is we play a 'money shell' game with taxes. What the counties really should have is they should have funding that they can count on from the State, if that's the way we're going to do it. And that should be something that they don't have to come to the Legislature and beg every time they need money. Every time we are going to do the budget, they have to come here hat in hand and beg. And we take the TAT away, we threaten to do it here in the House, and now what we're doing is we're looking at them and we're saying, okay, we're going to cut your funds and we're going to let you tax your citizens.

"All you're doing is shifting the tax burden of the implementor to that from us to the Council members. You're just saying, okay, we're going to take your money but we're going to allow you to tax people with a brand new tax, so you take the political heat. You put a \$200 a year. . ."

At this point, Representative Say rose on a point of order and stated:

"My point this evening is to Representative Rath. Was he here at the 1978 Constitutional Convention when they wanted the request that rates and the appraisal process to be a part of the counties' decision?"

"The point I am raising to you this evening is this: the counties requested that and the Constitutional Convention of 1978 gave them that. Now they are afraid to raise the rate. . ."

Representative Souki then rose and asked for a recess, and at 6:35 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 6:36 o'clock p.m., Representative Rath rose and stated:

"Mr. Speaker, the hour being late, I'll curtail my comments at that. Thank you."

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

Representative Lee then rose and asked the Clerk to note an aye with reservations for her, and requested that her written comments be inserted into the Journal, and the Chair "so ordered."

"This bill authorizes the counties to impose a motor vehicles tax based on the value of the vehicle, with one percent of the vehicle's value set as the ceiling, and setting the tax ceiling at one-half percent for vehicles valued at \$50,000 or less.

"Letters and calls about this bill have already begun to come in from my constituents, who are concerned that this tax will hit our community harder than others since many families need to have more than one car to get to work.

"This tax is part of a package proposed by the City and County of Honolulu to address their declining fiscal situation, brought about in part by the failure of the City to address the effects of falling property values on revenues.

"This would be a tax that would be administratively difficult to collect, and not be an answer to the City's basic problem.

"I would however, be in favor of allowing the city to impose a tax on the sale of fireworks. The problem we have with fireworks is simply that they are too cheap. A tax on fireworks would put some control on their sale and allow the city to pay the overtime costs of the policemen and firemen during the New Year Holiday."

The motion was put to vote by the Chair and carried, and H.B. No. 1055, HD 1, entitled: "A BILL FOR AN ACT RELATING TO VEHICLE TAXES," passed Third Reading by a vote of 29 ayes to 19 noes, with Representatives Ahu Isa, Auwae, Fox, Halford, Hiraki, Kahikina, Kaho'ohalahala, Leong, Marumoto, McDermott, Meyer, Morihara, Pendleton, Rath, Stegmaier, Takai, Takumi, Thielen and Whalen voting no, and Representatives Moses, Okamura and Yoshinaga being excused.

H.B. No. 1056, HD 1:

Representative Case moved that H.B. No. 1056, HD 1, pass Third Reading, seconded by Representative Yonamine.

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

"This is the bill that raises the rental car fee by fifty percent, from two dollars to three dollars. This is a vehicle surcharge tax. It's a tax increase. We may be under the impression that it's something we can foist off on the tourists. This is not good thinking because this is the third measure today aimed at rental cars. We've got a triple threat here against people who rent cars. This is number three, a hidden charge that they get hit with. Hustling extra insurance is one of the three, and I think it's a bad way to go in dealing with the tourists.

"But let's remember in all of these things dealing with rental cars, and it's really my reason for standing up, that twenty-five percent of the people who rent cars in the State of Hawai'i are residents. So it's a tax increase on residents, too.

"Thank you, Mr. Speaker."

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

"First of all, I want to say that I understand the Finance Committee needing to raise the revenue, and the Governor's Office needing to raise the revenue amounting to \$23 million, and to provide it into the General Fund. However, my disagreement is that you're taking money away from the Highway Fund, and my reservations is, how will this money that you're taking away from the Highway Fund. . .

At 6:38 o'clock p.m., Representative Takamine asked for a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 6:39 o'clock p.m.

Representative Souki rose and stated:

"Mr. Speaker, I must apologize that I was wrong, and the bill before me does not state that it goes back into the highway fund. It has been brought to my attention that the dollars will go to the highway fund. My apologies to the Chairman and to the Finance Committee and to the members here.

"Thank you very much."

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

"That's a mistake that could happen to anyone, believe you me.

"My opposition is focused on the philosophy of this tax in the first place. The reason why we created this tax was because the tourists were coming in, they were using our roadways, the resurfacing of these, and the wear and tear, et cetera, but they weren't paying the taxes that residents pay -- okay? So we added this surcharge on the cars, a per day charge, so that they would pay their fair share of the road maintenance, construction, et cetera.

"I don't know what it works out to, but I'm sure the residents of Hawai'i do not pay three dollars a day in car registration fees. Mine is around \$80, \$90, a hundred bucks or so. If it was three bucks a day, it would be upwards of \$900, and I know my registration fees aren't that high.

"It is my understanding as well that at least a part of the funds go into the general fund. I might be wrong, but the way that we keep raiding different funds, I view this more as an effort to raise funds versus a need to have the tourists pay more of a fair share for the construction and road maintenance.

"For those reasons, I can't support it, Mr. Speaker."

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

"This bill got better through the process. When it first started out, the proposal would have swiped some money from the highway fund and would have put it into the State's general fund. This bill does not do that.

"This bill and the increase in the tax goes directly into the highway fund, and I think this is a very good bill to deal with the concerns that we have with the highway fund. As you know, for a number of years that Highway Fund has been overtaxed, and in order to raise the level of funding in that Highway Fund, we're going to have to look at other stuff, and this is one vehicle that will address the shortcomings of that Highway Fund.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and H.B. No. 1056, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE RENTAL MOTOR VEHICLE AND TOUR VEHICLE SURCHARGE TAX," passed Third Reading by a vote of 34 ayes to 14 noes, with Representatives Ahu Isa, Auwae, Fox, Halford, Leong, Marumoto, McDermott, Meyer, Pendleton, Rath, Stegmaier, Thielen, Whalen and Yamane voting no, and Representatives Moses, Okamura and Yoshinaga being excused.

The Chair directed the Clerk to note that H.B. Nos. 1682, 1055 and 1056 had passed Third Reading at 6:44 o'clock p.m.

H.B. No. 247, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 247, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TELECOMMUNICATIONS," passed Third Reading, notwithstanding the recommendation in Stand. Com. Rep. No. 707, by a vote of 46 ayes to 2 noes, with Representatives Ahu Isa and Morita voting no, and Representatives Moses, Okamura and Yoshinaga being excused.

The Chair directed the Clerk to note that H.B. No. 247 had passed Third Reading at 6:45 o'clock p.m.

H.B. No. 367, HD 1:

On motion by Representative Case, seconded by Representative Yonamine and carried, H.B. No. 367, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WATER CONSERVATION," passed Third Reading, notwithstanding the recommendation in Stand. Com. Rep. No. 408, by a vote of 48 ayes, with Representatives Moses, Okamura and Yoshinaga being excused.

The Chair directed the Clerk to note that H.B. No. 367 had passed Third Reading at 6:45 o'clock p.m.

H.B. No. 645:

Representative Case moved that H.B. No. 645, notwithstanding the recommendation in Stand. Com. Rep. No. 649, pass Third Reading, seconded by Representative Yonamine.

Representative Meyer then rose in support of the measure and asked that her comments be inserted into the Journal, and the Chair "so ordered."

Representative Meyer's remarks are as follows:

"The United States of America and the State of Hawai'i in turn owe their existence to brave men and women who fought in World War II. In the past, Filipino Veterans of World War II have received second class treatment by the United State's government, despite the fact that they fought shoulder to shoulder and shed the same blood as did the 'nationally recognized' veterans. I feel it is high time that we owe these true American veterans a debt of gratitude and we should afford them and their families the utmost respect. At no time is this respect more important than when a veteran is laid to rest.

"House Bill 645 would expedite the time frame and payment of burial financial assistance to a deceased Filipino Veteran's family. This bill is aimed at eliminating red tape and thus long waiting periods and the deterrence of the intervention of third parties. Ultimately H.B. 645 would help families pay a dignified and trouble free final tribute to their loved ones. In turn our support of this bill will indicate that we recognize the sincere patriotism and the ultimate sacrifice WWII Filipino veterans made for us."

Representative Cachola then rose in strong support of the bill, stating:

"This bill will help reduce financial hardship for families or friends of deceased World War II Filipino veterans. For the information of this body, World War II Filipino veterans fiercely fought for freedom and democracy alongside U.S. troops. In recognition of their sacrifices, in 1997 the Legislature approved a burial assistance to be administered by the Office of Veterans Services.

"However, Mr. Speaker, some of the veterans' families and friends are still faced with hardship in qualifying for this burial assistance. Let me elaborate. Under current practice, the bereaved families or friends of these veterans must pay all burial and funeral expenses up front, then apply and wait for reimbursement. Unfortunately, many families and friends do not have the financial means to pay for these costs in advance, and thus are forced to seek loans with interest rate as high as 15 percent or 30 percent from loan sharks. Unfortunately, until the funds are raised, the bodies of some deceased veterans have 'sat on ice' and opened for weeks.

"House Bill 645 will offer another option in the burial assistance program and its application process. This bill will allow the bereaved families or friends to request the State to pay the mortuary or servicing companies directly after being presented with documents, such as a contract for services or an itemized, unpaid invoice. This bill will ensure that World War II Filipino veterans don't have to wait to receive an honorable and proper burial that they do deserve.

"For these reasons, Mr. Speaker, I urge all members to vote in support of this bill. Thank you."

Representative Abinsay then rose in strong 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:

"My involvement in the plight of the Filipino American veterans of World War II goes back many years since they started arriving in Hawai'i after given the opportunity to become citizens of the United States. These veterans, ranging from the ages of 60 years old and over, arrived here alone with no place to live and have nothing to support even for their basic needs. Those with families already living in Hawai'i got help, but those without have to rely on donations and contributions from friends.

"Mr. Speaker and colleagues, there is pending in the U.S. Congress a Veterans Equity Bill which would give back benefits promised to the Filipino American veterans of World War II, which were subsequently taken away from them after the war ended. This bill, to quote the words of U.S. Congressman Bob Filner, 'will correct a monumental injustice by restoring the benefits that were promised to the Filipino World War II veterans for their defense of democratic ideals.' These were words spoken by the Congressman from California in the U.S. Congress as he delivered and paid tribute to a veteran who died in Washington, D.C. while attending a rally in support of this measure. What happened to Mr. Rizal Agbayani in Washington, D.C. brought this issue to the attention of U.S. Congressmen in Washington and to many of us here at home. We are hopeful for a positive outcome on the Equity Bill in Washington.

"In the meantime, because of the lack of resources, the death of one veteran could mean undue hardships to families and friends where, in most cases, have had to advance monies to cover for burial expenses or the costs of transporting the remains back to the Philippines where they wished to be buried.

"House Bill 645 would address this issue by requiring that the State make direct payments to the funeral home for burial services. This would alleviate the burden placed on families by not having to pay up-front expenses associated with funeral and

burial services of a veteran. On behalf of the veterans, I urge your support in passing this measure for Third Reading.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and H.B. No. 645, entitled: "A BILL FOR AN ACT RELATING TO VETERANS RIGHTS AND BENEFITS," passed Third Reading, notwithstanding the recommendation in Stand. Com. Rep. No. 649, by a vote of 48 ayes, with Representatives Moses, Okamura and Yoshinaga being excused.

The Chair directed the Clerk to note that H.B. No. 645 had passed Third Reading at 6:49 o'clock p.m.

H.B. No. 1028, HD 1:

Representative Case moved that H.B. No. 1028, HD 1, notwithstanding the recommendation in Stand. Com. Rep. No. 505, pass Third Reading, seconded by Representative Yonamine.

Representative Fox rose to speak in favor of the bill with some serious reservations, stating:

"There's some real concern about the use of the land at Aloha Tower Marketplace for an extended parking lot and what it may do to the essentially historic trees that are on the site. And I would like to see some real attention paid to that subject and make sure that most of those trees are protected and saved. Thank you."

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

"I will support this bill with some reservations. I have some concerns and it still needs to be answered, as far as the wishes of the people that actually own the land and their granting it as a park land to the State earlier.

"Thank you, Mr. Speaker."

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

"I have some concerns about this as well. In the bill, it says the 'redeveloped Irwin Memorial Park will be converted to at grade and above grade level public open space. No foundations for the park, or parking structure shall exceed 15 feet in height.' Fifteen feet is as high as a two-story house.

"Randall Fujimoto, a landscape architect, faxed some information on this and his comment was 'above grade parking structure, even one story, will negatively impact one of the last open green spaces in downtown, as well as destroy the visual relationship at the Aloha Tower area waterfront to downtown.'

"Irwin Memorial Park is one of only two areas in the downtown area that has a stand of large, mature specimen trees, and his concern is: no matter how you do it, when you start to pull those trees up, try to replant them, many of them will be decimated. And so that's a real concern.

"Thank you, Mr. Speaker."

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

"Initially what had happened is, when the Irwin heirs turned this property over to the State, it was dedicated as a park area. If you look at the Irwin Park where it is located right now, it's not really a park at all. And what the Aloha Tower Development Corporation is trying to do is trying to follow through on that original intent and convert this area into a park that is beautiful, that is usable by the downtown residents also, as well as people who are coming in to use the Aloha Tower

facilities. If you have been to the Aloha Tower facilities at all, I think one of the criticisms is the lack of parking areas.

"What the Aloha Tower Development Corporation is trying to do with this measure is to do two things, which is also not only to fulfill the trust or the original intent when the property was turned over to the State, but at the same time also providing an underground parking structure underneath the park area to develop this into a beautiful park area.

"I would be in support of it, and I urge my colleagues to vote in favor of this bill. Thank you."

Representative Herkes rose in support of the bill, stating:

"The previous speaker has done a good job of explaining this bill. I rise in support.

"This bill addresses the parking and the public recreational problem that exist at Aloha Tower. I don't know how many of you have recently walked through Irwin Park. I have, and I have looked at the memorial that is there to honor the Irwin family.

"Mr. Speaker, neither the parking nor the park nor the memorial are proper or adequate. The conditions that existed when the park was first conceived are very different than what exist now.

"Mr. Speaker, the Chair of the Transportation Committee and I gave very serious consideration to the current needs of the area and had passed out this bill that we feel provides needed parking while protecting and greatly improving the park and the memorial, and we limited the height that could be achieved for the park. And if you will also note, the effective date of the Act is sometime in the future which gives us the rest of the session to address the concerns of the true heirs of the property. Thank you."

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

"I noticed that this project will have some parking which is below grade. As I recall, the present Aloha Tower Marketplace Development was supposed to have underground parking, but that turned out to be an impossibility when they realized that they would be building right close to the ocean, and it would be very expensive and difficult to build a below grade parking structure. I think the Irwin Park is just adjacent to the Marketplace, and I think they would have the same problems building underground that the Marketplace had, so I really have concerns about this project and, hopefully, they will be addressed. There could be some resolution, but at present I really have these concerns. Thank you very much for allowing me to express them."

Representative Lee then rose and asked the Clerk to record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and H.B. No. 1028, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ALOHA TOWER DEVELOPMENT CORPORATION," passed Third Reading, notwithstanding the recommendation in Stand. Com. Rep. No. 505, by a vote of 47 ayes, with Representatives Halford, Moses, Okamura and Yoshinaga being excused.

The Chair directed the Clerk to note that H.B. No. 1028 had passed Third Reading at 6:55 o'clock p.m.

INTRODUCTION OF RESOLUTIONS

The following resolutions (H.R. Nos. 59 and 60) and concurrent resolutions (H.C.R. Nos. 70 through 73) were referred to committee by the Speaker, as follows:

H.R. No. 59, entitled: "HOUSE RESOLUTION ENCOURAGING THE DEPARTMENT OF EDUCATION AND THE UNIVERSITY OF HAWAII TO CLAIM THEIR FAIR SHARE OF THE CEDED LAND REVENUES," was jointly offered by Representatives Suzuki, Kahikina, Saiki and Say.

H.R. No. 60, entitled: "HOUSE RESOLUTION ENCOURAGING THE DEPARTMENT OF AGRICULTURE TO CLAIM ITS FAIR SHARE OF THE CEDED LAND REVENUES," was jointly offered by Representatives Suzuki, Kahikina, Saiki and Say.

H.C.R. No. 70, entitled: "HOUSE CONCURRENT RESOLUTION ENCOURAGING THE DEPARTMENT OF EDUCATION AND THE UNIVERSITY OF HAWAII TO CLAIM THEIR FAIR SHARE OF THE CEDED LAND REVENUES," was jointly offered by Representatives Suzuki, Kahikina, M. Oshiro, Saiki and Say.

H.C.R. No. 71, entitled: "HOUSE CONCURRENT RESOLUTION ENCOURAGING THE DEPARTMENT OF AGRICULTURE TO CLAIM ITS FAIR SHARE OF THE CEDED LAND REVENUES," was jointly offered by Representatives Suzuki, Kahikina, M. Oshiro, Saiki and Say.

H.C.R. No. 72, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE INSURANCE COMMISSIONER TO INVESTIGATE AND DETERMINE THE FAIRNESS OF THE ELIGIBLE CHARGE REIMBURSEMENT RATES OF THE HAWAII'S MUTUAL BENEFIT SOCIETIES," was offered by Representative Rath, by request.

H.C.R. No. 73, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE GOVERNOR TO CONVENE A TASK FORCE TO ESTABLISH CRITERIA BY WHICH ALL STATE DEPARTMENTS AND THEIR ATTACHED AGENCIES SHALL RANK ALL PURCHASES OF SERVICES THAT ARE ISSUED BY THOSE DEPARTMENTS OR AGENCIES," was jointly offered by Representatives Yonamine, M. Oshiro, Arakaki, Stegmaier, Case, Abinsay, Ito, Suzuki, Catalani, Lee and Takai.

STANDING COMMITTEE REPORTS

Representative Takamine, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1107) recommending that H.B. No. 100, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Takamine, seconded by Representative Kawakami and carried, the report of the Committee was adopted and H.B. No. 100, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE BUDGET," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Halford, Moses, Okamura and Yoshinaga being excused.

Representative Takamine, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1108) recommending that H.B. No. 1450, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Takamine, seconded by Representative Kawakami and carried, the report of the Committee was adopted and H.B. No. 1450, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Halford, Moses, Okamura and Yoshinaga being excused.

Representative Takamine, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1109) recommending that H.B. No. 700, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Takamine, seconded by Representative Kawakami and carried, the report of the Committee was adopted and H.B. No. 700, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS BUDGET," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Halford, Moses, Okamura and Yoshinaga being excused.

ADJOURNMENT

At 6:58 o'clock p.m., on motion by Representative Yonamine, seconded by Representative Pendleton and carried, the House of Representatives adjourned until 11:30 o'clock a.m. on Thursday, March 11, 1999. (Representatives Halford, Moses, Okamura and Yoshinaga were excused.)

TWENTY-EIGHTH DAY

Thursday, March 11, 1999

The House of Representatives of the Twentieth Legislature of the State of Hawaii, Regular Session of 1999, convened at 11:39 o'clock a.m., with the Speaker presiding.

The invocation was delivered by Minister Chris Teves of the Oahu Church of Christ, after which the Roll was called showing all members present with the exception of Representatives Cachola, Menor, Moses, Okamura, Thielen and Yoshinaga, who were excused.

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

GOVERNOR'S MESSAGE

Gov. Msg. No. 192, transmitting copies of the Report on State Positions Assigned to Salary Ranges SC-1, SC-2, and SC-3, in compliance with Section 77-13(d), Hawaii 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. 44 through 364) were received and announced by the Clerk and were placed on file:

Sen. Com. No. 44, transmitting S.B. No. 4, SD 2, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT ADMINISTRATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 45, transmitting S.B. No. 5, SD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL LOANS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 46, transmitting S.B. No. 17, SD 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 47, transmitting S.B. No. 20, SD 1, entitled: "A BILL FOR AN ACT RELATING TO REAL ESTATE BROKERS AND SALESPERSONS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 48, transmitting S.B. No. 21, SD 1, entitled: "A BILL FOR AN ACT RELATING TO ATHLETIC CONTEST OFFICIALS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 49, transmitting S.B. No. 30, SD 2, entitled: "A BILL FOR AN ACT RELATING TO ENDANGERED SPECIES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 50, transmitting S.B. No. 32, entitled: "A BILL FOR AN ACT RELATING TO INCOME TAX," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 51, transmitting S.B. No. 33, SD 1, entitled: "A BILL FOR AN ACT RELATING TO CONSERVATION LICENSE PLATES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 52, transmitting S.B. No. 36, SD 2, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 53, transmitting S.B. No. 41, SD 1, entitled: "A BILL FOR AN ACT RELATING TO TEACHERS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 54, transmitting S.B. No. 42, SD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LAND LIABILITY IMMUNITY," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 55, transmitting S.B. No. 43, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 56, transmitting S.B. No. 44, SD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 57, transmitting S.B. No. 46, SD 2, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL-BASED BUDGETING," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 58, transmitting S.B. No. 47, SD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 59, transmitting S.B. No. 59, SD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC CONTRACTS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 60, transmitting S.B. No. 105, SD 1, entitled: "A BILL FOR AN ACT RELATING TO REFORM OF STATE GOVERNMENT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 61, transmitting S.B. No. 106, SD 2, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT SERVICES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 62, transmitting S.B. No. 119, SD 2, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL REPAIRS, MAINTENANCE, AND IMPROVEMENTS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 63, transmitting S.B. No. 134, SD 1, entitled: "A BILL FOR AN ACT RELATING TO SUBSTANCE ABUSE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 64, transmitting S.B. No. 145, SD 2, entitled: "A BILL FOR AN ACT RELATING TO ANATOMICAL GIFTS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 65, transmitting S.B. No. 155, SD 2, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 66, transmitting S.B. No. 157, SD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO PROVIDE PREVENTIVE DENTAL SERVICES TO ADULTS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 67, transmitting S.B. No. 162, SD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD PASSENGER SAFETY," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 68, transmitting S.B. No. 166, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE DISTRIBUTION OF SAMPLE TOBACCO PRODUCTS AND TOBACCO PROMOTIONAL MATERIALS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 69, transmitting S.B. No. 172, SD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE CHILDREN'S HEALTH INSURANCE PROGRAM," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 70, transmitting S.B. No. 176, entitled: "A BILL FOR AN ACT RELATING TO CHILDREN," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 71, transmitting S.B. No. 178, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR HEALTHY START," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 72, transmitting S.B. No. 180, SD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR SUBSTANCE ABUSE PREVENTION AND TREATMENT SERVICES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 73, transmitting S.B. No. 185, SD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 74, transmitting S.B. No. 186, SD 1, entitled: "A BILL FOR AN ACT RELATING TO TORT LIABILITY," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 75, transmitting S.B. No. 194, SD 2, entitled: "A BILL FOR AN ACT RELATING TO INCOME TAXATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 76, transmitting S.B. No. 200, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS FOR THE EWA VILLAGES COMMUNITY DEVELOPMENT CORPORATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 77, transmitting S.B. No. 207, entitled: "A BILL FOR AN ACT RELATING TO WASTEWATER," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 78, transmitting S.B. No. 211, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 79, transmitting S.B. No. 223, SD 2, entitled: "A BILL FOR AN ACT RELATING TO A CANINE CORPS IN THE DEPARTMENT OF PUBLIC SAFETY," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 80, transmitting S.B. No. 235, SD 2, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYEE PROTECTION UNDER THE WHISTLEBLOWER LAW," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 81, transmitting S.B. No. 236, SD 1, entitled: "A BILL FOR AN ACT RELATING TO UNFAIR AND DECEPTIVE PRACTICES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 82, transmitting S.B. No. 238, SD 1, entitled: "A BILL FOR AN ACT RELATING TO REAL ESTATE BROKERS AND SALESPERSONS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 83, transmitting S.B. No. 285, SD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 84, transmitting S.B. No. 365, SD 1, entitled: "A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 85, transmitting S.B. No. 366, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES HEALTH FUND," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 86, transmitting S.B. No. 368, SD 1, entitled: "A BILL FOR AN ACT RELATING TO RESIDENTIAL PROPERTY OCCUPANCY," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 87, transmitting S.B. No. 426, SD 2, entitled: "A BILL FOR AN ACT RELATING TO FUNDS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 88, transmitting S.B. No. 450, SD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE GOVERNMENT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 89, transmitting S.B. No. 456, SD 2, entitled: "A BILL FOR AN ACT RELATING TO TUITION WAIVERS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 90, transmitting S.B. No. 484, SD 1, entitled: "A BILL FOR AN ACT RELATING TO PERSONAL PROPERTY," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 91, transmitting S.B. No. 498, SD 1, entitled: "A BILL FOR AN ACT RELATING TO PRESCRIPTIVE AUTHORITY FOR ADVANCED PRACTICE REGISTERED NURSES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 92, transmitting S.B. No. 511, SD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH CARE FACILITY PAYMENTS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 93, transmitting S.B. No. 513, SD 2, entitled: "A BILL FOR AN ACT RELATING TO FAMILY CHILD CARE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 94, transmitting S.B. No. 528, SD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 95, transmitting S.B. No. 531, SD 2, entitled: "A BILL FOR AN ACT RELATING TO ROADSIDE HERBICIDE USE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 96, transmitting S.B. No. 536, SD 1, entitled: "A BILL FOR AN ACT RELATING TO COMPUTER AND COMMUNICATION SYSTEMS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 97, transmitting S.B. No. 538, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 98, transmitting S.B. No. 550, SD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 99, transmitting S.B. No. 568, SD 2, entitled: "A BILL FOR AN ACT RELATING TO HISTORIC PRESERVATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 100, transmitting S.B. No. 570, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE WAIANAE COAST COMMUNITY BENCHMARKING PILOT PROJECT AND APPROPRIATING FUNDS TO SUPPORT THE PROJECT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 101, transmitting S.B. No. 571, SD 2, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN HOME LANDS TRUST INDIVIDUAL CLAIMS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 102, transmitting S.B. No. 580, entitled: "A BILL FOR AN ACT RELATING TO PROJECT FAITH," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 103, transmitting S.B. No. 584, SD 1, entitled: "A BILL FOR AN ACT RELATING TO HABITUAL VIOLENT OFFENDERS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 104, transmitting S.B. No. 585, SD 1, entitled: "A BILL FOR AN ACT RELATING TO SEXUAL OFFENDERS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 105, transmitting S.B. No. 586, SD 1, entitled: "A BILL FOR AN ACT RELATING TO DISPOSITION OF CONVICTED DEFENDANTS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 106, transmitting S.B. No. 588, SD 1, entitled: "A BILL FOR AN ACT RELATING TO SEX OFFENDERS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 107, transmitting S.B. No. 590, SD 1, entitled: "A BILL FOR AN ACT RELATING TO RESTRAINING AND PROTECTIVE ORDERS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 108, transmitting S.B. No. 591, SD 1, entitled: "A BILL FOR AN ACT RELATING TO CUSTODY AND VISITATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 109, transmitting S.B. No. 592, SD 1, entitled: "A BILL FOR AN ACT RELATING TO FIREARMS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 110, transmitting S.B. No. 594, SD 1, entitled: "A BILL FOR AN ACT RELATING TO FIREARMS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 111, transmitting S.B. No. 599, SD 1, entitled: "A BILL FOR AN ACT RELATING TO DOMESTIC VIOLENCE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 112, transmitting S.B. No. 604, SD 2, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLED SUBSTANCES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 113, transmitting S.B. No. 605, SD 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL RIGHTS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 114, transmitting S.B. No. 606, SD 1, entitled: "A BILL FOR AN ACT RELATING TO DANGEROUS WEAPONS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 115, transmitting S.B. No. 607, SD 1, entitled: "A BILL FOR AN ACT RELATING TO FIREARMS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 116, transmitting S.B. No. 612, entitled: "A BILL FOR AN ACT RELATING TO TOBACCO LIABILITY," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 117, transmitting S.B. No. 613, SD 2, entitled: "A BILL FOR AN ACT RELATING TO TOBACCO PRODUCTS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 118, transmitting S.B. No. 616, SD 1, entitled: "A BILL FOR AN ACT RELATING TO PROSTITUTION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 119, transmitting S.B. No. 618, SD 1, entitled: "A BILL FOR AN ACT RELATING TO PATHOLOGICAL INTOXICATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 120, transmitting S.B. No. 619, SD 1, entitled: "A BILL FOR AN ACT RELATING TO PENAL RESPONSIBILITY," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 121, transmitting S.B. No. 628, SD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 122, transmitting S.B. No. 629, SD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 123, transmitting S.B. No. 630, SD 1, entitled: "A BILL FOR AN ACT RELATING TO CAMPAIGN CONTRIBUTIONS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 124, transmitting S.B. No. 631, SD 1, entitled: "A BILL FOR AN ACT RELATING TO POLITICAL PARTIES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 125, transmitting S.B. No. 635, SD 1, entitled: "A BILL FOR AN ACT RELATING TO SUBSTANCE ABUSE TESTING," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 126, transmitting S.B. No. 638, SD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 127, transmitting S.B. No. 656, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC UTILITIES COMMISSION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 128, transmitting S.B. No. 660, SD 1, entitled: "A BILL FOR AN ACT RELATING TO DRIVING UNDER THE INFLUENCE OF INTOXICATING LIQUOR," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 129, transmitting S.B. No. 665, SD 2, entitled: "A BILL FOR AN ACT RELATING TO MOTORCYCLE INSURANCE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 130, transmitting S.B. No. 666, SD 1, entitled: "A BILL FOR AN ACT RELATING TO HIGHER EDUCATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 131, transmitting S.B. No. 674, SD 2, entitled: "A BILL FOR AN ACT RELATING TO POLICE ROADBLOCK PROGRAMS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 132, transmitting S.B. No. 675, SD 1, entitled: "A BILL FOR AN ACT RELATING TO CONTRACTOR'S LICENSES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 133, transmitting S.B. No. 677, SD 1, entitled: "A BILL FOR AN ACT RELATING TO DRIVER IMPROVEMENT PROGRAM," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 134, transmitting S.B. No. 685, SD 1, entitled: "A BILL FOR AN ACT RELATING TO REGISTRATION OF MOTOR VEHICLES UNDER TWO OR MORE NAMES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 135, transmitting S.B. No. 686, SD 1, entitled: "A BILL FOR AN ACT RELATING TO VEHICLE HIGHWAY BEAUTIFICATION FEE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 136, transmitting S.B. No. 700, SD 2, entitled: "A BILL FOR AN ACT RELATING TO LOW-SPEED VEHICLES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 137, transmitting S.B. No. 709, SD 1, entitled: "A BILL FOR AN ACT RELATING TO TRAFFIC ENFORCEMENT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 138, transmitting S.B. No. 716, entitled: "A BILL FOR AN ACT RELATING TO THE NATURAL ENERGY LABORATORY," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 139, transmitting S.B. No. 717, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 140, transmitting S.B. No. 737, SD 2, entitled: "A BILL FOR AN ACT RELATING TO NOISE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 141, transmitting S.B. No. 738, SD 1, entitled: "A BILL FOR AN ACT RELATING TO NOISE POLLUTION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 142, transmitting S.B. No. 744, SD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 143, transmitting S.B. No. 775, SD 1, entitled: "A BILL FOR AN ACT RELATING TO ACTIVITY PROVIDERS AND ACTIVITY DESKS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 144, transmitting S.B. No. 776, entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL SERVICES LOAN COMPANIES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 145, transmitting S.B. No. 777, SD 2, entitled: "A BILL FOR AN ACT RELATING TO FORECLOSURES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 146, transmitting S.B. No. 779, SD 2, entitled: "A BILL FOR AN ACT RELATING TO DENTAL HYGIENISTS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 147, transmitting S.B. No. 780, SD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 148, transmitting S.B. No. 783, SD 1, entitled: "A BILL FOR AN ACT RELATING TO DENTAL INSURANCE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 149, transmitting S.B. No. 785, SD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC UTILITIES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 150, transmitting S.B. No. 788, SD 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 151, transmitting S.B. No. 797, SD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC PROCUREMENT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 152, transmitting S.B. No. 798, SD 2, entitled: "A BILL FOR AN ACT RELATING TO NOISE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 153, transmitting S.B. No. 802, entitled: "A BILL FOR AN ACT RELATING TO THE COMMISSION ON PERSONS WITH DISABILITIES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 154, transmitting S.B. No. 808, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR LICENSES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 155, transmitting S.B. No. 809, SD 2, entitled: "A BILL FOR AN ACT RELATING TO BOATING," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 156, transmitting S.B. No. 813, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST THE GAS UTILITY IN SERVING THE GENERAL PUBLIC," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 157, transmitting S.B. No. 816, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONVENTION CENTER," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 158, transmitting S.B. No. 818, SD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 159, transmitting S.B. No. 822, SD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 160, transmitting S.B. No. 823, SD 1, entitled: "A BILL FOR AN ACT RELATING TO SENTENCING," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 161, transmitting S.B. No. 825, SD 2, entitled: "A BILL FOR AN ACT RELATING TO BREASTFEEDING," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 162, transmitting S.B. No. 829, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII RULES OF EVIDENCE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 163, transmitting S.B. No. 830, SD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE REIMBURSEMENT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 164, transmitting S.B. No. 835, SD 2, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY MEDICAL SERVICES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 165, transmitting S.B. No. 836, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR KUAKINI MEDICAL CENTER," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 166, transmitting S.B. No. 837, SD 1, entitled: "A BILL FOR AN ACT RELATING TO MANAGED HEALTH CARE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 167, transmitting S.B. No. 844, SD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 168, transmitting S.B. No. 845, SD 1, entitled: "A BILL FOR AN ACT RELATING TO SOCIAL WORKERS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 169, transmitting S.B. No. 851, SD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH CARE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 170, transmitting S.B. No. 856, SD 2, entitled: "A BILL FOR AN ACT RELATING TO LONG-TERM RESIDENTIAL CARE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 171, transmitting S.B. No. 860, entitled: "A BILL FOR AN ACT RELATING TO MENTAL HEALTH," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 172, transmitting S.B. No. 869, SD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 173, transmitting S.B. No. 873, SD 1, entitled: "A BILL FOR AN ACT RELATING TO REAL PROPERTY APPRAISALS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 174, transmitting S.B. No. 876, SD 2, entitled: "A BILL FOR AN ACT RELATING TO RESIDENTIAL LEASE-TO-FEE CONVERSION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 175, transmitting S.B. No. 887, entitled: "A BILL FOR AN ACT RELATING TO JUDGES FOR THE CIRCUIT COURT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 176, transmitting S.B. No. 888, entitled: "A BILL FOR AN ACT RELATING TO THE TRAFFIC CODE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 177, transmitting S.B. No. 889, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 178, transmitting S.B. No. 896, SD 1, entitled: "A BILL FOR AN ACT RELATING TO GUARDIANSHIP PROCEEDINGS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 179, transmitting S.B. No. 898, entitled: "A BILL FOR AN ACT RELATING TO THE DISPOSITION OF NOTARY RECORDS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 180, transmitting S.B. No. 900, SD 1, entitled: "A BILL FOR AN ACT RELATING TO FEES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 181, transmitting S.B. No. 901, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY COMPUTER SYSTEM SPECIAL FUND," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 182, transmitting S.B. No. 902, SD 1, entitled: "A BILL FOR AN ACT RELATING TO RECORDS MANAGEMENT SERVICES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 183, transmitting S.B. No. 906, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC FINANCIAL DISCLOSURE STATEMENTS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 184, transmitting S.B. No. 913, SD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS BY MAIL," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 185, transmitting S.B. No. 914, entitled: "A BILL FOR AN ACT RELATING TO VOTE COUNT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 186, transmitting S.B. No. 915, SD 1, entitled: "A BILL FOR AN ACT RELATING TO CANDIDATE VACANCIES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 187, transmitting S.B. No. 919, SD 1, entitled: "A BILL FOR AN ACT RELATING TO ROBBERY," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 188, transmitting S.B. No. 921, entitled: "A BILL FOR AN ACT RELATING TO DISTRICT COURT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 189, transmitting S.B. No. 922, SD 1, entitled: "A BILL FOR AN ACT RELATING TO UNAUTHORIZED CONTROL OF PROPELLED VEHICLE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 190, transmitting S.B. No. 924, entitled: "A BILL FOR AN ACT RELATING TO OFFENSES AGAINST PUBLIC ADMINISTRATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 191, transmitting S.B. No. 926, SD 2, entitled: "A BILL FOR AN ACT RELATING TO DRUG DEMAND REDUCTION ASSESSMENTS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 192, transmitting S.B. No. 931, SD 1, entitled: "A BILL FOR AN ACT RELATING TO WIRETAPPING AND ELECTRONIC SURVEILLANCE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 193, transmitting S.B. No. 942, SD 1, entitled: "A BILL FOR AN ACT RELATING TO HUNTING," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 194, transmitting S.B. No. 947, SD 2, entitled: "A BILL FOR AN ACT RELATING TO TELEMARKETING FRAUD," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 195, transmitting S.B. No. 949, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM UNINCORPORATED NONPROFIT ASSOCIATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 196, transmitting S.B. No. 951, SD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYEE BENEFIT PLANS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 197, transmitting S.B. No. 953, SD 2, entitled: "A BILL FOR AN ACT RELATING TO NATURAL AND CULTURAL RESOURCES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 198, transmitting S.B. No. 957, SD 2, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 199, transmitting S.B. No. 959, SD 2, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL FACILITY REVENUE BONDS FOR AIRPORTS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 200, transmitting S.B. No. 970, SD 1, entitled: "A BILL FOR AN ACT RELATING TO BAIL BONDS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 201, transmitting S.B. No. 973, SD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE TOWING," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 202, transmitting S.B. No. 976, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 203, transmitting S.B. No. 984, SD 1, entitled: "A BILL FOR AN ACT RELATING TO GENERAL CASUALTY INSURANCE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 204, transmitting S.B. No. 992, SD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE HANA COMMUNITY HEALTH CENTER," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 205, transmitting S.B. No. 994, SD 2, entitled: "A BILL FOR AN ACT RELATING TO DEPENDENT ADULT AND ELDER ABUSE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 206, transmitting S.B. No. 1003, SD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD SUPPORT ENFORCEMENT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 207, transmitting S.B. No. 1005, SD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC CONTRACTS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 208, transmitting S.B. No. 1006, SD 1, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT REGULATION OF GROUP LIVING HOUSING FACILITIES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 209, transmitting S.B. No. 1011, entitled: "A BILL FOR AN ACT RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 210, transmitting S.B. No. 1016, SD 1, entitled: "A BILL FOR AN ACT RELATING TO ADMINISTRATIVE RULES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 211, transmitting S.B. No. 1022, SD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH-CARE DECISIONS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 212, transmitting S.B. No. 1028, SD 1, entitled: "A BILL FOR AN ACT RELATING TO VITAL RECORD FEES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 213, transmitting S.B. No. 1031, SD 2, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE HAWAII HEALTH SYSTEMS CORPORATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 214, transmitting S.B. No. 1032, SD 1, entitled: "A BILL FOR AN ACT RELATING TO INVOLUNTARY PSYCHIATRIC TREATMENT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 215, transmitting S.B. No. 1033, SD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE CHILD AND ADOLESCENT MENTAL HEALTH DIVISION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 216, transmitting S.B. No. 1034, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII TOBACCO SETTLEMENT SPECIAL FUND," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 217, transmitting S.B. No. 1035, SD 1, entitled: "A BILL FOR AN ACT RELATING TO RETAIL LIQUOR SALES TO MINORS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 218, transmitting S.B. No. 1042, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE RECRUITMENT OF EMPLOYEES FOR STATE SERVICE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 219, transmitting S.B. No. 1048, SD 2, entitled: "A BILL FOR AN ACT RELATING TO FOSTER BOARDING HOMES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 220, transmitting S.B. No. 1049, SD 2, entitled: "A BILL FOR AN ACT RELATING TO FOSTER BOARD ALLOWANCES FOR STUDENTS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 221, transmitting S.B. No. 1050, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE CHILD PROTECTIVE ACT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 222, transmitting S.B. No. 1051, SD 2, entitled: "A BILL FOR AN ACT RELATING TO DISCLOSURE OF DEPARTMENT OF HUMAN SERVICES' RECORDS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 223, transmitting S.B. No. 1052, SD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD PROTECTIVE SERVICES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 224, transmitting S.B. No. 1053, entitled: "A BILL FOR AN ACT RELATING TO PERSONAL CARE SERVICES PAYMENT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 225, transmitting S.B. No. 1054, entitled: "A BILL FOR AN ACT RELATING TO THE SUNSET CLAUSE IN ACT 128, SESSION LAWS OF HAWAII 1997," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 226, transmitting S.B. No. 1055, SD 1, entitled: "A BILL FOR AN ACT RELATING TO UNCLAIMED FINANCIAL ASSISTANCE BENEFITS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 227, transmitting S.B. No. 1057, entitled: "A BILL FOR AN ACT RELATING TO THE STATE ADVISORY COUNCIL ON REHABILITATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 228, transmitting S.B. No. 1058, SD 2, entitled: "A BILL FOR AN ACT RELATING TO RECOVERY OF MEDICAL PAYMENTS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 229, transmitting S.B. No. 1061, SD 1, entitled: "A BILL FOR AN ACT RELATING TO IRRIGATION WATER DEVELOPMENT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 230, transmitting S.B. No. 1062, SD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL PARK LEASES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 231, transmitting S.B. No. 1070, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 232, transmitting S.B. No. 1071, SD 1, entitled: "A BILL FOR AN ACT RELATING TO SECURITIES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 233, transmitting S.B. No. 1072, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII CAPITAL LOAN PROGRAM," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 234, transmitting S.B. No. 1074, entitled: "A BILL FOR AN ACT RELATING TO COMMUNITY DEVELOPMENT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 235, transmitting S.B. No. 1076, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE PREMIUM TAXES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 236, transmitting S.B. No. 1079, SD 1, entitled: "A BILL FOR AN ACT RELATING TO PERMIT PROCESSING," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 237, transmitting S.B. No. 1080, entitled: "A BILL FOR AN ACT RELATING TO PLANNING AND COMMUNITY DEVELOPMENT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 238, transmitting S.B. No. 1082, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE BUREAU OF CONVEYANCES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 239, transmitting S.B. No. 1086, entitled: "A BILL FOR AN ACT RELATING TO BOATING PENALTIES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 240, transmitting S.B. No. 1088, SD 1, entitled: "A BILL FOR AN ACT RELATING TO ENFORCEMENT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 241, transmitting S.B. No. 1089, SD 1, entitled: "A BILL FOR AN ACT RELATING TO COMMERCIAL MARINE LICENSES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 242, transmitting S.B. No. 1091, SD 1, entitled: "A BILL FOR AN ACT RELATING TO AQUATIC RESOURCES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 243, transmitting S.B. No. 1095, entitled: "A BILL FOR AN ACT RELATING TO HUNTING," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 244, transmitting S.B. No. 1097, SD 2, entitled: "A BILL FOR AN ACT RELATING TO TIMBER MANAGEMENT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 245, transmitting S.B. No. 1101, SD 1, entitled: "A BILL FOR AN ACT RELATING TO REMEDIES OF PART VII, CHAPTER 103D, HAWAII REVISED STATUTES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 246, transmitting S.B. No. 1102, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES HEALTH FUND," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 247, transmitting S.B. No. 1107, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF CERTIFICATES OF IDENTIFICATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 248, transmitting S.B. No. 1109, SD 1, entitled: "A BILL FOR AN ACT RELATING TO NOTICE OF BREACH OR DEFAULT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 249, transmitting S.B. No. 1117, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PUBLIC PROCUREMENT CODE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 250, transmitting S.B. No. 1118, SD 1, entitled: "A BILL FOR AN ACT RELATING TO HABITUAL CRIMINAL BEHAVIOR," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 251, transmitting S.B. No. 1119, SD 1, entitled: "A BILL FOR AN ACT RELATING TO HOMICIDE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 252, transmitting S.B. No. 1120, SD 1, entitled: "A BILL FOR AN ACT RELATING TO REPEAT OFFENDERS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 253, transmitting S.B. No. 1122, SD 1, entitled: "A BILL FOR AN ACT RELATING TO FIREARMS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 254, transmitting S.B. No. 1124, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE CODE OF FINANCIAL INSTITUTIONS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 255, transmitting S.B. No. 1127, SD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 256, transmitting S.B. No. 1128, SD 2, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 257, transmitting S.B. No. 1129, SD 2, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 258, transmitting S.B. No. 1130, SD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH MAINTENANCE ORGANIZATIONS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 259, transmitting S.B. No. 1131, SD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 260, transmitting S.B. No. 1134, SD 1, entitled: "A BILL FOR AN ACT RELATING TO REVERSE MORTGAGES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 261, transmitting S.B. No. 1136, SD 2, entitled: "A BILL FOR AN ACT RELATING TO REGULATION OF OSTEOPATHY," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 262, transmitting S.B. No. 1137, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES HEALTH FUND," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 263, transmitting S.B. No. 1138, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PUBLIC BROADCASTING AUTHORITY," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 264, transmitting S.B. No. 1140, SD 2, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS REGISTRATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 265, transmitting S.B. No. 1142, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE NAMES OF CORPORATIONS, PARTNERSHIPS, AND LIMITED LIABILITY COMPANIES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 266, transmitting S.B. No. 1144, SD 1, entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL INSTITUTIONS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 267, transmitting S.B. No. 1145, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 268, transmitting S.B. No. 1146, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION ACT, 1920, AS AMENDED," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 269, transmitting S.B. No. 1147, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII WORKFORCE DEVELOPMENT COUNCIL," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 270, transmitting S.B. No. 1150, SD 2, entitled: "A BILL FOR AN ACT RELATING TO SAFETY," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 271, transmitting S.B. No. 1151, SD 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL RIGHTS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 272, transmitting S.B. No. 1152, entitled: "A BILL FOR AN ACT RELATING TO THE OCCUPATIONAL SAFETY AND HEALTH TRAINING AND ASSISTANCE FUND," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 273, transmitting S.B. No. 1153, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYMENT AND TRAINING FUND PROGRAM," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 274, transmitting S.B. No. 1154, entitled: "A BILL FOR AN ACT RELATING TO THE LIBRARY ENHANCED SERVICES PROGRAM," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 275, transmitting S.B. No. 1155, SD 1, entitled: "A BILL FOR AN ACT RELATING TO REALLOCATION OF VACANT LIBRARY POSITIONS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 276, transmitting S.B. No. 1156, SD 2, entitled: "A BILL FOR AN ACT RELATING TO COST-RECOVERY FEES FOR DELINQUENT LIBRARY ACCOUNTS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 277, transmitting S.B. No. 1157, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE

STATE LIBRARIAN," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 278, transmitting S.B. No. 1158, SD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COMPENSATION OF CRIME VICTIMS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 279, transmitting S.B. No. 1159, SD 1, entitled: "A BILL FOR AN ACT RELATING TO CRIME VICTIM COMPENSATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 280, transmitting S.B. No. 1160, SD 2, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLED SUBSTANCES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 281, transmitting S.B. No. 1163, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE RELEASE OF PRE-TRIAL INMATES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 282, transmitting S.B. No. 1176, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX LICENSING OF SINGLE-MEMBER LIMITED LIABILITY COMPANIES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 283, transmitting S.B. No. 1177, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 284, transmitting S.B. No. 1178, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAXATION OF RELATED ENTITIES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 285, transmitting S.B. No. 1181, SD 2, entitled: "A BILL FOR AN ACT RELATING TO LEGAL REPRESENTATION FOR THE UNIVERSITY OF HAWAII," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 286, transmitting S.B. No. 1183, SD 1, entitled: "A BILL FOR AN ACT MAKING EMERGENCY APPROPRIATIONS FOR THE UNIVERSITY OF HAWAII," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 287, transmitting S.B. No. 1184, SD 1, entitled: "A BILL FOR AN ACT RELATING TO MANAGEMENT OF FINANCING AGREEMENTS FOR THE UNIVERSITY OF HAWAII," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 288, transmitting S.B. No. 1185, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE STATE AQUARIUM," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 289, transmitting S.B. No. 1212, SD 2, entitled: "A BILL FOR AN ACT RELATING TO USE OF INTOXICANTS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 290, transmitting S.B. No. 1214, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII MARITIME AUTHORITY," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 291, transmitting S.B. No. 1229, SD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 292, transmitting S.B. No. 1234, SD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURERS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 293, transmitting S.B. No. 1235, SD 1, entitled: "A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 294, transmitting S.B. No. 1238, SD 2, entitled: "A BILL FOR AN ACT RELATING TO PROFESSIONS AND OCCUPATIONS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 295, transmitting S.B. No. 1245, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE INCOME TAXATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 296, transmitting S.B. No. 1250, SD 1, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL BUSES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 297, transmitting S.B. No. 1251, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 298, transmitting S.B. No. 1254, SD 1, entitled: "A BILL FOR AN ACT RELATING TO STATUTE OF LIMITATIONS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 299, transmitting S.B. No. 1256, SD 2, entitled: "A BILL FOR AN ACT RELATING TO AN INTERISLAND FERRY SYSTEM," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 300, transmitting S.B. No. 1261, SD 1, entitled: "A BILL FOR AN ACT RELATING TO CAPTIVE INSURANCE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 301, transmitting S.B. No. 1269, SD 2, entitled: "A BILL FOR AN ACT MAKING EMERGENCY APPROPRIATIONS FOR EDUCATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 302, transmitting S.B. No. 1270, SD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 303, transmitting S.B. No. 1271, SD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 304, transmitting S.B. No. 1272, SD 2, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL ATTENDANCE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 305, transmitting S.B. No. 1273, SD 2, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL HISTORY CHECKS FOR TEACHER TRAINEES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 306, transmitting S.B. No. 1274, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 307, transmitting S.B. No. 1275, SD 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL

SERVICE EXEMPTIONS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 308, transmitting S.B. No. 1276, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE SUPERINTENDENT OF EDUCATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 309, transmitting S.B. No. 1279, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSAL SERVICE FUND," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 310, transmitting S.B. No. 1281, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 311, transmitting S.B. No. 1282, SD 2, entitled: "A BILL FOR AN ACT RELATING TO INVESTMENTS OF THE EMPLOYEES' RETIREMENT SYSTEM," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 312, transmitting S.B. No. 1284, SD 2, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 313, transmitting S.B. No. 1288, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES HEALTH FUND," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 314, transmitting S.B. No. 1290, SD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH BENEFITS FOR PART-TIME, TEMPORARY, AND SEASONAL OR CASUAL EMPLOYEES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 315, transmitting S.B. No. 1294, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES HEALTH FUND," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 316, transmitting S.B. No. 1299, SD 2, entitled: "A BILL FOR AN ACT RELATING TO PROGRAM EXECUTION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 317, transmitting S.B. No. 1300, SD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION TO PAY THE SHARE OF HEALTH INSURANCE CARRIER REFUND AND RATE CREDIT AMOUNTS DUE TO THE FEDERAL GOVERNMENT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 318, transmitting S.B. No. 1303, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE REVIEW OF THE SALARIES OF THE TRUSTEES OF THE OFFICE OF HAWAIIAN AFFAIRS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 319, transmitting S.B. No. 1307, SD 1, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL PERFORMANCE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 320, transmitting S.B. No. 1314, SD 2, entitled: "A BILL FOR AN ACT RELATING TO RETIREMENT BENEFITS FOR TRUSTEES OF THE OFFICE OF HAWAIIAN AFFAIRS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 321, transmitting S.B. No. 1320, SD 2, entitled: "A BILL FOR AN ACT RELATING TO YEAR 2000 ERRORS BY COMPUTER-BASED SYSTEMS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 322, transmitting S.B. No. 1325, SD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 323, transmitting S.B. No. 1326, entitled: "A BILL FOR AN ACT RELATING TO LENDER EXEMPTIONS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 324, transmitting S.B. No. 1345, SD 2, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT COMPENSATION IN THE JUDICIARY," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 325, transmitting S.B. No. 1371, SD 2, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 326, transmitting S.B. No. 1379, SD 2, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL ASSAULTS AND RELATED OFFENSES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 327, transmitting S.B. No. 1404, SD 1, entitled: "A BILL FOR AN ACT RELATING TO WASTEWATER REUSE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 328, transmitting S.B. No. 1421, SD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 329, transmitting S.B. No. 1429, SD 1, entitled: "A BILL FOR AN ACT RELATING TO WASTEWATER TREATMENT FACILITIES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 330, transmitting S.B. No. 1430, SD 2, entitled: "A BILL FOR AN ACT RELATING TO JUVENILE SAFETY," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 331, transmitting S.B. No. 1431, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE ESTABLISHMENT OF AN AGRICULTURAL WATER SYSTEM FOR UPCOUNTRY MAUI," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 332, transmitting S.B. No. 1438, SD 1, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT PROCUREMENT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 333, transmitting S.B. No. 1452, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 334, transmitting S.B. No. 1460, entitled: "A BILL FOR AN ACT RELATING TO CERTIFIED SUBSTANCE ABUSE STAFF," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 335, transmitting S.B. No. 1462, SD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 336, transmitting S.B. No. 1465, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE POST-SECONDARY EDUCATION COMMISSION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 337, transmitting S.B. No. 1466, SD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE RISK MANAGEMENT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 338, transmitting S.B. No. 1469, entitled: "A BILL FOR AN ACT RELATING TO THE ADJUDICATION OF TRAFFIC INFRACTIONS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 339, transmitting S.B. No. 1470, entitled: "A BILL FOR AN ACT RELATING TO STATE OFFICERS AND EMPLOYEES EXCLUDED FROM COLLECTIVE BARGAINING AND MAKING APPROPRIATIONS AND OTHER ADJUSTMENTS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 340, transmitting S.B. No. 1475, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE SCHOOL-TO-WORK OPPORTUNITIES PILOT PROJECT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 341, transmitting S.B. No. 1481, SD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE HAWAII ISLAND VETERANS MEMORIAL INC," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 342, transmitting S.B. No. 1485, SD 1, entitled: "A BILL FOR AN ACT RELATING TO MINORS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 343, transmitting S.B. No. 1496, SD 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS FOR MEDICAL WASTE FACILITY PROJECT DEVELOPMENT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 344, transmitting S.B. No. 1499, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE RANDOLPH-SHEPPARD REVOLVING ACCOUNT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 345, transmitting S.B. No. 1502, SD 1, entitled: "A BILL FOR AN ACT RELATING TO CAMPAIGN SPENDING," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 346, transmitting S.B. No. 1504, SD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR EMERGENCY MEDICAL SERVICES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 347, transmitting S.B. No. 1510, SD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 348, transmitting S.B. No. 1512, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM PARTNERSHIP ACT," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 349, transmitting S.B. No. 1517, SD 1, entitled: "A BILL FOR AN ACT RELATING TO ACUPUNCTURE PRACTITIONERS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 350, transmitting S.B. No. 1518, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT

OPERATIONS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 351, transmitting S.B. No. 1542, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR NOT-FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 352, transmitting S.B. No. 1544, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 353, transmitting S.B. No. 1556, SD 2, entitled: "A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 354, transmitting S.B. No. 1557, entitled: "A BILL FOR AN ACT RELATING TO MOTOR CARRIERS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 355, transmitting S.B. No. 1568, SD 2, entitled: "A BILL FOR AN ACT RELATING TO CRIME," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 356, transmitting S.B. No. 1583, SD 2, entitled: "A BILL FOR AN ACT RELATING TO TECHNOLOGY," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 357, transmitting S.B. No. 1607, SD 2, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT AND PRIVATE INVESTMENT ATTRACTION," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 358, transmitting S.B. No. 1608, SD 1, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR NOT-FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 359, transmitting S.B. No. 1609, SD 1, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR NOT-FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 360, transmitting S.B. No. 1610, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR NOT-FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 361, transmitting S.B. No. 1635, SD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LAND TRUST," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 362, transmitting S.B. No. 1638, SD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATIONAL OFFICERS," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 363, transmitting S.B. No. 1639, SD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR KAPOLEI HIGH SCHOOL," which passed Third Reading in the Senate on March 9, 1999.

Sen. Com. No. 364, transmitting S.B. No. 1641, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC LIBRARY SYSTEM," which passed Third Reading in the Senate on March 9, 1999.

On motion by Representative Yonamine, seconded by Representative Pendleton and carried, S.B. Nos. 4, SD 2; 5, SD 2; 17, SD 2; 20, SD 1; 21, SD 1; 30, SD 2; 32; 33, SD 1; 36, SD 2; 41, SD 1; 42, SD 1; 43, SD 1; 44, SD 1; 46, SD 2; 47, SD 1; 59, SD 1; 105, SD 1; 106, SD 2; 119, SD 2; 134, SD 1; 145, SD 2; 155, SD 2; 157, SD 1; 162, SD 1; 166, SD 2; 172, SD 1; 176; 178; 180, SD 2; 185, SD 2; 186, SD 1; 194, SD 2; 200; 207; 211, SD 1; 223, SD 2; 235, SD 2; 236, SD 1; 238, SD 1; 285, SD 1; 365, SD 1; 366, SD 1; 368, SD 1; 426, SD 2; 450, SD 1; 456, SD 2; 484, SD 1; 498, SD 1; 511, SD 1; 513, SD 2; 528, SD 2; 531, SD 2; 536, SD 1; 538, SD 2; 550, SD 2; 568, SD 2; 570, SD 1; 571, SD 2; 580; 584, SD 1; 585, SD 1; 586, SD 1; 588, SD 1; 590, SD 1; 591, SD 1; 592, SD 1; 594, SD 1; 599, SD 1; 604, SD 2; 605, SD 1; 606, SD 1; 607, SD 1; 612; 613, SD 2; 616, SD 1; 618, SD 1; 619, SD 1; 628, SD 1; 629, SD 1; 630, SD 1; 631, SD 1; 635, SD 1; 638, SD 1; 656, SD 2; 660, SD 1; 665, SD 2; 666, SD 1; 674, SD 2; 675, SD 1; 677, SD 1; 685, SD 1; 686, SD 1; 700, SD 2; 709, SD 1; 716; 717; 737, SD 2; 738, SD 1; 744, SD 1; 775, SD 1; 776; 777, SD 2; 779, SD 2; 780, SD 1; 783, SD 1; 785, SD 1; 788, SD 2; 797, SD 2; 798, SD 2; 802; 808; 809, SD 2; 813, SD 2; 816, SD 1; 818, SD 2; 822, SD 2; 823, SD 1; 825, SD 2; 829, SD 1; 830, SD 1; 835, SD 2; 836, SD 1; 837, SD 1; 844, SD 2; 845, SD 1; 851, SD 2; 856, SD 2; 860; 869, SD 2; 873, SD 1; 876, SD 2; 887; 888; 889, SD 1; 896, SD 1; 898; 900, SD 1; 901, SD 2; 902, SD 1; 906; 913, SD 1; 914; 915, SD 1; 919, SD 1; 921; 922, SD 1; 924; 926, SD 2; 931, SD 1; 942, SD 1; 947, SD 2; 949, SD 1; 951, SD 1; 953, SD 2; 957, SD 2; 959, SD 2; 970, SD 1; 973, SD 1; 976, SD 1; 984, SD 1; 992, SD 2; 994, SD 2; 1003, SD 1; 1005, SD 2; 1006, SD 1; 1011; 1016, SD 1; 1022, SD 2; 1028, SD 1; 1031, SD 2; 1032, SD 1; 1033, SD 1; 1034, SD 1; 1035, SD 1; 1042, SD 1; 1048, SD 2; 1049, SD 2; 1050, SD 2; 1051, SD 2; 1052, SD 1; 1053; 1054; 1055, SD 1; 1057; 1058, SD 2; 1061, SD 1; 1062, SD 1; 1070, SD 2; 1071, SD 1; 1072, SD 1; 1074; 1076; 1079, SD 1; 1080; 1082, SD 2; 1086; 1088, SD 1; 1089, SD 1; 1091, SD 1; 1095; 1097, SD 2; 1101, SD 1; 1102, SD 1; 1107; 1109, SD 1; 1117, SD 1; 1118, SD 1; 1119, SD 1; 1120, SD 1; 1122, SD 1; 1124, SD 2; 1127, SD 1; 1128, SD 2; 1129, SD 2; 1130, SD 1; 1131, SD 1; 1134, SD 1; 1136, SD 2; 1137; 1138, SD 1; 1140, SD 2; 1142, SD 2; 1144, SD 1; 1145, SD 2; 1146, SD 1; 1147, SD 2; 1150, SD 2; 1151, SD 1; 1152; 1153; 1154; 1155, SD 1; 1156, SD 2; 1157, SD 1; 1158, SD 1; 1159, SD 1; 1160, SD 2; 1163, SD 1; 1176, SD 1; 1177, SD 1; 1178, SD 2; 1181, SD 2; 1183, SD 1; 1184, SD 1; 1185, SD 2; 1212, SD 2; 1214; 1229, SD 1; 1234, SD 1; 1235, SD 1; 1238, SD 2; 1245, SD 1; 1250, SD 1; 1251; 1254, SD 1; 1256, SD 2; 1261, SD 1; 1269, SD 2; 1270, SD 1; 1271, SD 2; 1272, SD 2; 1273, SD 2; 1274; 1275, SD 1; 1276, SD 1; 1279, SD 2; 1281, SD 2; 1282, SD 2; 1284, SD 2; 1288, SD 1; 1290, SD 1; 1294, SD 1; 1299, SD 2; 1300, SD 1; 1303, SD 2; 1307, SD 1; 1314, SD 2; 1320, SD 2; 1325, SD 1; 1326; 1345, SD 2; 1371, SD 2; 1379, SD 2; 1404, SD 1; 1421, SD 1; 1429, SD 1; 1430, SD 2; 1431, SD 2; 1438, SD 1; 1452; 1460; 1462, SD 1; 1465, SD 1; 1466, SD 1; 1469; 1470; 1475, SD 1; 1481, SD 1; 1485, SD 1; 1496, SD 1; 1499, SD 1; 1502, SD 1; 1504, SD 1; 1510, SD 1; 1512, SD 1; 1517, SD 1; 1518; 1542; 1544, SD 2; 1556, SD 2; 1557; 1568, SD 2; 1583, SD 2; 1607, SD 2; 1608, SD 1; 1609, SD 1; 1610; 1635, SD 2; 1638, SD 2; 1639, SD 1; and 1641, SD 2, passed First Reading by title and further action was deferred until later in the calendar. (Representatives Cachola, Menor, Moses, Okamura, Thielen and Yoshinaga were excused.)

INTRODUCTION

At this time, the following introductions were made to the members of the House:

Representative Abinsay introduced 43 third grade students from Fern Elementary School. They were accompanied by

their teachers, Mrs. Abaya and Mrs. Ogata; and parents, Mrs. Alcoran and Mrs. Escalante.

Representative Kahikina introduced a group of fifth grade students from Nanaikapono Elementary School, accompanied by their teachers and chaperones, and asked Mrs. Sakai to stand to be recognized.

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>
4	Committee on Legislative Management, then to the Committee on Finance
5	Committee on Agriculture, then to the Committee on Finance
17	Committee on Finance
20	Committee on Consumer Protection and Commerce, then to the Committee on Finance
21	Committee on Judiciary and Hawaiian Affairs
30	Committee on Energy and Environmental Protection, then to the Committee on Finance
32	Committee on Finance
33	Committee on Energy and Environmental Protection, then to the Committee on Finance
36	Committee on Consumer Protection and Commerce
40	Committee on Health, then to the Committee on Consumer Protection and Commerce
41	Committee on Education, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance
42	Committee on Judiciary and Hawaiian Affairs
43	Committee on Higher Education, then to the Committee on Finance
44	Committee on Economic Development and Business Concerns, then to the Committee on Finance
46	Committee on Education, then to the Committee on Finance
47	Jointly to the Committee on Economic Development and Business Concerns and the Committee on Health, then to the Committee on Finance
59	Committee on Economic Development and Business Concerns, then to the Committee on Finance
96	Committee on Energy and Environmental Protection, then to the Committee on Consumer Protection and Commerce
105	Committee on Legislative Management, then to the Committee on Finance
106	Committee on Education, then to the Committee on Finance

HOUSE JOURNAL - 28th DAY

444

119	Committee on Education, then to the Committee on Finance	285	Committee on Consumer Protection and Commerce
134	Committee on Health, then to the Committee on Consumer Protection and Commerce	365	Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
143	Committee on Consumer Protection and Commerce, then to the Committee on Finance	366	Committee on Labor and Public Employment, then to the Committee on Finance
145	Committee on Health, then jointly to the Committee on Consumer Protection and Commerce and the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance	368	Committee on Energy and Environmental Protection, then to the Committee on Health, then to the Committee on Consumer Protection and Commerce
155	Committee on Transportation, then to the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance	384	Committee on Economic Development and Business Concerns, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance
157	Jointly to the Committee on Human Services and Housing and the Committee on Health, then to the Committee on Finance	426	Committee on Finance
162	Committee on Transportation, then to the Committee on Judiciary and Hawaiian Affairs	450	Committee on Finance
166	Committee on Health, then to the Committee on Finance	456	Committee on Higher Education, then to the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
172	Jointly to the Committee on Human Services and Housing and the Committee on Health, then to the Committee on Finance	480	Committee on Agriculture, then to the Committee on Consumer Protection and Commerce
176	Committee on Human Services and Housing, then to the Committee on Judiciary and Hawaiian Affairs	484	Jointly to the Committee on Consumer Protection and Commerce and the Committee on Judiciary and Hawaiian Affairs
178	Committee on Health, then to the Committee on Finance	498	Committee on Health, then to the Committee on Consumer Protection and Commerce
180	Committee on Health, then to the Committee on Finance	511	Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance
185	Committee on Education, then to the Committee on Finance	513	Committee on Human Services and Housing, then jointly to the Committee on Consumer Protection and Commerce and the Committee on Judiciary and Hawaiian Affairs
186	Committee on Judiciary and Hawaiian Affairs	528	Committee on Consumer Protection and Commerce, then to the Committee on Finance
194	Jointly to the Committee on Human Services and Housing and the Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance	531	Committee on Energy and Environmental Protection, then to the Committee on Transportation, then to the Committee on Finance
200	Committee on Health, then to the Committee on Finance	536	Jointly to the Committee on Education and the Committee on Public Safety and Military Affairs, then to the Committee on Finance
206	Committee on Labor and Public Employment, then to the Committee on Finance	538	Jointly to the Committee on Higher Education and the Committee on Labor and Public Employment, then to the Committee on Finance
207	Committee on Energy and Environmental Protection, then to the Committee on Finance	550	Committee on Education, then to the Committee on Finance
211	Committee on Labor and Public Employment, then to the Committee on Finance	560	Committee on Ocean Recreation and Marine Resources
223	Committee on Public Safety and Military Affairs, then to the Committee on Finance	568	Committee on Water and Land Use, then to the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
235	Committee on Labor and Public Employment, then to the Committee on Judiciary and Hawaiian Affairs	570	Committee on Human Services and Housing, then to the Committee on Finance
236	Jointly to the Committee on Consumer Protection and Commerce and the Committee on Judiciary and Hawaiian Affairs	571	Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
238	Committee on Consumer Protection and Protection, then to the Committee on Finance		

580	Committee on Finance	665	Committee on Transportation, then to the Committee on Consumer Protection and Commerce
584	Jointly to the Committee on Judiciary and Hawaiian Affairs and the Committee on Public Safety and Military Affairs	666	Committee on Higher Education, then to the Committee on Finance
585	Jointly to the Committee on Judiciary and Hawaiian Affairs and the Committee on Public Safety and Military Affairs, then to the Committee on Finance	674	Committee on Transportation, then to the Committee on Judiciary and Hawaiian Affairs
586	Committee on Judiciary and Hawaiian Affairs	675	Committee on Economic Development and Business Concerns, then to the Committee on Consumer Protection and Commerce
588	Committee on Public Safety and Military Affairs, then to the Committee on Judiciary and Hawaiian Affairs	677	Committee on Transportation, then to the Committee on Judiciary and Hawaiian Affairs
590	Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance	685	Committee on Transportation, then to the Committee on Judiciary and Hawaiian Affairs
591	Committee on Judiciary and Hawaiian Affairs	686	Committee on Transportation, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance
592	Committee on Judiciary and Hawaiian Affairs	700	Committee on Transportation, then to the Committee on Judiciary and Hawaiian Affairs
594	Committee on Judiciary and Hawaiian Affairs	709	Committee on Transportation, then to the Committee on Finance
599	Committee on Human Services and Housing, then to the Committee on Judiciary and Hawaiian Affairs	716	Jointly to the Committee on Economic Development and Business Concerns and the Committee on Tourism, then to the Committee on Finance
604	Committee on Public Safety and Military Affairs, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance	717	Committee on Health, then to the Committee on Finance
605	Committee on Labor and Public Employment, then to the Committee on Judiciary and Hawaiian Affairs	737	Committee on Energy and Environmental Protection, then to the Committee on Judiciary and Hawaiian Affairs
606	Committee on Judiciary and Hawaiian Affairs	738	Committee on Energy and Environmental Protection, then to the Committee on Judiciary and Hawaiian Affairs
607	Committee on Water and Land Use, then to the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance	744	Jointly to the Committee on Economic Development and Business Concerns and the Committee on Consumer Protection and Commerce, then to the Committee on Finance
612	Committee on Health, then to the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance	775	Committee on Tourism, then to the Committee on Consumer Protection and Commerce
613	Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance	776	Committee on Consumer Protection and Commerce
616	Committee on Judiciary and Hawaiian Affairs	777	Jointly to the Committee on Consumer Protection and Commerce and the Committee on Judiciary and Hawaiian Affairs
618	Committee on Judiciary and Hawaiian Affairs	779	Committee on Health, then to the Committee on Consumer Protection and Commerce
619	Committee on Judiciary and Hawaiian Affairs	780	Jointly to the Committee on Health and the Committee on Human Services and Housing, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance
628	Committee on Judiciary and Hawaiian Affairs	783	Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance
629	Committee on Judiciary and Hawaiian Affairs	785	Committee on Economic Development and Business Concerns, then jointly to the Committee on Consumer Protection and Commerce and the Committee on Judiciary and Hawaiian Affairs
630	Committee on Judiciary and Hawaiian Affairs		
631	Committee on Judiciary and Hawaiian Affairs		
635	Committee on Labor and Public Employment, then to the Committee on Judiciary and Hawaiian Affairs		
638	Committee on Economic Development and Business Concerns, then to the Committee on Finance		
656	Committee on Consumer Protection and Commerce, then to the Committee on Finance		
660	Committee on Transportation, then to the Committee on Judiciary and Hawaiian Affairs		

HOUSE JOURNAL - 28th DAY

446

788	Committee on Health, then to the Committee on Finance	869	Committee on Education, then to the Committee on Finance
797	Committee on Finance	873	Committee on Consumer Protection and Commerce, then to the Committee on Finance
798	Committee on Energy and Environmental Protection, then to the Committee on Judiciary and Hawaiian Affairs	876	Committee on Human Services and Housing, then to the Committee on Consumer Protection and Commerce
802	Committee on Health, then to the Committee on Finance	887	Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
808	Jointly to the Committee on Consumer Protection and Commerce and the Committee on Judiciary and Hawaiian Affairs	888	Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
809	Committee on Ocean Recreation and Marine Resources	889	Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
810	Committee on Agriculture, then to the Committee on Finance	896	Committee on Judiciary and Hawaiian Affairs
813	Committee on Energy and Environmental Protection, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance	898	Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
816	Committee on Tourism, then to the Committee on Finance	900	Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
818	Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance	901	Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
822	Committee on Consumer Protection and Commerce, then to the Committee on Finance	902	Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
823	Committee on Human Services and Housing, then to the Committee on Judiciary and Hawaiian Affairs	906	Committee on Judiciary and Hawaiian Affairs
825	Committee on Labor and Public Employment, then to the Committee on Finance	913	Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
829	Committee on Judiciary and Hawaiian Affairs	914	Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
830	Committee on Consumer Protection and Commerce, then to the Committee on Finance	915	Committee on Judiciary and Hawaiian Affairs
835	Committee on Health, then to the Committee on Finance	919	Committee on Judiciary and Hawaiian Affairs
836	Committee on Health, then to the Committee on Finance	921	Committee on Human Services and Housing, then to the Committee on Judiciary and Hawaiian Affairs
837	Jointly to the Committee on Labor and Public Employment and the Committee on Health, then to the Committee on Consumer Protection and Commerce	922	Committee on Judiciary and Hawaiian Affairs
844	Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance	924	Jointly to the Committee on Public Safety and Military Affairs and the Committee on Judiciary and Hawaiian Affairs
845	Committee on Health, then to the Committee on Consumer Protection and Commerce	926	Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
851	Committee on Health, then to the Committee on Finance	931	Committee on Judiciary and Hawaiian Affairs
856	Jointly to the Committee on Human Services and Housing and the Committee on Health, then to the Committee on Finance	942	Committee on Water and Land Use, then to the Committee on Finance
860	Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance	947	Jointly to the Committee on Consumer Protection and Commerce and the Committee on Judiciary and Hawaiian Affairs
		949	Committee on Economic Development and Business Concerns, then jointly to the Committee on Consumer Protection and Commerce and the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
		951	Committee on Labor and Public Employment, then jointly to the Committee on Higher Education and the Committee on Education, then to the Committee on Finance

953	Committee on Energy and Environmental Protection, then to the Committee on Tourism, then to the Committee on Finance	1049	Committee on Human Services and Housing, then to the Committee on Finance
957	Jointly to the Committee on Consumer Protection and Commerce and the Committee on Human Services and Housing	1050	Committee on Human Services and Housing, then to the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
959	Committee on Transportation, then to the Committee on Finance	1051	Committee on Human Services and Housing, then to the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
970	Committee on Consumer Protection and Commerce	1052	Committee on Human Services and Housing, then to the Committee on Finance
973	Committee on Transportation, then to the Committee on Consumer Protection and Commerce	1053	Committee on Human Services and Housing, then to the Committee on Finance
976	Committee on Economic Development and Business Concerns, then to the Committee on Finance	1054	Committee on Human Services and Housing, then to the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
984	Committee on Transportation, then to the Committee on Consumer Protection and Commerce	1055	Committee on Human Services and Housing, then to the Committee on Finance
992	Committee on Health, then to the Committee on Finance	1057	Committee on Human Services and Housing, then to the Committee on Finance
994	Committee on Human Services and Housing, then to the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance	1058	Committee on Human Services and Housing, then to the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
1003	Committee on Human Services and Housing, then to the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance	1061	Committee on Agriculture, then to the Committee on Finance
1005	Committee on Economic Development and Business Concerns, then to the Committee on Finance	1062	Committee on Agriculture, then to the Committee on Finance
1006	Committee on Human Services and Housing, then to the Committee on Finance	1063	Committee on Agriculture, then to the Committee on Water and Land Use
1011	Committee on Culture and the Arts, then to the Committee on Labor and Public Employment, then to the Committee on Finance	1070	Committee on Human Services and Housing, then to the Committee on Finance
1016	Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance	1071	Committee on Economic Development and Business Concerns, then to the Committee on Consumer Protection and Commerce
1022	Committee on Health, then to the Committee on Judiciary and Hawaiian Affairs	1072	Committee on Economic Development and Business Concerns, then to the Committee on Finance
1028	Committee on Health, then to the Committee on Finance	1074	Jointly to the Committee on Economic Development and Business Concerns and the Committee on Water and Land Use, then to the Committee on Finance
1031	Committee on Health, then to the Committee on Finance	1076	Committee on Human Services and Housing, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance
1032	Committee on Health, then to the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance	1079	Committee on Economic Development and Business Concerns, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance
1033	Jointly to the Committee on Health and the Committee on Education, then to the Committee on Finance	1080	Committee on Water and Land Use, then to the Committee on Finance
1034	Committee on Health, then to the Committee on Finance	1082	Jointly to the Committee on Energy and Environmental Protection and the Committee on Water and Land Use, then to the Committee on Finance
1035	Committee on Health, then to the Committee on Judiciary and Hawaiian Affairs	1086	Committee on Ocean Recreation and Marine Resources, then to the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
1042	Committee on Labor and Public Employment, then to the Committee on Finance		
1048	Committee on Human Services and Housing, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance		

HOUSE JOURNAL - 28th DAY

448

1088	Committee on Ocean Recreation and Marine Resources, then to the Committee on Judiciary and Hawaiian Affairs	1140	Committee on Economic Development and Business Concerns, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance
1089	Committee on Ocean Recreation and Marine Resources, then to the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance	1142	Committee on Economic Development and Business Concerns, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance
1091	Committee on Ocean Recreation and Marine Resources, then to the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance	1144	Committee on Consumer Protection and Commerce, then to the Committee on Finance
1095	Committee on Water and Land Use, then to the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance	1145	Committee on Consumer Protection and Commerce, then to the Committee on Finance
1097	Committee on Water and Land Use, then to the Committee on Finance	1146	Committee on Judiciary and Hawaiian Affairs
1101	Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance	1147	Committee on Labor and Public Employment, then to the Committee on Finance
1102	Committee on Labor and Public Employment, then to the Committee on Finance	1149	Committee on Labor and Public Employment, then to the Committee on Judiciary and Hawaiian Affairs
1107	Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance	1150	Committee on Labor and Public Employment, then to the Committee on Finance
1109	Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance	1151	Committee on Labor and Public Employment, then to the Committee on Judiciary and Hawaiian Affairs
1117	Committee on Finance	1152	Committee on Labor and Public Employment, then to the Committee on Finance
1118	Committee on Judiciary and Hawaiian Affairs	1153	Committee on Labor and Public Employment, then to the Committee on Finance
1119	Committee on Judiciary and Hawaiian Affairs	1154	Committee on Education, then to the Committee on Finance
1120	Committee on Judiciary and Hawaiian Affairs	1155	Committee on Education, then to the Committee on Labor and Public Employment, then to the Committee on Finance
1122	Committee on Judiciary and Hawaiian Affairs	1156	Committee on Education, then to the Committee on Finance
1124	Committee on Consumer Protection and Commerce, then to the Committee on Finance	1157	Committee on Education, then to the Committee on Finance
1127	Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance	1158	Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
1128	Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance	1159	Jointly to the Committee on Judiciary and Hawaiian Affairs and the Committee on Public Safety and Military Affairs, then to the Committee on Finance
1129	Committee on Consumer Protection and Commerce, then to the Committee on Finance	1160	Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
1130	Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance	1163	Jointly to the Committee on Public Safety and Military Affairs and the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
1131	Committee on Consumer Protection and Commerce, then to the Committee on Finance	1176	Committee on Economic Development and Business Concerns, then to the Committee on Finance
1132	Committee on Consumer Protection and Commerce	1177	Committee on Economic Development and Business Concerns, then to the Committee on Finance
1134	Committee on Consumer Protection and Commerce	1178	Committee on Economic Development and Business Concerns, then to the Committee on Finance
1136	Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance	1181	Committee on Higher Education, then to the Committee on Finance
1137	Committee on Labor and Public Employment, then to the Committee on Finance		
1138	Committee on Culture and the Arts, then to the Committee on Finance		

1183	Committee on Higher Education, then to the Committee on Finance	1275	Committee on Labor and Public Employment, then to the Committee on Education, then to the Committee on Finance
1184	Committee on Higher Education, then to the Committee on Finance	1276	Committee on Education, then to the Committee on Finance
1185	Jointly to the Committee on Culture and the Arts and the Committee on Higher Education, then to the Committee on Finance	1279	Committee on Economic Development and Business Concerns, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance
1212	Committee on Transportation, then to the Committee on Judiciary and Hawaiian Affairs	1280	Committee on Transportation, then to the Committee on Consumer Protection and Commerce
1214	Jointly to the Committee on Transportation and the Committee on Water and Land Use and the Committee on Ocean Recreation and Marine Resources, then to the Committee on Finance	1281	Committee on Labor and Public Employment, then to the Committee on Finance
1229	Committee on Human Services and Housing, then jointly to the Committee on Energy and Environmental Protection and the Committee on Water and Land Use, then to the Committee on Finance	1282	Committee on Labor and Public Employment, then to the Committee on Finance
1234	Committee on Consumer Protection and Commerce, then to the Committee on Judiciary and Hawaiian Affairs	1284	Committee on Labor and Public Employment, then to the Committee on Finance
1235	Committee on Health, then to the Committee on Finance	1288	Committee on Labor and Public Employment, then to the Committee on Finance
1238	Committee on Consumer Protection and Commerce, then to the Committee on Finance	1290	Committee on Labor and Public Employment, then to the Committee on Finance
1245	Committee on Economic Development and Business Concerns, then to the Committee on Finance	1294	Committee on Labor and Public Employment, then to the Committee on Finance
1250	Jointly to the Committee on Transportation and the Committee on Education, then to the Committee on Finance	1299	Committee on Higher Education, then to the Committee on Finance
1251	Committee on Education, then to the Committee on Finance	1300	Committee on Labor and Public Employment, then to the Committee on Finance
1254	Committee on Judiciary and Hawaiian Affairs	1303	Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
1256	Committee on Transportation, then to the Committee on Finance	1307	Committee on Education, then to the Committee on Finance
1261	Committee on Consumer Protection and Commerce, then to the Committee on Finance	1314	Committee on Labor and Public Employment, then to the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
1262	Committee on Consumer Protection and Commerce	1320	Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
1269	Jointly to the Committee on Education and the Committee on Health, then to the Committee on Finance	1321	Jointly to the Committee on Economic Development and Business Concerns and the Committee on Ocean Recreation and Marine Resources, then to the Committee on Finance
1270	Committee on Education	1325	Jointly to the Committee on Tourism and the Committee on Economic Development and Business Concerns, then to the Committee on Finance
1271	Committee on Education, then to the Committee on Finance	1326	Committee on Consumer Protection and Commerce, then to the Committee on Finance
1272	Committee on Education, then to the Committee on Finance	1345	Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance
1273	Committee on Education, then to the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance	1371	Jointly to the Committee on Judiciary and Hawaiian Affairs and the Committee on Consumer Protection and Commerce
1274	Jointly to the Committee on Public Safety and Military Affairs and the Committee on Education, then to the Committee on Finance	1379	Committee on Judiciary and Hawaiian Affairs
		1404	Committee on Energy and Environmental Protection, then to the Committee on Finance

HOUSE JOURNAL - 28th DAY

450

<p>1421 Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance</p> <p>1429 Committee on Energy and Environmental Protection, then to the Committee on Finance</p> <p>1430 Committee on Transportation, then to the Committee on Judiciary and Hawaiian Affairs</p> <p>1431 Committee on Agriculture, then to the Committee on Finance</p> <p>1438 Committee on Economic Development and Business Concerns, then to the Committee on Finance</p> <p>1452 Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance</p> <p>1460 Committee on Health, then to the Committee on Consumer Protection and Commerce</p> <p>1462 Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance</p> <p>1465 Committee on Higher Education, then to the Committee on Finance</p> <p>1466 Committee on Finance</p> <p>1469 Committee on Transportation, then to the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance</p> <p>1470 Committee on Labor and Public Employment, then to the Committee on Finance</p> <p>1475 Committee on Labor and Public Employment, then to the Committee on Education, then to the Committee on Finance</p> <p>1478 Committee on Agriculture</p> <p>1481 Committee on Public Safety and Military Affairs, then to the Committee on Finance</p> <p>1485 Committee on Judiciary and Hawaiian Affairs</p> <p>1496 Committee on Energy and Environmental Protection, then to the Committee on Finance</p> <p>1499 Committee on Human Services and Housing, then to the Committee on Finance</p> <p>1502 Committee on Judiciary and Hawaiian Affairs</p> <p>1504 Committee on Health, then to the Committee on Finance</p> <p>1510 Jointly to the Committee on Consumer Protection and Commerce and the Committee on Judiciary and Hawaiian Affairs</p> <p>1512 Committee on Judiciary and Hawaiian Affairs</p> <p>1517 Committee on Consumer Protection and Commerce</p> <p>1518 Committee on Finance</p> <p>1534 Committee on Transportation, then to the Committee on Finance</p> <p>1542 Committee on Health, then to the Committee on Finance</p>	<p>1544 Committee on Labor and Public Employment, then to the Committee on Finance</p> <p>1556 Committee on Economic Development and Business Concerns, then to the Committee on Finance</p> <p>1557 Committee on Transportation, then to the Committee on Energy and Environmental Protection</p> <p>1568 Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance</p> <p>1583 Committee on Economic Development and Business Concerns, then to the Committee on Finance</p> <p>1607 Committee on Economic Development and Business Concerns, then to the Committee on Finance</p> <p>1608 Committee on Health, then to the Committee on Finance</p> <p>1609 Committee on Health, then to the Committee on Finance</p> <p>1610 Committee on Health, then to the Committee on Finance</p> <p>1635 Committee on Judiciary and Hawaiian Affairs, then to the Committee on Finance</p> <p>1638 Committee on Education, then to the Committee on Labor and Public Employment, then to the Committee on Finance</p> <p>1639 Committee on Finance</p> <p>1641 Committee on Education, then to the Committee on Finance</p>
--	---

DEFERRED RESOLUTIONS

The following resolutions (H.R. Nos. 56 through 58) and concurrent resolutions (H.C.R. Nos. 67 through 69 and S.C.R. Nos. 3, 20 and 33) were referred to committee by the Speaker:

<u>H.R.</u> <u>Nos.</u>	<u>Referred to:</u>
56	Jointly to the Committee on Agriculture and the Committee on Energy and Environmental Protection
57	Committee on Agriculture, then to the Committee on Finance
58	Committee on Agriculture, then to the Committee on Finance

<u>H.C.R.</u> <u>Nos.</u>	<u>Referred to:</u>
67	Jointly to the Committee on Agriculture and the Committee on Energy and Environmental Protection
68	Committee on Agriculture, then to the Committee on Finance
69	Committee on Agriculture, then to the Committee on Finance

<u>S.C.R.</u> <u>Nos.</u>	<u>Referred to:</u>
3	Committee on Public Safety and Military Affairs, then to the Committee on Finance

- 20 Committee on Tourism, then to the Committee on Finance
- 33 Committee on Transportation, then to the Committee on Finance

STANDING COMMITTEE REPORTS

Representative Garcia, for the Committee on Public Safety and Military Affairs, presented a report (Stand. Com. Rep. No. 1110) recommending that H.R. No. 11, as amended in HD 1, be referred to the Committee on Education.

Representative Garcia, for the Committee on Public Safety and Military Affairs, presented a report (Stand. Com. Rep. No. 1111) recommending that H.C.R. No. 8, as amended in HD 1, be referred to the Committee on Education.

Representative Case moved that the reports of the Committee be adopted and H.R. No. 11, HD 1, and H.C.R. No. 8, HD 1, be referred to the Committee on Education, seconded by Representative Yonamine.

Representative Garcia rose to speak in support of Standing Committee Report 1110 (H.R. No. 11, HD 1) and Standing Committee Report 1111 (H.C.R. No. 8, HD 1), stating:

"Mr. Speaker, first of all, I would like to extend my mahalo to the Representative from Aiea/Waimalu for not just having us consider the resolutions that are before us, but actually to inspire us to think about an issue that has actually been with us for some years, for as long as we have had federally connected children here in Hawaii and our responsibility to educate them.

"The issue before us has been last debated and deliberated upon back in 1993 and has come upon us again, if only for us to take a specific look at to what extent this State educates federally connected children, especially those children who have special needs, and how it will phase into the Felix v. Waihee consent decree.

"And so your Chairman of the Public Safety Committee, with respect to these two resolutions, has amended them and has actually inserted some thoughts that I would like to have the Education Committee and subsequently the Finance Committee to consider, if only to see what we can do to leverage more federal monies to help the State in actually following up in its responsibility, to ensure its responsibility, to educate these children. And I speak to those children, especially in the jurisdictions where there are military installations and many of them who are working in some capacity for the military, and I speak especially to my colleagues out in the Radford area, Wahiawa, and out in Kailua.

"Again, I want to thank the Representative from Aiea/Waimalu for having us seriously consider this issue and what we can do to advance their concerns."

Representative McDermott then rose in strong support of the resolutions, stating:

"I want to thank the Chair of the Public Safety Committee for improving daily upon this measure.

"The original measure requested the Board of Education to study the merits of returning or giving the schools back to the Department of Education. That has some practical implications; namely, the kids in the surrounding areas like Nimitz Elementary. There are civilian students who go to Nimitz Elementary which is on a military base. So where would those students go to school? Additionally, I think the original measure, he improved upon it because it sent the wrong message to the military. But now, let's deal with the measure at hand, and I'm going to speak on this a little bit but I probably won't speak on the budget, so that's a bonus.

"This affects me personally because my district contains Pearl Harbor and Hickam Air Force Base. And these schools have names: Nimitz Elementary, Hickam Elementary, Mokulele Elementary, Pearl Harbor Elementary, Pearl Harbor Kai Elementary, Makalapa Elementary, Aliamanu Elementary and Aliamanu Intermediate. These are the primary educational paths for these students from Pearl Harbor and Hickam Air Force Base, and they feed into Radford High School.

"I visited every principal this year, visited every campus, something I didn't do in the first two years -- I guess that's part of the one-year job. They all told me that they felt they were neglected by us because the parents don't vote. I know the parents don't vote. I can tell you exactly how many, but they felt they weren't getting the appropriate funding. They felt the State was ignoring them, and they cited anecdotal stories, and I have a lot of anecdotal evidence, and I also have some statistical evidence to back that up, but as we know, liars can figure and figures can lie.

"But I am encouraged that we are going to seek more federal funds, particularly with regard to the special education children, because that is an unfunded federal mandate, and currently the federal government only provides about twelve percent of what it cost to educate a special needs child. So if we can get them to come up with their share of the special education through the federally and military connected children, that would go a long way for improving our funding for these schools.

"The schools right now are in dire need of repairs and maintenance. And one doesn't have to take my word for it, one only needs to drive out to Radford High School, and that is one of these schools that will be affected because 75 to 80 percent of the students there are federally and military connected. The schools are really crumbling. So while we move forward into the future trying to seek federal funds, which I applaud, and we're currently working with Dr. LeMahieu, we need to address the issue today, and we need to get some repair and maintenance monies to fix these schools. And I hope in the final version of the budget, there is some repair and maintenance monies and capital improvements for these schools, particularly Radford High School.

"Thank you."

The motion was put to vote by the Chair and carried, and the reports of the Committee were adopted and H.R. No. 11, HD 1, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION, THE BOARD OF EDUCATION, THE DEPARTMENT OF BUDGET AND FINANCE, HAWAII'S CONGRESSIONAL DELEGATION, PARENTS OF FEDERALLY-CONNECTED STUDENTS, AND FACULTY OF THE AFFECTED SCHOOLS, TO WORK COOPERATIVELY IN THE MANAGEMENT OF SCHOOLS EDUCATING FEDERALLY-CONNECTED CHILDREN," and H.C.R. No. 8, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION, THE BOARD OF EDUCATION, THE DEPARTMENT OF BUDGET AND FINANCE, HAWAII'S CONGRESSIONAL DELEGATION, PARENTS OF FEDERALLY-CONNECTED STUDENTS, AND FACULTY OF THE AFFECTED SCHOOLS, TO WORK COOPERATIVELY IN THE MANAGEMENT OF SCHOOLS EDUCATING FEDERALLY-CONNECTED CHILDREN," were referred to the Committee on Education, with Representatives Moses, Okamura, Stegmaier and Thielen being excused.

Representative Santiago, for the Committee on Health, presented a report (Stand. Com. Rep. No. 1112) recommending that H.R. No. 37 be referred to the Committee on Finance.

Representative Case moved that the report of the Committee be adopted and H.R. No. 37 be referred to the Committee on Finance, seconded by Representative Yonamine.

Representative Leong rose to speak in support of the resolution, stating:

"We need so much to consider how we can save our landfills and what we can do to be creative to protect our environment. And when I read this resolution and I heard this man, I thought: how creative he is, and this is what we need to do. So, hopefully, what we can do is to protect our environment and use some of these materials in other ways. I am so strongly 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.R. No. 37, entitled: "HOUSE RESOLUTION REQUESTING A FEASIBILITY STUDY BY THE DEPARTMENT OF HEALTH ON ESTABLISHING A USED ROOFING MATERIAL RECYCLING PROGRAM," was referred to the Committee on Finance, with Representatives Moses, Okamura, Stegmaier and Thielen being excused.

Representative Santiago, for the Committee on Health, presented a report (Stand. Com. Rep. No. 1113) recommending that H.R. No. 14 be referred to the Committee on Consumer Protection and Commerce.

Representative Case moved that the report of the Committee be adopted and H.R. No. 14 be referred to the Committee on Consumer Protection and Commerce, seconded by Representative Yonamine.

Representative Santiago then rose and stated:

"Mr. Speaker, what I would like to do is make brief comments regarding Standing Committee Reports 1113 through 1120, if I may.

"Mr. Speaker, what these resolutions are doing is actually attempting to implement, or at least bring to focus the whole discussion on dying with dignity. And I have to and I cannot compliment enough, the hard work that was put in by the Governor's Blue Ribbon Panel. These individuals, many of them, gave so much of their personal time to come back and focus and explain to our society the needs that exist in this area. We may not have agreed with some of the recommendations they made but certainly we have to acknowledge that they pointed to those areas that were in need of improvement.

"These resolutions highlight some of those needs: spiritual counseling, hospice care options during the end of life, as well as the pain management programs.

"As a result of our discussions and the public hearings on this issue, we have had the doctors come forward, the Hawaii Medical Association -- putting together a very comprehensive program for their physicians on pain management. We are attempting in House Resolution No. 16 and H.C.R. No. 14 to implement those kinds of pain medication for those individuals facing these very difficult emotional times.

"I would like to again just simply ask my members to look at all of these resolutions as an understanding of the continuum and the holistic view so that as this emotional issue continues to be discussed, we consider all of these improvements.

"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.R. No. 14, entitled: "HOUSE RESOLUTION URGING COUNSELORS, CLERGY OF ALL RELIGIONS, FAITH HEALERS, AND HEALTH CARE PROFESSIONALS TO INTEGRATE SPIRITUAL AND CULTURAL COUNSELING SERVICES INTO THE HEALTH CARE SYSTEM," was referred to the

Committee on Consumer Protection and Commerce, with Representatives Moses, Okamura, Stegmaier and Thielen being excused.

Representative Santiago, for the Committee on Health, presented a report (Stand. Com. Rep. No. 1114) recommending that H.C.R. No. 11 be referred to the Committee on Consumer Protection and Commerce.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.C.R. No. 11, entitled: "HOUSE CONCURRENT RESOLUTION URGING COUNSELORS, CLERGY OF ALL RELIGIONS, FAITH HEALERS, AND HEALTH CARE PROFESSIONALS TO INTEGRATE SPIRITUAL AND CULTURAL COUNSELING SERVICES INTO THE HEALTH CARE SYSTEM," was referred to the Committee on Consumer Protection and Commerce, with Representatives Moses, Okamura, Stegmaier and Thielen being excused.

Representative Santiago, for the Committee on Health, presented a report (Stand. Com. Rep. No. 1115) recommending that H.R. No. 15, as amended in HD 1, be referred to the Committee on Consumer Protection and Commerce.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.R. No. 15, HD 1, entitled: "HOUSE RESOLUTION URGING THE EXECUTIVE OFFICE ON AGING, IN PARTNERSHIP WITH HOSPICE HAWAII, TO EDUCATE HEALTHCARE PROVIDERS AND THE GENERAL PUBLIC ON THE BENEFITS OF HOSPICE," was referred to the Committee on Consumer Protection and Commerce, with Representatives Moses, Okamura, Stegmaier and Thielen being excused.

Representative Santiago, for the Committee on Health, presented a report (Stand. Com. Rep. No. 1116) recommending that H.C.R. No. 12, as amended in HD 1, be referred to the Committee on Consumer Protection and Commerce.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.C.R. No. 12, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE EXECUTIVE OFFICE ON AGING, IN PARTNERSHIP WITH HOSPICE HAWAII, TO EDUCATE HEALTHCARE PROVIDERS AND THE GENERAL PUBLIC ON THE BENEFITS OF HOSPICE," was referred to the Committee on Consumer Protection and Commerce, with Representatives Moses, Okamura, Stegmaier and Thielen being excused.

Representative Santiago, for the Committee on Health, presented a report (Stand. Com. Rep. No. 1117) recommending that H.R. No. 13, as amended in HD 1, be referred to the Committees on Higher Education and Consumer Protection and Commerce.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.R. No. 13, HD 1, entitled: "HOUSE RESOLUTION URGING MORE PUBLIC EDUCATION ABOUT CHOICES AVAILABLE TO THOSE WHO ARE SEVERELY ILL, AND URGING THE INCLUSION OF CARE OF THE DYING IN THE EDUCATION OF HEALTHCARE PROFESSIONALS," was referred to the Committees on Higher Education and Consumer Protection and Commerce, with Representatives Moses, Okamura, Stegmaier and Thielen being excused.

Representative Santiago, for the Committee on Health, presented a report (Stand. Com. Rep. No. 1118) recommending that H.C.R. 10, as amended in HD 1, be referred to the Committees on Higher Education and Consumer Protection and Commerce.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.C.R. No. 10, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION URGING MORE PUBLIC EDUCATION ABOUT CHOICES AVAILABLE TO THOSE WHO ARE SEVERELY ILL, AND URGING THE INCLUSION OF CARE OF THE DYING IN THE EDUCATION OF HEALTHCARE PROFESSIONALS," was referred to the Committees on Higher Education and Consumer Protection and Commerce, with Representatives Moses, Okamura, Stegmaier and Thielen being excused.

Representative Santiago, for the Committee on Health, presented a report (Stand. Com. Rep. No. 1119) recommending that H.R. No. 16, as amended in HD 1, be referred to the Committees on Higher Education and Consumer Protection and Commerce.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.R. No. 16, HD 1, entitled: "HOUSE RESOLUTION URGING EFFECTIVE PAIN MANAGEMENT PROGRAMS BE REQUIRED IN ALL HEALTHCARE INSTITUTIONS," was referred to the Committees on Higher Education and Consumer Protection and Commerce, with Representatives Moses, Okamura, Stegmaier and Thielen being excused.

Representative Santiago, for the Committee on Health, presented a report (Stand. Com. Rep. No. 1120) recommending that H.C.R. No. 14, as amended in HD 1, be referred to the Committees on Higher Education and Consumer Protection and Commerce.

On motion by Representative Case, seconded by Representative Yonamine and carried, the report of the Committee was adopted and H.C.R. No. 14, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION URGING EFFECTIVE PAIN MANAGEMENT PROGRAMS BE REQUIRED IN ALL HEALTHCARE INSTITUTIONS," was referred to the Committees on Higher Education and Consumer Protection and Commerce, with Representatives Moses, Okamura, Stegmaier and Thielen being excused.

SUSPENSION OF RULES

On motion by Representative Yonamine, seconded by Representative Pendleton and carried, the rules were suspended for the purpose of considering bills on Third Reading on the basis of a modified consent calendar. (Representatives Moses, Okamura, Stegmaier and Thielen were excused.)

THIRD READING

H.B. No. 100, HD 1:

Representative Takamine moved that H.B. No. 100, HD 1, pass Third Reading, seconded by Representative Kawakami.

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

"First, Mr. Speaker, I would like to publicly thank you and my colleagues for the opportunity and privilege to serve as Chairperson of the Finance Committee. It has been a tremendous educational experience and a real challenge. Our work has been a collective effort throughout, and I would like to recognize those without whom we could not have reached this point.

"Mr. Speaker, you established a tradition of acknowledging the work of the House Finance Committee staff. I never fully realized what a truly dedicated group of individuals they are,

until I got a chance to work with them. Today, I find that words seem inadequate to express my appreciation. They are professional in every sense of the word, they are an invaluable resource for the House, and they are 150 percent devoted to their work.

"They are with us this morning in the gallery, and I would like to introduce them. Beginning with the permanent staff, I would like the entire team to stand when they're named. First, House Finance Clerk Mr. Kevin Kuroda, Mrs. Amy Lum, Mr. Nandana Kalupahana, Mr. Jo Hamasaki, Mr. Brian Hallett, Mr. RJ Yahiku, Mr. Brian Furuto, and the session staff: Ms. Lilinoe Lindsey, Mr. Jacque Dacay; Mr. Roger Kim, Ms. Annie Macapagal, Mr. Brent Yoshikami, Ms. Eunice Leong, Mr. Ryan Hironaka, Ms. Janice Yamauchi, Mr. Gary Teramae, Ms. Carol Chong, Mr. Asa Wakabayashi, Ms. Lee Ann Yamashiro and Ms. Joyce Akamine. I guess they always do things as a team, so even in standing, would you all please rise. And members, could you help me acknowledge the hardworking staff of the Finance Committee. Thank you very much.

"Mr. Speaker, I would like to also acknowledge the hard work and leadership of my Vice Chair, Representative Bertha Kawakami, as well as the other members of the Finance Committee for their many long hours of work, and their patience in allowing the work of the Committee to be completed.

"I would also like to attest to the efforts of the subject matter Committee Chairs, who reviewed their portions of the budget and then provided their recommendations and insight.

"And to you, Mr. Speaker, and to Leadership, to the House Majority Staff, and to all those others who assisted and enabled us to deck House Bill 100, House Draft 1, my sincere appreciation.

"Mr. Speaker, the measure now before us represents a balanced, fiscally responsible financial plan that seeks to accomplish the following:

- * To be mindful of the State's uncertain revenue outlook;
- * To stimulate business activity through budget actions;
- * To advance the structural changes made in prior years by this Legislature, to invest as much as we can afford in our human resources;
- * To empower the human spirit in individuals and communities;
- * To improve the efficiency and responsiveness of government; and in so doing
- * To redefine the very role of government in people's lives.

"Mr. Speaker, as I look now on this budget package, I feel comfortable with the fact that we can live within our means. Having said that, let me also say that our greatest hope for true and lasting recovery rests with our stakeholders.

"In other words, it is the individuals and communities themselves who must choose the opportunities for self-determination expressed by this budget and employ those opportunities to pursue their dreams. In this effort, Mr. Speaker, we must all work together."

At this point, Representative Hamakawa rose and yielded his time to Representative Takamine.

Representative Takamine thanked the Chair and continued, saying:

"Mr. Speaker, the collective efforts which resulted in the financial plan that is presented today is the culmination of over

two months of work by your Committee. This process began with the transmittal of the Executive Budget to the Legislature even before the start of the 1999 session, and involved the total dismantling of the Governor's requests and their reconstruction into the House draft you have before you.

"Each component of the Executive Budget was carefully analyzed with a single purpose: to find additional savings.

"For example, Mr. Speaker, we focused on the fixed costs of government and we were able to reduce the Department of Budget and Finance's request by \$70 million in general fund appropriations over the next two fiscal years.

"At the Department of Business and Economic Development, the general fund request was cut by nearly \$11 million for the biennium.

"In all, Mr. Speaker, we found over \$44 million that could be saved or redirected. Then, as we recombined the elements, we looked at our current obligations and anticipated our future requirements. We addressed the State's immediate needs, including emergency funding requests, and we incorporated the House Majority's goals of business stimulation and long-term economic viability.

"Above all, we were mindful of the public's desire for economic revival, better public education, greater opportunities in higher education, enhanced public safety, and basic protection for our neediest citizens.

"In that regard, Mr. Speaker, I submit that this budget is a dramatic step forward in the proper direction. We are building on the historical changes to our government enacted by the Legislature in past years.

"I speak, of course, of the \$175 million in spending cuts we imposed on last year's budget request.

"We also approved the largest cut in personal income taxes in history -- \$759 million over four years -- in an effort to stimulate our economy from the consumer side. While helping the taxpayers, however, this change is impacting the revenues collected by the State.

"We also gave autonomy to the University of Hawaii to freely set its course and become the flagship of Hawaii's future prosperity.

"With this budget, Mr. Speaker, we seek to build on those structural changes and, where possible, accelerate them. With two notable exceptions, each State agency will be facing substantial reductions or zero growth general fund budgets in the coming biennium.

"The two exceptions are the public schools and the University of Hawaii system.

"The Department of Education will receive increases of \$123 million and \$116 million in each of the next two years.

"The University of Hawaii system will increase by little over \$19 million in each of the next two years.

"Mr. Speaker, increasing our investment in basic education and higher education meets a number of our goals.

"Improvement and investing in our public education system -- and thereby investing in our children -- has always been a top priority. In fact, Mr. Speaker, there is no more important goal than providing the best education for each and every child so that they can realize their fullest potential. This is the dream of every parent, but the likelihood that a child will succeed is dependent on the proper tools and financial support being provided.

"By improving performance standards and providing teachers with the necessary resources, we immediately enhance our children's near-term prospects.

"Over the longer term, that investment will directly support our business climate. It is well documented that companies seeking investment opportunities in this age of information and technology put at the top of their list of criteria. . .

At this point, Representative Lee rose and yielded her time to Representative Takamine.

Representative Takamine thanked the Chair and continued, stating:

"Included at the top of their list of criteria a readily available workforce of educated and trainable employees.

"To this end we are appropriating over \$3 million in each of the next two years for the Department of Education to create and implement the Hawaii Content and Performance Standards assessment tool.

"To further assist all students and teachers in the area of learning, we are providing an additional \$10 million over the biennium to allow the Department of Education to include special education students in their calculations of class size ratios.

"In doing so, we believe this will have the beneficial effect of reducing class sizes thereby increasing one-to-one learning.

"At this point, Mr. Speaker, I wish to point out that the general fund budget proposed for the first year of the biennium represents a \$130 million increase over the current fiscal year. Of that amount, fully \$123 million is targeted for our public schools.

"Of the new positions created by this financial plan, 92 percent is designed to assist students in obtaining their educational objectives. Many of the new positions are required as a result of the opening of new schools and increased enrollments elsewhere, particularly in the area of special education.

"Additionally, Mr. Speaker, 40 percent of all capital improvement projects contained in the budget are assigned to the public school system.

"This deeply underscores our commitment to education and recognizes that a uniformly strong public education system is a desire shared by all our citizens.

"This commitment is also evident in our support for higher education, specifically the University of Hawaii system.

"Mr. Speaker, the legislative process is notoriously slow and deliberate, with good reason. Our oversight responsibilities demand that we fully investigate all aspects of an idea before taking action.

"It is therefore not surprising that it took years for the Legislature to grant autonomy to the University of Hawaii. This fundamental and structural change occurred last year. This year, we propose to enhance that change and further empower the University to become the kind of cutting-edge institution it can be.

"In targeted areas of knowledge, the University has established a strong reputation.

"Most recently, the pioneering research in cloning by Dr. Ryuzo Yanagimachi and his colleagues received international acclaim. In recognition and support of these efforts, we are appropriating nearly \$5 million to the University's Biomedical

Research Building, which will house the Institute of Reproductive Biology.

"To accelerate the University's ability to accomplish its mission, we are giving it the flexibility to seek and obtain loans of up to \$10 million from private financial institutions.

"For many of our residents, Mr. Speaker, the University of Hawaii is, for all practical purposes, the only institution available. . .

At this point, Representative Hiraki rose and yielded his time to Representative Takamine.

Representative Takamine thanked the Chair and continued, stating:

"For many of our residents, the University of Hawaii is, for all practical purposes, the only institution available for undergraduate and advanced degrees. It is sound public and fiscal policy to invest as much support as we can afford.

"Mr. Speaker, we fully recognize the importance of reviving our economy, to improve our business climate and stimulate investment. Our fiscal constraints limit what we may do, but nonetheless, we have approved a number of measures that will help our struggling business community.

"Last year this Legislature responded to a call from the small business community by adopting the Small Business Regulatory Flexibility Act. This year we propose to fully fund it, including the position of Small Business Defender, to ensure that the concerns of small business have a voice in the Legislature.

"Hawaii boasts some of the finest talent in the world when it comes to professional services such as architecture, engineering, planning, and tourism development. They have designed or built some of the most distinctive and memorable properties in Hawaii, the Pacific, and around the world.

"To level the playing field and enhance the competitive abilities of our professional services firms, we propose to exempt these professional services exported outside Hawaii from the general excise tax. At the same time, we plan to levy a use tax on imported professional services.

"One of the most onerous tax burdens on business is the general excise tax on all levels of business transactions. It raises the costs of doing business in Hawaii and increases the ultimate price paid by consumers. We propose to eliminate the GET on intermediary services over a seven-year period.

"Mr. Speaker, on Opening Day you instructed each of us that change would be the order of the day. You stated in your remarks: 'We will embrace change and lead it.'

"It is clear, Mr. Speaker, that this applies also to House Bill 100, House Draft 1.

"In the past, government has played the role of problem solver and provider. Today, Mr. Speaker, that role must be the one of facilitator -- to work with communities in addressing its needs and challenges.

"In this changed role and new relationship, empowerment becomes an essential dynamic. Trust between government and the people of the community is essential.

"In these times of limited finances, helping a community to articulate its goals and marshal its resources are the keys to building greater capacity for self-sufficiency among our communities.

"Successful capacity-building does more than bring people together in the spirit of teamwork. It transcends individuals and instills a sense of community.

"In this process, Mr. Speaker, communities themselves develop the confidence and skills to willingly accept full accountability for creating their own economic destinies.

"As partner, facilitator and supporter, government empowers people to greater self-determination, resulting in a stronger sense of hope among individuals and the communities they live in.

"Mr. Speaker, our belief in this principle is evidenced by the funding of the Community-Based Economic Development program, or C-BED, as part of this financial plan.

"C-BED, with its central concept of empowerment, reinvents the way government responds to the changes occurring in our economy. Continued funding will involve more communities in the process of exercising greater control over the planning of their own economic development.

"Mr. Speaker, this is especially applicable in the area of agriculture, where the number of plantation closures statewide has created a golden opportunity to transform that industry.

"Agriculture generates nearly half-a-billion dollars a year in farm gate revenues alone, much more when 'value added' products are included in the mix.

"The industry directly employs thousands statewide; indirectly even more, such as in transportation and related services.

"Mr. Speaker, to empower the new breed of small farmers in rural communities, we are providing greater financial assistance through partnerships with private lenders, thus stretching the dollars available under the Department of Agriculture's loan programs. . .

At this point, Representative Kanoho rose and yielded his time to Representative Takamine.

Representative Takamine thanked the Chair and continued, stating:

"Moreover, the University of Hawaii's Small Business Development Center, which provides training in critical skills, such as entrepreneurship, is funded with an additional \$200,000.

"One area of special concern to the Finance Committee was the State's fixed costs -- those recurring expenditures which must be included in each year's budget calculations.

"In the prior two years, we agreed with the Governor's intent to stimulate construction activity through State-funded projects.

"We authorized a total of \$1 billion in general obligation bonds to support this effort, with the understanding that the level of bond funding for capital improvement projects would return to prior levels, beginning in fiscal year 2000,

"When we received the current Executive request for \$600 million authorization in CIP funding, we naturally became very concerned. Given our uncertain revenue outlook, to incur a new debt obligation of that size would seriously limit the choices for future Legislatures.

"Mr. Speaker, we could not in good conscience, agree to fund today's needs by putting our children in debt.

"Therefore, we are reducing the Governor's CIP request to a maximum of \$400 million per year for the biennium.

"Of equal concern have been the requests for emergency funding, which would impact our current budget. As you are well aware, Mr. Speaker, there was a cash carry over balance of \$154 million at the end of fiscal 1998.

"A total of \$72 million in emergency funding requests have been received, of which we propose to fund \$66 million. The remainder will be carried over into the next fiscal year, partly to protect the State's credit rating.

"But more importantly, we wish to conserve as much money as we can in anticipation of a reduction in revenues owing to the large cut we made in personal income taxes.

"In our deliberations, Mr. Speaker, we were also guided by the principles of equality, compassion, opportunity and tolerance.

"We have tremendous needs in the areas of health and human services and cannot ignore those in need, particularly children. Furthermore, we rightfully must provide for the welfare and education of our disabled children, as directed by the federal courts under the Felix-Cayetano Consent Decree.

"The budget appropriates over \$800 million in general funds to health and human services to provide for the basic and essential needs of our citizens.

"Mr. Speaker, I am sure there are those who would criticize this budget for not doing enough to reduce the size of State government.

"To those critics I say: 'Look closely at where the investments are taking place. They are in areas of the highest public demand for services -- education, public safety and human services.'

"To meet these demands, we have been forced to make cuts. Since 1993, there has been an elimination of one thousand State positions in order to meet the new demands in areas like education and public safety.

"Mr. Speaker, we are building new schools because we must. Would we seriously propose that once built, we leave them empty of teachers, staff and principals?

"Mr. Speaker, we are on course to downsize and restructure government. But we reject the notion that we must do so ruthlessly, without safety nets to catch those who would otherwise fall to their doom.

"House Bill 100, HD 1, builds on the foundations we have set in motion by our previous actions.

"These are the right things to do. They effect the changes we desire at a pace and in a manner that befits Hawaii. . .

At this point, Representative Nakasone rose and yielded his time to Representative Takamine.

Representative Takamine thanked the Chair and continued, stating:

"At a pace and in a manner that befits Hawaii, where the traditions of Aloha and the Aloha Spirit run counter to the slash-and-burn approach some would have us employ.

"We cannot -- indeed we must not abandon our human principles. For if we do, then we are truly lost.

"Mr. Speaker, this budget is about providing for our children, so that we can collectively secure a better future. This budget is about investing in our human capital, which will pay large dividends not only for our economic health, but for our general well-being as a community.

"I urge my colleagues to support this measure.

"Thank you very much, Mr. Speaker."

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

"As Vice Chair of the Finance Committee for the past several years, I have witnessed in others and experienced for myself the laborious efforts in putting together the appropriations measure. And, Mr. Speaker, I have had the pleasure of serving under your tutelage during those years. In that time, I have learned how painfully difficult a balancing act this truly is.

"It is always easy to say that the budget does not go far enough, or that it is not enough. But I would say to you, Mr. Speaker and my colleagues, that one must look beyond dollar amounts and provisos. The impact we have made in our communities is substantial. For all the programs that get less money than hoped for, the ones that we are funding have made an important difference in the lives of our people that we represent. So for each of those figures in the budget, someone is helped, an impact is felt, a child is taught, and a potential tourist is enticed to visit our islands.

"Mr. Speaker and colleagues, I first want to point out that above and beyond our fixed costs, we are facing several emergency appropriations that add up to some \$53 million. Of that total, \$44 million alone will go to fulfill the requirements of the Felix consent decree by assisting the DOE and DOH with operational expenses to meet the ever-increasing workloads.

"For our community hospitals, we are providing \$8 million over the biennium to the Hawaii Health Systems Corporation so it remains viable, while authorizing an additional \$30 million in revenue bonds to make various safety improvements to facilities statewide.

"In expanding on what Chairman Takamine has already stated, this bill targets education as our top priority. It has been said that 'education costs money, but then so does ignorance.' Mr. Speaker, your Finance Committee firmly believes that if we invest in our children and their education, the outcome will by far outweigh its costs. We have already passed a measure to reduce the class-size ratio through additional funding. Yet, this is only one piece of a much larger pie. As Superintendent Le Mahieu has stated, if our students are to succeed, then a lower class-size ratio must be part of a concerted effort to improve education. On a personal note, I wholeheartedly agree with him because as a beginning neophyte teacher, I was assigned to the lowest level fifth grade class in a rural classroom on Oahu. I had a class of 50 students and how I wanted to quit, but my educational training and love for children and teaching made me a better teacher at the end of that school year. So teachers must take advantage of smaller class sizes to provide individual attention to children and to give direct instruction to all children. The DOE must recruit and retain enough qualified teachers and moreover, the State must provide enough classrooms to achieve this goal.

"Therefore, Mr. Speaker, your Committee is focusing on education this session and supports the following:

- * Expanding teacher training programs at the University of Hawaii;
- * Instilling public confidence in our teachers;
- * Increasing the pool of qualified teachers, especially in our rural communities;
- * Reducing the attrition rate;
- * Expanding professional development opportunities;
- * Providing for technological developments in classrooms;

- * Increasing funds for repair and maintenance of our facilities; and
- * Providing for badly needed renovations and infrastructure upgrades."

At this point, Representative Yamane rose and yielded his time to Representative Kawakami.

Representative Kawakami thanked the Chair and continued, stating:

"As President John F. Kennedy once said: 'Our progress as a nation can be no swifter than our progress in education. The human mind is our fundamental resource.' So, Mr. Speaker and colleagues, education should be viewed as a large ship sailing into the future. Due to its size, a change in course is inevitably slow. But once in the right direction, that ship will pick up speed and its momentum will take us far and wide. With the funding in this measure before us, the ship's compass will be the 'hot' Hawaii content and performance standards. And the navigators? Our qualified teachers!

"For the Department of Human Services, we are ensuring that our children are ready to succeed in school by improving the affordability, the accessibility, the quality of early childhood education services by developing childcare subsidies and reimbursements. We are also looking at the other end of the spectrum by offering a tax break on premiums paid for long-term care health insurance policies.

"For low-income families, we have created a basic safety net of access to qualified health care insurance for our children via the Children's Health Insurance Program. In taking care of our foster children we are providing for foster parent training and establishing a procedure for the medical oversight of children in the Child Protective Services system.

"In the area of health, another significant cost item, we are continuing to provide for those who are most at risk. For example, we have funded services for special health needs children ages 0 to 3, recognizing that assistance at this early stage in life will mitigate their impairments in later life. To allow the State to have a better representation in the individualized Education Plan process, we have provided for mental health coordinators and eliminated costly private care coordinator services. To ensure proper access to health care in our rural communities, we have selected four private facilities deemed most critical to the people of Hawaii: Hana Health Center, Molokai General Hospital, Kahuku Hospital, and the Waianae Coast Comprehensive Health Center to receive subsidies of over \$4 million in the next two years.

"Mr. Speaker, we are in the process of changing the role of government. To those who say it's business as usual, we can only point to our priorities and state: this is the most balanced approach. Economists believe that in times of a downturn, government should increase spending to pump cash into our local community and stimulate business activity. Yet we constantly receive criticism for not cutting the budget enough to reflect this economic slowdown. And in times of need, the needy increase in numbers and we are left with two opposing interests pulling in separate directions. So, Mr. Speaker, your Committee on Finance faces this dilemma on a daily basis as individual members wrestle with community requests for help to see how it fits in to our bigger picture.

"In conclusion, Mr. Speaker, I would like to say to you and my colleagues that I stand shoulder to shoulder with Chairman Takamine in praising this measure. Education does remain our top priority. It is the engine that will drive our economy into the next century. As Lady Montague, an English society figure, once commented: 'People commonly educate their children as they build their houses, according to some plan they think is beautiful, without considering whether it is suited for the

purposes for which they are designed.' Mr. Speaker, we are continuing on the path of restructuring our educational system to make it well designed and so we continue on that path of restructuring to make it more accountable, to make it more flexible and more effective. Our focus is clear: to build schools with the purpose of producing a highly skilled, technologically literate workforce that can be creative, innovative, and productive. And that will be our best economic development package yet.

"I want to thank you, Chairman Takamine, for the privilege of working with you. And, Mr. Speaker, I would like to close by recognizing again our wonderful staff, and the analysts who labored so dutifully, I must say, in this budget. Will you please stand again so we can recognize you.

"Thank you very much, Mr. Speaker."

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

"Mr. Speaker, as I listen to the very eloquent comments of the former speakers, I was struck that this budget really does need a strong and lengthy defense. We hear time and time again about the need to take care of the people that are needy, the safety net, and caring for people and having the compassion to care for them. And, of course, the State does have a role in doing that.

"However, we also have a fiduciary and financial responsibility to all the citizens to provide an economy that is vibrant, an economy that allows people to work one job and get by, to have the dream of someday owning their home, for their children to be able to look to the future and know that their lives are going to be better than their parents. I submit that children today look at their parents and they see them working two jobs, and they see the dilemma they're in. And they look at that and they see no hope for themselves, and most working people don't know if they're going to have a job. They don't know if they're ever going to be able to afford a home, or if they have one if they're going to be able to keep it.

"Now this budget, House Bill 100, increases spending by five percent per year over the biennium. Not included in this budget are the retroactive pay raises of \$82 million, nor is the collective bargaining raises in there, or other appropriations. And it doesn't even deal with the ceded lands issue which could cost anywhere from \$300 million to \$1.5 billion.

"Mr. Speaker, I submit that we have been in a recession now for nine years. I have a nine-year old granddaughter. That's a long time, and every year we have expected or hoped or prayed that somehow it would turn around. Very honestly, Mr. Speaker, I look to the future here in the State of Hawaii. We view the Mainland which is booming. We view our citizens moving there -- our police officers. There's a flood out of the State. We've lost a net total of over 19,000 citizens in the last couple of years.

"Mr. Speaker, I have no expectations. I don't think any reasonable person has an expectation that there's going to be some kind of miraculous recovery. There is no white knight, there's no angel that's going to come down and miraculously turn our economy around. There's no huge amount of capital that's out there that's going to bring venture capital to the State and invest. Floods of tourists are not going to suddenly decide that they want a Hawaiian vacation in the next 24 months to turn our economy around.

"Mr. Speaker, the only people that can turn this economy around are seated on both sides of this building. We are the only people that can change the financial aspects of our State because everybody in the State, every business person, every laborer, every employee work under the auspices of the rules and regulations and laws that we implement here. And the one

that affects them most because it is taking money out of their pocket is this budget.

"Now this may be part of a great social experiment to try to tax your way out of a recession. But I don't think you can do that. I don't think, Mr. Speaker, that that's possible. Government can no longer be all things to all people. We simply can't afford to try to be all things to all people. We must understand that we have to trust our citizenry to act in their own behalf.

"We talk about the need for leadership and responsibility. And I submit to you, Mr. Speaker, that by increasing the size, the scope and the budget of government, it demands that higher revenues be generated to support it, it demands higher fees, higher taxation, and those measures, Mr. Speaker, have passed this House. The property tax on cars has passed this House. The increased fees on rental cars have passed this House. There are numerous bills that have passed this House, that whether you call it a fee or you call it something else, it's basically more taxation. The burden is too heavy for the average people to bear. It is weighing down on them, and they are moving away.

"Mr. Speaker, this is personal. I had my daughter and my son-in-law. . .

At this point, Representative Leong rose and yielded her time to Representative Rath.

Representative Rath thanked the Chair and continued, stating:

"I had my daughter and my son-in-law recently move to the Mainland. She was pregnant so she could no longer. . .they knew that they would not be able to any longer work two jobs. She had to have the baby. Their dream of having a home on the Big Island was shattered. So while she was still pregnant, they had to move back to the Mainland because that's the only way that they ever thought they were going to have the kind of life that we had hoped for them to have, the kind of life that they wanted and desired -- the same kind of life that almost everybody -- every family -- in this State wants. I have a very beautiful granddaughter now -- Sammy -- but she lives on the Mainland and I've not yet seen her.

"And this isn't a personal experience that is different somehow than the majority of the population. Everybody knows somebody that had to move away. And it is this kind of spending, this kind of tax increase, this kind of burden on our citizens, this rejection of increasing and stimulating our economy, this rejection of lowering taxes that is placing a burden on our families where they have to move away.

"So, Mr. Speaker, House Bill 100 is the 'go away' bill, and I think we should flatly reject this. I know some people say it's the work and progress, and I don't think it's the work and progress, Mr. Speaker, I think it's a disaster in progress.

"So I'll be voting against this and rather than comment any further on the very cogent and specific items in the budget -- we always get this criticism on this side of the aisle as, well, you know, you get up and you speak against the bill, where would you make the cuts? Where would you reduce spending? How would you do this? I will take those comments, Mr. Speaker, and I will place them in the record, if so allowed, to be an addendum to this," and the Chair "so ordered."

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

"First of all, may I also acknowledge the Finance Committee and its staff for the hard work that they have done in putting together this budget. As a former member, and under your leadership, Mr. Speaker, I know the amount of work and time the Committee demands from the members, especially the staff

who I know works twice as hard. So to all of you, thank you for your hard work and for a job well done.

"Mr. Speaker, when I accepted the Chairmanship of the Agriculture Committee, I know full well that Hawaii's agriculture industry is not the 'player' it was once. I also knew that given the proper attention and resources, it could be developed to the 'giant' that it can become. The Committee then took on this very ambitious vision -- that of developing agriculture to becoming again a viable industry and turning into the largest economic contributor within this State. This is a long-range endeavor, we realized that -- one that will take the cooperative effort of everyone -- from the private sector, to the State, the farmers, the University and, of course, the Legislature.

"The major factors which bear on this are land, water, financing, promotion and marketing, including transportation of goods, biotechnology, and more especially, leadership. I have to accept that having mentioned all of this, it behooves us to find the funding to develop agriculture before fruition. Included in this budget, Mr. Speaker, are funds available for their effective implementation, especially in the area of leadership. It is badly needed.

"We realized the need to look at all of these components in which the industry could expand and grow. First, the land issue. There are thousands of acres of land left vacant because of the closure of most of Hawaii's sugar and pineapple plantations. We passed legislation to make these parcels of idle lands available to farmers with the creation of agricultural subdivisions and making available to them long-term leases at reasonable rates.

"Second, water. Without water there is no agriculture. House Bills 368, 948 HD 2, 898 HD 2, 980 HD 2, and 1380 HD 1 -- these bills all relating to water passed the House and have been transmitted to the Senate.

"Third, because agriculture poses high risks, securing loans from commercial lenders are difficult to some, impossible to many. House Bills 978 and 979 would make financing readily available and affordable to farmers by allowing the Department of Agriculture to guarantee these loans.

"Fourth, in House Bill 374, we addressed the issue of promotion and marketing by establishing distribution and consolidation centers here in Hawaii and on the Mainland. This would make Hawaii made and grown products more competitive in Mainland markets.

"Fifth, research and development within agriculture is a requisite, I believe, because improving current crops and developing new commodities is a must in our efforts to expand and perhaps pioneer a new franchise in biotechnology. We have asked for funding of agricultural commodities from taro to tropical fruits and flowers, to our papaya industry, and we also addressed the issue of microorganism import and use to help the research community and business interests.

"Sixth, leadership. And I say again, Mr. Speaker, leadership. In any large effort, it is a must to have a strong leadership. In order to push forward agriculture's growth and expansion, we have to have a leader or an agency to lead. I think that within the agriculture industry, we have such an agency that was established by this Legislature in 1994 -- the Agri-Business Development Corporation or ADC. I asked for the continued funding of ADC because I am fully convinced that it is the agency that could become the leader if given authority and autonomy. We must take this bold step to initiate change that this budget is trying to accomplish, and as a strong component of your administration, Mr. Speaker. It is worth the risk.

"Mr. Speaker, I think that this budget has been carefully drafted with the utmost consideration for education, social and human services as effectively articulated by your Finance

Chair, as well as economic and development. Having said all that, on behalf of the members of your Committee on Agriculture, I would like to thank the Finance Chairman for the support extended to your Committee on Agriculture in particular, and the agriculture industry in the State of Hawaii. I fully support this budget and I urge everyone to also support it.

"Thank you very much."

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

"In my first term, I was fortunate enough to serve on the Finance Committee as you know. In these austere times, I quickly learned that this was going to be a tough job. With the flat economy, tax revenues continue to shrink. This makes it difficult to fulfill our obligation to improve public education, protect the needy, and protect our environment.

"Mr. Speaker, I was told that we set a record for the number of bills heard in one Finance Committee hearing -- more than 200 bills in one day. While I certainly wouldn't wish that experience on anyone, I believe that this long, painful process, under the guidance of the Finance Chair and Vice Chair, has rendered a fiscally responsible budget that makes bold steps towards improving Hawaii's future.

"Don't get me wrong. There are parts of this budget that I disagree with, departments that I'm not enamored with, government functions that I believe to be either over or under funded. But on the whole, this budget draft is an excellent start, because it is balanced and puts a premium on human capital.

"Some of the Republicans will speak today of their distress at the growth of government, and tomorrow, or during their re-election campaigns, they will talk about their commitment to public education. . .

At this point, Representative Whalen rose on a point of order and stated:

"Mr. Speaker, I don't think it's proper. I don't believe the bill has anything to do with Republicans or Democrats, and I don't think it's proper for the speaker to be addressing the Republican re-election campaigns or strategies that might be employed."

The Chair responded:

"Representative Schatz, could you confine your remarks to the budget itself."

Representative Schatz continued, stating:

"Fair enough. After more than \$500 million worth of cuts over the last two bienniums, this budget includes cuts in every single department except for Education, Public Safety and Defense.

"Of the approximately 900 new positions in the State government over the next two years, nearly 800 are for education, especially in the area of providing assistance for children with developmental disabilities.

"This budget is fiscally responsible.

"Finally, I would like to highlight some of the most important measures coming out of this budget draft:

* With this plan, an additional three thousand Hawaii citizens who are presently uninsured will be covered by health insurance.

* With this plan, we will significantly increase the DOE's budget to help them address the teacher/student ratio.

* With this plan, the DOE will establish and implement performance standards for our education system, so that our children will be prepared for the 21st century.

* With this plan, the University of Hawaii will expand its research and development in high technology and biotechnology.

"It is easy to criticize this budget or anything else when you're not responsible for balancing the budget or doing the work. What is challenging is to address our economic and educational crises and forge solutions. This plan, Mr. Speaker, I believe, does just that. Thank you."

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

"This State Budget bill is a work in progress and will continue to evolve throughout this 1999 session. There are many areas that concern me -- I do have reservations. However, I will be voting for this measure.

"Some of the reservations concern the bigger bottom line. It is hard to argue against increases in education and in health, but there are other areas of the budget that we did not scrutinize sufficiently.

"At the outset of this session, I spoke about values and the qualities that are necessary upon which to build our legislation. And the primary value we need in crafting the fiscal bills before us -- is compassion.

"In drafting House Bill 100, we must remember the family out there who is struggling to find a job and to keep a job. We must not forget the small businessperson who lives from sale to sale. And let us think of all our friends and family who would love to return to Hawaii to work and to live.

"I believe we all have the compassion necessary to do the job. I know that the Chair of the House Finance Committee, the Vice Chair, the Majority members of the Committee, the excellent and very patient staff have the necessary compassion, and I commend also the Speaker and the Majority Leadership. We have sufficient compassion and that is why we are presented with an operating budget that is larger than the previous biennium. We are trying to address the many demands asked of us in this Capitol building.

"But we can do better, and we can do it together. Republicans firmly believe that further tax cuts are necessary -- preferably ones that have immediate impact that will jumpstart our economy. Two days ago the Majority rejected our call for the elimination of the GET on food, medical services and residential rent -- a break we truly believed would lessen the pain out there.

"But we still have several good tax bills pending that will help job creation. And the Finance Chairman take them out. Chief among them is a bill to reduce the GET on intermediary services to 1/2 percent -- the anti-pyramiding bill. As we said at the time, Mr. Speaker, to stretch out this reduction for seven lean years won't bring immediate relief and the patient is sick today. Corporations and banks can benefit from a reduced. . .

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

"I believe this is a budget bill. It is not a taxation bill, so the speaker should confine her comments and remarks to the budget bill before us."

The Chair responded:

"I believe the Minority Leader has the opportunity of conveying her concerns tied to the budget, which is a reflection of other measures that this House did pass over to the Senate, so

I will let her proceed on," and asked Representative Marumoto to "please proceed."

Representative Marumoto thanked the Chair and continued, stating:

"I am just winding up, but the other demands on the budget are the adverse side of it, and as mentioned by the Finance Chairman there are several bills out there that we have put into place two days ago, and among them are the corporation and franchise tax reduction bill, the capital goods tax break, and we all know that hotels need tax credits to encourage them to rebuild and renovate. High tech and biotech hold great promise for Hawaii. But, of course, to implement all or some of these measures, we must make room in the budget. There are also many other appropriation bills out there that we must consider. How do they fit?

"We must have greater compassion and the vision to see past the insistent and close voices that surround us -- indeed, that besiege us. We must develop a recovery plan, and all the pieces are in place right here. This budget bill is a good start, and the tax incentive bills are all on the launch pad. So, please, let's all work together.

"Thank you very much."

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

"The Vice Chairman spoke directly about the laborious efforts and painfully difficult task and dilemma faced on a daily basis in forming this budget. I feel privileged to be a member of the Finance Committee. I am supporting this budget with reservations.

"The reason we face so much pain, Mr. Speaker, is that I think we are basically in pursuit here of what I would call the 'impossible dream' to make government bigger to take care of more needs, to finance wage increases for government workers, and yet to cut taxes and return money to Hawaii's families to create jobs and stimulate the economy. I think rather than the 'impossible dream', I think what we can do, and that's all of us together, this is something government can do. We can make government smaller to take care of more needs. We can make government smaller to pay for wage increases, and we can make government smaller to pay for tax cuts.

"How can we do this?

"Well, we can start by being honest about State government. It is too big. Budget Director Anzai has, in the past, suggested that we return to a reference point the size of government in 1990, that if we took our budget down to the share of the State's economy that it had in 1990, the general fund would be reduced by over \$300 million. Under these guidelines, which would also reduce government employment to its 1990 base plus its growth in proportion to Hawaii's increase in population, that would mean 2,100 less workers than we have today -- not 600 more as is proposed in the budget for next year.

"Mr. Speaker and members of the Legislature, we have to stop feeling that success is adding new programs, and start measuring success by rightsizing for greater effectiveness. We should follow the Governor's prescription to us in the book he gave us. We should banish bureaucracy, we should encourage competition, we should reinvent government. We should embrace change.

"A single one-year elimination of vacant positions through attrition will turn this State around. It will pay for tax cuts that create jobs. This will happen when people spend their own money on their own needs here in Hawaii. Tax cuts create jobs.

"What's different about Hawaii and the rest of the United States? Well, one big thing that's different is that 80 percent of

the population and the rest of the United States has lived or is currently living under a tax-cutting governor. That's what we need in Hawaii, that same kind of stimulation.

"Fortunately, last year the Economic Revitalization Task Force put forth a major tax cut. It's going to affect us. We have to reduce the budget by 4.5 percent to pay for that tax cut in the coming year. This is an important step forward, and one that this side of the aisle is in strong support of, and we're delighted that the Majority is continuing to make sure that tax cut gets funded -- 4.5 percent next year.

"We have proposed additional tax cuts but the Democrats . . . excuse me, I'm not supposed to say that. But the Majority Party and our proposals are only 2.3 percent in addition to that 4.5 percent. Attrition can save \$94 million if we cut 1,700 positions in the next year. Separation -- people living government each year -- rounds out to about 3,900 positions. We are talking about 600 new positions in the next year. That gives us a total hiring profile of 4,500 new positions over the next twelve months. If we leave only 38 percent of those positions vacant instead of filling them, that's 1,700 positions, we can pay for this tax cut. No teacher position needs to remain vacant. No new teacher needs to go unhired, nobody needs to be fired -- attrition is the way to do it. It has been done in other states. It's been done by the federal government, and let me refer briefly to that.

"The federal government is now down to the size that it was in the Kennedy Administration. At the same time, federal workers are making much more money. Because the workforce is smaller, it's very easy to pay for wage increases. And one of the fastest growing wage scales in the economy of Hawaii is that earned by federal workers. So I think that's a direction we can point to.

"The growth in the economy that we can get if we go through the same measures that the rest of the United States have gone through can yield vastly more money for our general fund. If Hawaii has been growing at the same rate as the rest of the country, that's the average for the rest of the country since 1995 -- 1995 through 1999. . .

At this point, Representative Auwae rose and yielded her time to Representative Fox.

Representative Fox thanked the Chair and continued, stating:

"If we had grown at that rate, the rate of the rest of the country over that four-year period, we would have \$2.2 billion more dollars in our general fund to spend on the needs that we really have. So let's turn this economy around with the measure that we both agree with -- tax cuts.

"Thank you."

Representative Arakaki then rose to speak in strong support of House Bill 100, stating:

"I also want to add my thanks to the Finance Committee Chair, Vice Chair, members and staff. And I applaud his efforts to not only hear the many bills that were passed on to him from the primary Committees, but for also being willing to listen to the concerns and suggestions of Committee Chairs and Vice Chairs regarding this budget.

"As you quoted in your Opening Day speech, Mr. Speaker, and I quote: 'Hubert Humphrey once said that the moral test of government is how government treats those who are at the dawn of life -- our children; those who are at the twilight of life -- the elderly; and those who are in the shadows of life -- the sick, the needy and the disabled.' The Bible also tells us that we will be judged not by the treasures we store up here on Earth, but how we treat the least amongst us. Finally, the Preamble of our State Constitution reads: 'We reaffirm our belief in a government of the people, by the people and for the

people, and with a compassionate heart towards all peoples of this Earth.' So the moral, spiritual and legal imperatives are clear.

"But it is measures such as the budget which is a 'walk for the talk,' and it is measures such as this budget bill that are the benchmarks and moral standards that we will be judged by.

"With all of the budget cuts that are necessitated by Hawaii's economic doldrums and reduction in revenues, I thank God we did not choose to mortgage our children's future and offer the needy, the disabled, and the elderly as sacrificial lambs on the altar of economic recovery and revitalization.

"House Bill 100, in fact, makes investments in the future.

"It provides \$900,000 over the next two fiscal years for early intervention screening services to identify infants and children with special health needs according to the I.D.E.A.

"And recognizing the importance of quality child care that is accessible, especially to those who do not have the means but still must place their children in care while they work, train for work, or look for work, the budget allows for \$28 million over the biennium to be transferred from TANF and TAONF to child care services. It also recognizes the importance of providing early childhood education to maximize learning during the first five years of a child's life by providing \$1.5 million for the Open Doors Program. Open Doors will make early childhood education affordable to three and four-year old children of parents who are either underemployed or have low incomes.

"House Bill 100 provides medical assistance to the aged, blind, and disabled with an additional \$24.1 million and \$24.5 million over the next two years.

"It provides \$500,000 for primary care services for the medically uninsured, and it maintains funding for the General Assistance Program at \$24.7 million to provide a safety net for the disabled who are at risk of severe illness or homelessness.

"It is somewhat frightening to hear those who would cut and freeze positions and programs for the sake of downsizing because we all realize that it is programs that emphasize prevention and investment that are usually eliminated first. And for anyone who cannot see the value of these investments in our children, I will point out to you the Kids Count report, and I have it right here if anyone wants to see it. It places Hawaii eighth nationally in composite child outcomes. So despite the poor economy and diminishing resources, our commitment to Hawaii's future, measured by outcomes for keeping our children healthy and safe, is much better than many other states, including those that have booming economies and large surpluses. This budget and this Legislature must continue that commitment, so that our children will always have hope, no matter how tough their economic situation.

"And to help me illustrate that point, I quote from a story from yesterday's **Star-Bulletin**, and I have it right here also. It's about a young man living in public housing in Kalihi who is a junior at Castle High School. He is a model student with a 3.7 cumulative grade point average. According to his father, he is the 'glue' that holds his family together: cooking, washing clothes. . .

At this point, Representative Luke rose and yielded her time to Representative Arakaki.

Representative Arakaki thanked the Chair and continued, stating:

"He cooks, washes clothes, and cares for his younger sister and brothers. This young man is Jordan Salis, and his dad is disabled and a single parent on assistance. And his dad, on his limited income, provides food, clothing and shelter for his family, but there is little left for other things.

"Despite the hardships, Jordan has hopes and dreams of being Student Body President, and he dreams of going to a foreign country this summer to share his Aloha and to tell others about Hawaii and its people. And this is what Jordan said in the article: 'We manage. I think we all learn to share what we have. I know I've always got to think of the little ones. In our situation, you have to make sacrifices. You also learn that the longer you wait, better stuff is going to come.' And so while Jordan waits for better stuff, and we all wait for the economy to improve, like Jordan says: 'We need to share what we got and always think of the little ones.'

"So let's keep hope alive and support this measure. Thank you, Mr. Speaker."

Representative Ito then rose in strong support of the measure, stating:

"Mr. Speaker, first of all, I would like to thank the Finance Chair, Vice Chair, Committee members, and the Finance analysts and researchers for their hard work, for developing this budget that puts education our number one priority.

"Mr. Speaker, the House budget represents a total net increase of \$25 million in general funds for all State departments, yet the Department of Education received an increase of \$54 million. How is this possible? It's possible because the Finance Committee stripped our budget down and took a hard look at where our limited resources should be focused. They then chose to reduce other areas of our government in order to place education as this House's priority. Cuts to fixed cost and other non-core areas allowed this happen.

"Mr. Speaker, the easiest thing to do with such limited resources would have been to provide a flat budget to all State agencies. Yet, the Finance Committee took the responsible position and provided for education.

"Yes, it is important to provide immediate economic stimulation. And the Finance Committee has done so. I point to a number of tax credits and tax breaks that the Finance Committee provided. However, for true long-term sustainable economic success, we need an educated, intelligent, skilled, and a competitive workforce that has the academic background to compete anywhere in the world. The only way to achieve this goal is through education.

"The Finance Committee also took bold strides in making structural changes to our educational system. I point to the provision of the Hawaii Content and Performance Standards. This assessment allows us to gauge not only the student's performance, but also the performance of our educators.

"In addition, to ensure that our teachers are able to focus on teaching, the Finance Committee has taken strides to decrease class size.

"Finally, Mr. Speaker, the Finance Committee supports a system of care, the Comprehensive Student Support System, that will provide direction and guidance to all students -- both academically and socially. Books and pencils are one thing, Mr. Speaker, but too many of our children are without adequate guidance and support. We can teach them math, reading, and writing, but we cannot teach them how to care for one another.

"So, Mr. Speaker and members, please support House Bill 100, House Draft 1. Thank you."

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

"Mr. Speaker, I, too, would like to, for a moment, just reflect upon the words you spoke on Opening Day. We've heard that you challenged us to change, but you also, in your words on Opening Day, talked about an effort to achieve balance. I

appreciated those words then, and as I look to the budget we put together, I say this is a sincere attempt to balance and not just respond to the desires of those who would say, let us just cut, cut, cut and cut some more.

"Mr. Speaker, I would like to thank the Finance Chair and the members of the Committee for responding to the needs of our rural communities that was not included in this year's Executive Budget, which has always been the funding for those areas such as Hana, Molokai, Kahuku and Waianae. In order to achieve this, they had to go within the budget and find an additional \$2.2 million for this year and for the next year. For that and others, as has been mentioned by my good friend, the Representative from Kalihi, I would like to strongly support this measure, knowing full well that before the end of session there will be much more debate and discussion on many other needs. For that alone, Mr. Speaker, I rise in strong support. Thank you."

Representative Morihara then rose in strong support of the bill, stating:

"As a former member of the Finance Committee, I can appreciate the hard work the Chairman and the Vice Chair and all the members of the Finance Committee, and the sense of support that the staff gives to them, and I want to thank them for all their efforts.

"This bill puts resources where we need it most -- in education -- because the education of our youth is the future of our State. As Chairman of the House Higher Education Committee, I've had the pleasure and the opportunity to speak with many businesses, particularly in high technology, and their greatest need right now is in human resources. It's a quality the University is a key component in providing, and it is important in attracting new industries to Hawaii.

"After past budget restrictions totalling over \$30 million, this budget will ask for new initiatives that will have economic benefits for Hawaii. Just over \$1 million in research will leverage over \$10 million in research grants from outside of this State. It will also include a \$45 million research vessel that will keep the University of Hawaii at the forefront in marine sciences.

"This budget will keep the doors of opportunity open and affordable to all the students of Hawaii. New initiatives in computer sciences, biotechnology, reproductive biology, agriculture and education will help lay the foundation to diversifying the economy. That diversification will stabilize the economy and offer new options to our children.

"The University stands ready with a new spirit of entrepreneurialism to lead in that effort. And we would like to thank you for all the efforts on the University's behalf that you have all made for the institution.

"Thank you, Mr. Speaker."

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

"Mr. Speaker, you know I really do rise in support of the budget. But after my little floor speech here, there might be a message in there that might have my members think otherwise, but I would like to have them considered only as a friendly word of warning and perhaps an invitation to take a look at the priorities that this State faces. And as we go on with further deliberations on this budget and bills tied to the budget, they might want to rethink their position on a few things.

"Mr. Speaker, I'm always interested in the concern and quite sensitive to the remarks that the Chairs of your other committees convey on this floor when they try to defend and increase their bottom lines for the respective departments for which they have jurisdiction over. I don't have that problem.

As your Chair of Public Safety, I am once again enjoying an increase in my budget.

"We have listed education as a priority in this budget, Mr. Speaker, and I think that is wisely so. We're investing in human capital. We are empowering our people. We are looking out for the future.

"Mr. Speaker, a couple of days ago your Chair of Human Services made reference to a scenario -- the mechanic. The mechanic that you pay now or pay later, those words struck me, Mr. Speaker, because perhaps I can see myself as the mechanic.

"Here's the bill. This is the first installment.

"Mr. Speaker, you go back to fiscal year 1992 up to this present fiscal year, the Department of Public Safety has enjoyed increases in the general fund allocation. In fact, in fiscal year 1999, it enjoyed almost an 11 percent increase in general fund allocation. Your Department of Public Safety never has to deal with budget cuts. It never has to suffer or fear the budget ax falling on the department. It has had the dubious distinction of having its budget increased, along with education, when compared to other departments. So when the members are standing on this floor and bemoaning and decrying and struggling to come up with the monies to fund this, that or other programs or services, I just have to sit back and enjoy it, because the Department of Public Safety is spared all of that.

"Mr. Speaker, I am quite pleased actually of House Bill 100, in that the Finance Chair has cut back on the Governor's request for general obligation bond financing from \$300 million to \$200 million each year for the biennium. When the Governor gets that message, because he wants to spend \$130 million in general bond financing for his new prison, it's a big chunk out of that \$200 million my friends. And this Chairman cannot stand in good conscience and tell the members, I need \$130 million of that \$200 million for that prison.

"Mr. Speaker, I have been an advocate of that new prison nevertheless, and will continue to do my due diligence to see that we increase our prison bed capacity here. But remember, members, when you're considering measures to enhance prison sentencing, when you consider, members, on rehabilitation and prevention and education, always remember the mechanic stands ready. He is not going to throw up his hands in frustration. He is not going to sit on his hands and do nothing. I am going to hold out my hand because you're going to give it to me as you always have since fiscal year 1992. You're going to increase my budget because that's what you want, isn't it? You want that thin margin of safety that a prison provides for you. And I will continue to go down the road, if that is what the Caucus wants me to do. I will advocate for increased prison bed capacity and everything else that comes with it. Always remember, the mechanic stands ready with the bill.

"Thank you, Mr. Speaker."

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

"I rose on prior occasions to encourage our members to look at this session as a fresh start into the new millennium. But today, I would like to share a little story that history may teach us a lesson.

"During the darkest days of World War II, Sir Winston Churchill was called upon to rally the spirits of a battered England. In a memorable speech, he called upon his people to sacrifice for the common good. And even though the warring Europe was nothing less than a catastrophe, he told them: 'The test of a man is not how he is when things are good but how he is when things are not.'

"My colleagues, my friends, this is our test because, as we know, things are not good. But this budget is an attempt to meet that test in a responsible manner.

"As your Chair of the Labor and Public Employment Committee, I would like to express my gratitude and respect to our Finance Chair, Vice Chair, and Committee members in supporting our workforce into the 21st century by funding our commitment to them on collective bargaining, as well as planting seeds for the future, in supporting our efforts on the Workforce Investment Act which will sprout, I believe, in worker training and readiness for the 21st century.

"And for those reasons, Mr. Speaker, I believe that your Finance Committee has done a good job in balancing the budget.

"Thank you, Mr. Speaker."

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

"One of the realizations that I think we've had is that we cannot afford to pay for the Felix v. Cayetano Consent Decree in the same manner that we have been funding it. We've also realized that we cannot produce students who have the skills and confidence to compete with others around the world in the next century if our funds are sapped by the State and school bureaucracies.

"Mr. Speaker, we've created a 'monster' -- school counselors who cannot counsel; adults, including teachers, who cannot mentor our children; social workers who find themselves pushing paper and filling out forms rather than creating community; an impersonal system of handling human problems by over-priced professionals who, by spending 45 minutes every week or every other week with their clients, are not able to care for the very people that they're supposed to be helping; individualized education plans in which everything is expected of government and nothing is expected of parents; and state departments ostensibly serving the same people -- our children and adolescents -- who refuse to work together.

"Mr. Speaker, I commend the Finance Chair and, for that matter the members of the Finance Committee, and the members of the Economic Development Committee, for doing important things in the area of taxation. But given the request, the challenge that you and the Majority Leader uttered on Opening Day, I believe that this bill, this budget draft, falls short of making change in an area vitally important to the State; and that is, how we provide public service, how people treat each other. And while I agree with the Human Services Chair, in terms of the importance of providing service to the infirm and the weak in our society, I contend, Mr. Speaker, that we are not treating our weak well. And placing more positions and more monies into the same programs, into the same bureaucracies, will not improve the caring of our state government.

"I mentioned this book earlier, named the Careless Society, and I'll recommend it to everyone again. A social worker, after 40 years, says that what we've set up isn't working. What we've done is to highlight professionalism and we've obliterated community. I believe that we need to allow people to step forward to show their humanity. Adults offering their love and life experiences to children and each other, and we're not doing that right now.

"Mr. Speaker, there are people within this chamber who have shown that this can be done. There are people within the Legislature, in our staffs, who have shown what we need to do.

"I want to commend my Office Manager, Linda Asato Kaichi, who works with two people in our office -- a special education student from Kaiser High School, and a young man from Winners at Work -- everyday of the week. I would

venture to say that the experience that these two young men are having in our office with this caring human being who has no background in special education, in psychology, but offers her love and caring to these people, shows the way that we need to go even in terms of our government programs.

"I want to commend other people within our chamber who have shown the way that we need to go: Representative Dennis Arakaki, Representative Eric Hamakawa, Representative Tom Okamura, who spend time mentoring young people in our community. I want to commend Representative Mark Takai for organizing parenting classes within his community. This is not a program, he simply felt that this was important, and he is working with his schools to do this. Representative Mike Kahikina, empowering his community to take care of themselves by organizing the churches to work together.

"Mr. Speaker, the Human Services Chair did mention Jordan Salis, and we are all moved by his dreams and his opportunities. But I would contend, Mr. Speaker, that it is family. . .

At this point, Representative Menor rose and yielded his time to Representative Stegmaier.

"Representative Stegmaier thanked the Chair and continued, stating:

"It is family, it is community, which will sustain Jordan Salis and will raise the money so that he can fulfill his dreams by representing Hawaii in Europe this summer. It will not be a government program.

"Mr. Speaker, what I am advocating is the end of bureaucracy, with regard to the Felix Consent Decree, by shifting funds and personnel from the Department of Health to the schools.

"I am advocating the creation of teams at each school made up of school counselors, teachers, peer educators, school-to-work coordinators, speech pathologists, social workers, parent-community networking coordinators, custodians, secretaries, and all the other adults, and for that matter, students who can help each other in creating true learning communities at our schools.

"I would contend, Mr. Speaker, that the reason there is such an exodus from our public schools to our private schools is that the private schools have created community. They care for each other. They don't have more professionals, they don't have more skilled people. They have created a situation in which adults and students care for each other. We need to emulate the private schools. We are no different from the private schools. Take a look at the examples where this has been done, including, I was reading, a school in El Paso, Texas, nearly all low income and from homes where Spanish is the family language. They do as well on the math and writing portions of the Texas State Assessment as the highest achieving schools in the state, because they had created community. They have involved parents -- everybody has a responsibility for the well-being of everyone else.

"Mr. Speaker, our budget needs to decategorize our programs and to pull our resources, leaving it up to each school community to create unique relationships among the people of that community so that they will serve each other. We need to respond aggressively to the invitation that Governor Cayetano presented to us to reform our State government, to make it more caring and more effective. Let's set ourselves in a new direction this year through the budget that we pass, and the bill on civil service reform that we adopt, to truly empower our students, our families and our communities. I know that with the commitment and talent we have in this Legislature, we can make these changes.

"I want to refer to the spoken words of someone else who we admire, who served so well a few years ago as the Speaker of our House. I want to repeat the words that Majority Leader Case mentioned from Speaker Kawakami: 'We need to join together as did a few daring individuals in those centuries past to examine the issues that come before us with the courage and the willingness to perceive and think in new ways, to extend our vision beyond the horizon of the current century so that we might prepare wisely for the century ahead.' That is so timely for us. He then said: 'We must push ourselves to think anew about the concerns which we face in our State. We must challenge old premises and replace threadbare paradigms while retaining as firm anchors those ideological perspectives and fundamental values which reflect the nobility and humanity of mankind.'

"Mr. Speaker, as Nana Veary said, and thank you for this publication which I have read, 'change we must', and we can do it through this budget document. Thank you."

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

"I would like to take this opportunity to say that I have considered it a privilege to be a member of the Finance Committee. I first served under you, Mr. Speaker, for two years. It was very informative, you were extremely helpful and very kind. My positive experience serving on the Committee this year is due in large part to the fact that I sincerely admire Representative Takamine and the outstanding job he has done as the Chairman of one of the most important committees. Although this was his first session in such a challenging position, Chairman Takamine quickly rose to the occasion by organizing, running and maintaining direction in the Committee. I should say he maintains and runs very well, in fact he talks faster than any Chairman I have ever served under, so you just can barely blink in that Committee. And he's certainly a quick learner.

"In addition, I would like to acknowledge the exceptional Finance Committee staff. I don't know if they're still here. . .there they are, they're always there. They're here at the Capitol at all hours. We in this chamber are extremely fortunate to have such dedicated, reliable and competent people at our disposal. I not only appreciate but also respect their in-depth research and diligence in working toward our goal of coming up with a balanced budget. Their hard work and long hours have not gone unnoticed.

"And, of course, I cannot let the opportunity go by without expressing my great admiration for the able Vice Chair of the Finance Committee. She is, without a doubt, the most poised and patient member of the Finance Committee. Her staying power is legend and incredible.

"Mr. Speaker, my reservations are in part by the fact that we have passed a budget that balances for the moment, but it is larger than last year's budget and it adds over 600 new positions. The committee report on the budget refers to the fact that last year we passed the largest tax reduction in the history of Hawaii. I might add it is the only tax reduction we have ever passed.

"Hawaii, in 1996, was rated number one in the per capita state tax revenues. The people in Hawaii paid more taxes per capita than people in any other state. We are also number one in state government tax revenues as a percent of personal income. This puts a tremendous burden on the average resident in Hawaii. And if you add to that the four percent excise tax on the normal everyday things -- food, shelter and health care -- you find a vastly burdened population.

"In addition to the high per capita tax that we pay, it costs 30 percent more to live in Hawaii. I don't want to pretend that we have a simple task before us. You only have to open the paper on almost any given day. A few days ago, big headlines that

our revenues had dropped 7.8 percent. In February, the revenue take was 7.8 percent below that of 1998. So the revenues for the general fund that we expect to have in May, we may get a big surprise, and it will be less.

"I am concerned about the creation of new jobs, and what small businesses have asked for repeatedly is tax relief. And there were some good bills that we passed on Tuesday. My fear is that they will be dropped because we will not be able to find the money to allow for that reduction in tax revenue. This will give no stimulation to the economy.

"The pyramiding bill, while a good one, phases in so slowly, but if we don't have it at all we're back to square one.

"These are some of my concerns. I feel that we could do a lot more in cutting the size of government. Right now we're over 42,000 employees, and as I said earlier we increased the State's employee pool by over 600 with this particular budget. The Governor's figures were over 800, and we are not at sine die yet so we don't know what we're going to have. Some of the possibilities that this side of the aisle have talked about before, and I believe they are very doable if we really want to cut the size of government, we need to look in these areas.

"I suggest we abolish the Civil Rights Commission. We have the EEOC at the federal level that can handle these types of things. Abolish the Hawaii Occupational Safety Office. We have OSHA at the federal level. Close down Waimano Home. There was a lot of discussion in the Finance Committee. It was scheduled to be closed in 1998. It doesn't look like it's going to be closed in 1999. We should close that down. Stop leasing space in the Hemmeter Building. These four suggestions could save \$3.6 million.

"In addition, my colleague and good friend from Waikiki has suggested attrition. This may sound I know like a broken record -- year after year we speak about attrition. It's a reality. Other states do it. Businesses, I mean the big corporations across the United States, have done it in a big way, and if we can do it in business and if there's roughly 3,000 people that leave government employ, either by retirement or by moving somewhere else, we could half that amount. We could save \$90 million, 1,700 positions. We could save \$90 million.

"Some other ideas. We could cut back on the purchase of State vehicles. Have people drive their own vehicles. Charge more for parking downtown. It's a bargain right now -- a real bargain. A ten percent cut in the State office supply budget. Eliminate all public relations divisions. In almost every department we have an administrator, an assistant administrator. I think that most of these people can speak for themselves. Eliminate the proposed increase in the Judiciary budget, and reduce out-of-State travel by 50 percent and in-State travel by 25 percent. These reductions would come up to \$26.7 million. Added to the \$3.6 million and the \$90 million, that's \$127 million that we could cut out of our budget. And this would assure that we can move ahead the bills that would give some kind of tax relief to business.

"Hawaii is indeed very cognizant and has the aloha for our people that have problems, people who, for no apparent reason of their own, can't work, have health problems. We can be proud that we did take care of them. I looked at the budget last night, at the line-by-line cost under social services, and I didn't add up all the other various funds -- like federal funds, like special funds -- but general funds alone, this budget has over \$526 million of general funds going for social services, so we are taking care of. . .

At this time, the Chair interjected: "Your time has expired."

Representative Pendleton then rose and stated:

"Mr. Speaker, I yield my time, but I ask the Clerk to note an aye with reservations vote for myself," and the Chair "so ordered."

Representative Meyer thanked the Chair and continued, stating:

"At any rate, I think that we do a good job with the safety net. But if we don't do a better job for the small business people of Hawaii who create the income that we derive our revenues from, we will not have the funds to take care of anyone. So I hope that the Finance Committee and others will consider some of the recommendations we've had.

"Thank you, Mr. Speaker."

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

"Mr. Speaker, I think that the House should be very proud of the budget, and especially proud of our Chairman, Vice Chair, and the Finance staff for the deliberation they put into it. The attention paid to two areas in particular -- developing human capital, and mitigating our fixed long-term costs -- will make a difference for us in the long run, and should not be taken so lightly today.

"I think it is easy for members to stand here and to make somewhat obtuse statements that the solution is to just cut taxes and to just cut government. Before cutting government, we must answer two fundamental questions. First, what do we cut; and second, do we have the will to do it?"

"I would submit that the answers are problematic because each of us -- Majority and Minority alike -- brings to the table a special cause that we believe government must protect and fund. In fact, this year, the members across the aisle -- some of whom demand that we just cut taxes and just cut government -- introduced twenty appropriations and CIP measures which call for new, additional spending of over \$103 million. This \$103 million amount does not include their twenty other proposals which call for unfunded mandates, the cost of workers to carry out the services, or the cost of debt service, which we will have to pay for the next twenty years.

"As we advance this discussion, I hope that we will lend to it some consistency and some public acknowledgement that government can and does advance the circumstances of our constituents.

"Thank you."

Representative Marumoto then rose and stated:

"I would ask that the speaker please confine his remarks to this budget bill before us, House Bill 100."

The Chair answered:

"I believe the speaker is confining his remarks to the budget because it's in relation to the budget that these measures were introduced and were tied to the budget," and asked Representative Saiki to "proceed."

Representative Saiki replied:

"I'm finished. Thank you."

Representative Goodenow then rose and stated:

"You know, this is my second term now, and right when you think you get things understood something new comes up. Last year when we were talking about our budget, we were criticized you know. We talked about: we cut the A funds, we cut general funds, we did this, and we were criticized that we weren't talking about all the funds, all methods of financing.

"Well, let's look at the budget this year. If you include all methods of financing -- A, B, C, D, et cetera -- our budget reflects an 8.6 percent decrease. We're not talking about burgeoning government. It's an 8.6 percent decrease, or over \$1.1 billion, from the current biennium, so let's remember what numbers we talk about.

"Thank you, Mr. Speaker."

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

"Mr. Speaker and members, in these hard times and with our desire to present a balanced budget to the Senate, the Finance Committee and its Chairman have pulled together all available resources to provide for the needs of our citizens.

"Mr. Speaker, last year we created and gave the Hawaii Tourism Authority the power to appropriate funds for the promotion of Hawaii. I know the Authority would rather not see any legislative provisos. However, Mr. Speaker, in this budget, the Finance Committee has provided for two important projects for the Tourism Special Fund, and I thank the Chairman and the Committee for recognizing the importance of these two projects.

"The first proviso is \$500,000 to support the Aloha Racing entry in America's Cup 2000 for costs related to the preparation and sailing of the Aloha Racing yacht in Australia. The initial request was for \$3 million. Though not the full funding, this \$500,000 proviso is a legislative message that we support their efforts.

"Mr. Speaker, over a four to five month period, from October 1999 through February of the year 2000, this event will be broadcasted on worldwide television. With its sailboat hull painted by Wyland, Aloha Racing will have the most distinctive boat with possibly the words 'Visit Hawaii' on its sail. During this period, there will be a continuous promotional opportunity for Hawaii. This event would be a very positive catalyst for increased tourism in the State of Hawaii.

"However, support of Aloha Racing goes many steps further than the promotion of tourism. If the Aloha Racing entry wins, it has the potential of bringing a major world sporting event to the State of Hawaii in the year 2004. As experienced in San Diego when that city hosted the America's Cup, the potential revenue generated in the State of Hawaii would exceed one billion dollars. Yes, that is a billion with a 'B'.

"The cost of conducting a successful America's Cup campaign is considerable. It will be in the neighborhood of \$20 million. The support the State of Hawaii can give to this effort would be magnanimous. The potential return to our State would be overwhelming.

"Our second proviso is \$25,000 to DBEDT to support the Hawaiian Super Prix.

"The promoters of the Hawaiian Super Prix have recently announced that Hawaii would be home to the richest auto race in history. The Hawaiian Super Prix will offer a total purse of \$10 million.

"Championship Auto Racing Team (CART) will be the sanctioning body for this world class sporting event. The race will be held here in Hawaii on November 13th of this year, and will be televised on pay-per-view in over 195 countries, reaching approximately 300 million viewers worldwide. Hawaii Super Prix has a ten-year commitment to run this race annually in Hawaii.

"The Super Prix group has not asked the State for any money. This \$25,000 is a proviso to DBEDT to help support their efforts in supporting this event which will bring insurmountable revenues to our State, thousands of visitors,

worldwide attention to our beautiful State, and a major event for our local audience. There should be no question in anyone's mind that these two projects would be a tremendous shot-in-the-arm for our economy.

"Mr. Speaker, some may say that these provisos are an example of the Legislature meddling with the Tourism Authority's funding mandates. As your Committee Chairman for Tourism, I will not deny that. But the Tourism Authority is just beginning their RFP procedures, and it is important that the Legislature commit and hasten the funding for these two very important events that will have a tremendous impact on our ailing economy.

"Thank you very much, Mr. Speaker."

Representative Fox then rose and stated:

"Briefly, the good Representative from Waimanalo talked about some sort of cut in the overall budget. What he did was he referred to the total budget which includes the sharp reduction in CIP expenditures that we're familiar with from the high level set by the Governor and the previous biennium to the current quite low level. Taking that out, if you look at the operating budget alone taking out the CIP, the increase is \$550 million, so it's a five percent increase over the biennium."

Representative Goodenow rose in rebuttal, stating:

"I think this is part of the problem here. Not all of the members may understand the direct link between CIP money and money for operating. As the good Representative from Moiliili stated earlier, the Minority asked for over a hundred million dollars in district CIP money in the first year of the biennium alone. . .

Representative Pendleton rose on a point of order, stating:

"The gentlemen said he was going to rebut this particular issue. He is now going off into other areas relating to speeches not made by the gentleman from Waikiki. If he would confine his remarks to the rebuttal of the recent discussion regarding the CIP."

The Chair replied:

"Representative Goodenow, you may proceed on. I believe your rebuttal is congruent to what the member from Waikiki said.

Representative Goodenow continued, saying:

"Thank you, Mr. Speaker. I think some of the members don't understand the link between CIP money and operating money. Now, I'm on the CIP subcommittee so I was going over some of the things here, and just one example. I picked a Representative, I won't mention his name, from the other side of the aisle. In his district, he asked for, let's see, eleven. . .

The Chair interjected:

"Representative Goodenow, you don't have to state the exact amount."

Representative Goodenow continued, saying:

"Alright, I won't go into details but let me just say -- \$22.5 million represents \$1.9 million in debt service per year. This is a \$2 million increase that would be added to our operating budget. So we need to take into account our funds, and this is a very important aspect of our budget. So I strongly support the measure.

"Thank you, Mr. Speaker."

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

"May I also have my written comments inserted into the Journal (the Chair 'so ordered')."

"One additional comment, maybe two. First, I deeply appreciate the work of Chair Takamine, Vice Chair Kawakami, and members of the Committee, along with the work of the Finance staff for the tremendous work they have done. Having gone through this process nine years plus being on the Finance Committee and being on there as a Committee Chair, I know the process they undergo to formulate a budget, and finally having it passed on Second Reading at conference time.

"I just wanted to tell you that this budget is significant. The Chair and our Majority brought into play bipartisan people and resource development, the direction and focus they really need right need. It is very relevant. And I want to thank all of you for passing a budget which is really a change, which has been said before -- financially responsible, prudent, relevant, and accountable to the people of Hawaii.

"Thank you very much."

Representative Yonamine's written comments are as follows:

"I speak in support of House Bill 100, HD 1, the State Budget.

"This budget is not a perfect document but it is reasonable and prudent.

"As expressed by previous speakers, there are still many unmet needs, emerging needs. As you know, we simply cannot satisfy all of them.

"Chair Takamine and Vice Chair Kawakami focus on the present, while setting directions for the formulation of future budgets. The biennium budget is the vehicle used to revitalize the State's economy and to satisfy our critical needs in the areas of education, human services, health and safety, while preserving the environment and ensuring the appropriate use of land.

"Mr. Speaker, we have put into play a policy of People and Resource Development, a direction and focus so much needed this year.

"I appreciate Chair Takamine, Vice Chair Kawakami and members of the Finance Committee for the difficult decisions they had to make. And while our democratic form of government invites debate and the airing of differing points of views, we have passed a budget, which is financially responsible, relevant, and accountable to the people of Hawaii."

Representative Pendleton then rose 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 support with reservations concerning House Bill No. 100, HD 1, because I support many appropriations within the budget but am generally concerned regarding the overall size of the budget. Let me repeat this so that my intentions are absolutely clear. I favor many of the appropriations in the budget. There is money for economic development, education, and crime fighting. I support these measures.

"At the same time, Mr. Speaker, I am concerned about the overall size of the budget. More to the point, I am concerned regarding the growth or increase in the budget. I know that numerous speakers have mentioned cuts today. Others have used the word budget decreases. Others have spoken of vertical

cuts. These may in fact be true. But also true, Mr. Speaker, is the fact that our budget is bigger, larger, and more expensive than last year.

"Is bigger always better? No. Certainly bigger is not always better. Is bigger always worse? No. Again it can be said with certainty that there is no general rule that can be set forth as right in terms of all circumstances and situations. But I would contend that at this time, and under these dire economic circumstances, we must be cautious about increasing the size of the State budget. When our economy continues to be stuck in the doldrums, how can we justify collecting and spending more tax dollars?

"Mr. Speaker, we know where this money comes from. It comes from our taxpayers. And when they are tightening their family budgets, when they are cutting back, when they are looking for more ways to make ends meet, we cannot in good conscience ask for more tax dollars and spend more in our budget.

"The philosophy behind growing a State Budget is that we must help our families more. But are we really helping them more by taking more of their money so that we can in turn return more back to them in the form of government services? How does this help the average taxpaying citizen or family? They'd much rather we permit them to keep more of their hard-earned money.

"Now I've generalized appropriations. Total appropriations consist of operating money plus CIP or capital improvement project money. If one looks at the total appropriations, one immediately sees that there is a decline in the numbers. How can this be?

"The legislative budget for fiscal year 1998-99 is at \$7,059,848,691. That is just over 7 billion dollars. If you closely review the budget, you will see that both the Governor's request and the House bill is less than that figure. How, then, can I suggest that the budget is larger? Total appropriations also include CIP. If you recall last year's discussion and that of the previous year regarding CIP, you will know that that figure was extraordinary on purpose. It was unusually large to serve as a stimulus.

"Now people can argue about the prudence or propriety of such Keynesian style stimulus measures, but one cannot argue that this budget returns us to what President Harding might call 'normalcy.' We are back to where we should be in terms of CIP. So there is no surprise about the drop off or sharp decline in terms of CIP money. This was promised to us. We expected this. We voted the extraordinary increases in previous years with the understanding that we'd return to the conventional numbers at this time. We are now experiencing what we were promised in terms of CIP spending.

"If the total appropriations are down, how then is our budget growing? Let's cut to the chase by focusing on the General Fund Appropriations. The 1998 legislative budget was \$2.9 billion for fiscal year 1998-99. The bill before us will grow the General Fund Appropriations by a sizeable amount. Both years will rise to the \$3.1 billion level. Let me repeat: we are talking about moving from 2.9 billion dollars to 3.1 billion dollars. That, if you do the math, amounts to an average of 5% increase. Because of how we are allocating the dollars over the next biennium, it is more specifically a 4.6% increase in the 1999-2000 fiscal year and 5.8% increase in the 2000-2001 fiscal year.

"This increase of 5% in general fund appropriations is what I am talking about. This is the figure whereby I characterize this budget as larger than previous budgets. This is the number for which the Legislature is responsible. This is the figure that best provides a window on the big picture.

"Mr. Speaker, now we must be sure to acknowledge that we have 'cut' the Governor's budget request. He asked for more

money than we have decided to ultimately give him. Perhaps someone wants to call this a cut. You can if you wish. Nevertheless, we are still spending more general fund dollars than previous budgets. He asked for a very large increase. We then gave him simply a large increase, not a VERY large increase. But an increase is an increase. We can argue about how large the increase is, but we cannot deny that there is indeed an increase.

"Perhaps by 'cuts' one means that we are slowing the rate of growth over the long haul. You can say that. During the Waihee years we experienced unprecedented economic prosperity. And instead of creating a Rainy Day Fund to save money for future needs, or instead of returning all of the tax revenues to the citizens, we decided to spend it.

"The past is in the past and cannot be changed. The Greek poet Agathon spoke of this undeniable fact years ago when he said: 'This only is denied to God: the power to undo the past.' We are reminded that we cannot undo the past. We cannot wish for that money to come back. It is spent.

"We should have created a Rainy Day Fund back then, or we should have followed the fiscally prudent example of Governor Ariyoshi. There is nothing we can do about this today.

"But we can acknowledge our present situation and apply lessons from yesterday to the circumstances of today. So to those who say we are over the long haul slowing the rate of growth, I suppose we can say that. We are not increasing the rate of spending growth at the same steep incline as that experienced during those booming years of the 80s. But we must, then, be clear. We are not cutting the budget. We are merely slowing the rate of growth over the long haul. This also implicitly means that we are in fact growing the budget.

"The lesson I would want for us to learn for today is that fiscal prudence is its own reward. We may someday regret that we grew the budget by 5% rather than use the money to fund important tax reduction measures. I, personally, would have preferred phasing in more quickly the pyramid reduction measure. That is to say, I would rather do it more expeditiously, say, for example, over just 3 years. The present bill calls for a 7-year phase in.

"The reason why I would prefer phasing in cuts more quickly is that the attendant stimulus is dependent on the amount of added spending and investment that follows a tax reduction. If it happens so slowly that there is little 'pain' on the part of government, then there will hardly be any corresponding spending or investment on the other side. I would also have preferred us looking at eliminating application of the GET to food, residential rent, or medical services.

"Our budget is crafted with the overall tax framework in mind. So references to our tax measures are appropriate.

"Mr. Speaker, I would have supported these tax reduction measures and would have preferred them to the increase in the budget because in the long term they would have gone a long way toward rightsizing government and stimulating the economy.

"And so because we are growing the budgets general fund spending by 5%, I am voting 'yes' but with strong reservations.

"Mr. Speaker, I am also voting with reservations on this budget bill, House Bill 100, because of the lack of any strong economic stimulus component to this budget. If you review the Standing Committee Report at page 4, you will see showcased our short-term revitalization measures. What I find fascinating about these measures is that they are not necessarily contained in the budget but are for the most part ancillary to the budget. They are also spending programs, not tax reductions. For me, I feel that the best stimulus proposals are tax reduction measures,

not new programs. And so I want to be on the record as raising concerns regarding our approach to stimulating the economy.

"Lets review these measures. The first item listed by the Committee is the \$100,000.00 appropriation for fiscal year 1999-2000 regarding implementation of the Workforce Investment Act. This is money needed to start the federal program which will ultimately involve \$100 million in federal funds which are earmarked for workforce readiness training. Part of this is for apprentice programs and the like. The thinking is that we need training to educate and equip State residents for employment.

"I support training and education. This is fine. My concern is, however, that this is a great deal of money for the purpose of training. In speaking with small business I have come to the opinion that what we need first and foremost are jobs. If the economy is not growing, no amount of training will matter because there are no jobs. Again, we ought to reduce taxation rates and eliminate barriers to business and job creation. We need, in other words, to focus on growing the economic pie so that there will be jobs for people. Providing training when there are no jobs is like teaching someone how to drive but not making available a car with which to drive.

"On that same page of the Committee Report, Mr. Speaker, we read of the second economic stimulus measure. That is the small business assistance program. Specifically, \$1.2 million will be spent over the next biennium for the establishment of the Small Business Development Program. This is supposed to provide 'support' for small business and will involve creation of a 'library'.

"My concern parallels the one I articulated earlier. Businesses which contacted me are not clamoring for a library or support institution. Business is clamoring for tax relief, regulatory relief, and the like. They would much rather us reduce taxes especially the GET tax on intermediate transactions, or as we commonly refer to the issue as GET pyramiding.

"Next in the report comes a discussion of exempting from the GET all professional services exported. This is an excellent proposal, and I wholeheartedly support it. I just wish we had more such tax reduction proposals.

"Finally, on page 5 of the Committee Report we read of the Business Advocate Program. Here, we have funds being used to simplify the business registration process and to provide legal services to small businesses to prepare in-depth studies of the regulatory statutes.

"I support this measure, but I would rather have had a bolder proposal whereby we comprehensively looked at all existing regulations and performed a cost-benefit analysis of each and every one which pertained to or in any way impacted business in this State. And I would have provided an incentive to complete this comprehensive review in this manner: set a moratorium on all new regulations and regulatory statutes pertaining to business until this comprehensive review was completed. Such a proposal would have sent the message that unnecessary regulatory barriers to economic prosperity are unacceptable. It would have also sent the message that time was and is of the essence and that this was a matter of some urgency.

"These four measures which I have just outlined constitute the most important features of the Committees short-term revitalization program. I support them all. I am enthusiastic in my support only with respect to the tax exemption regarding professional exported services. The others I have a hard time getting excited about because they are not the economic stimulus measures which businesses have said are essential. Tax reduction has been their mantra. And rightly so.

"Perhaps our problem is that our Legislature has not yet accepted the idea that tax reduction, when done appropriately and responsibly, results in increased economic growth and ultimately increased tax revenues at the lower rates.

"This is not a partisan issue. Let me illustrate this point by speaking briefly of the case study which occurred at the national level. And this discussion is appropriate in conjunction with our budget because our budget is crafted within the tax and regulatory framework. We cannot speak of the budget in a vacuum.

"Mr. Speaker, before I continue my discussion of our State budget, which is found in this House Bill 100, let me thank you for granting the Minority the same amount of latitude in our discussion as you have granted the Majority.

"Because of Hawaii's history of raising taxes, there are no local examples which prove that tax cuts provide an economic stimulus. Nevertheless, there are numerous other states which have cut rates in order to strengthen and stimulate their weak economies. California, for example, began in the early 1990s to cut tax rates and government spending dramatically. New Jersey followed suit. Today, both states are reported to be doing very well, with strong, vibrant economies and increased revenues not from increased rates, but from increased economic growth at lower tax rates.

"On a national level, the United States cut federal tax rates in the 1960s and more recently in the 1980s. A close examination of the consequences of such cuts in tax rates strongly suggests that tax rate reductions are instrumental in stimulating economic growth.

"Mr. Speaker, let us consider the 1960s.

"Mr. Speaker, Democrat President John F. Kennedy proposed federal tax rate reductions in the early 1960s. In June of 1962, he held a press conference where he indicated that he would introduce a tax reform package which would be an across-the-board reduction in personal and corporate income tax rates. In January of 1963, he introduced his package, which secured passage the following year. Specifically, the top rate was reduced from 91% in 1963 to 70% by 1965. Following these cuts, America experienced arguably one of the longest economic expansions in our nations history. According to prominent economists, between 1961 and 1968 the inflation-adjusted economy expanded by more than 30%. Economic growth averaged more than 5 percent a year.

"Mr. Speaker, as President Kennedy stated during a speech to the Economic Club of New York on December 14, 1962, the 'purpose of cutting taxes now is not to incur a budget deficit, but to achieve the more prosperous, expanding economy which can bring a budget surplus.'

"In the same vein, President Kennedy stated: 'Our tax system siphons out of the private economy too large a share of personal and business purchasing power.....Surely the lesson of the last decade is that budget deficits are not caused by wild-eyed spenders, but by slow economic growth and periodic recessions.....In short, it is a paradoxical truth that tax rates are too high today and tax revenues are too low.....'

"While some at the time worried that income tax reductions would result in little more than a give-away to certain economic classes, the share of the income tax burden borne by the rich during this period actually increased, according to studies by the Heritage Foundation, a Washington, D.C. public policy research institute. Between 1963 and 1966, Internal Revenue Service reports indicate that tax revenues from families earning below \$50,000 rose 10% while revenues from families earning over \$50,000 per year rose by 50%. Clearly, the rich saw their portion of the income tax burden climb from 10% to 15%.

"As President Kennedy argued, Mr. Speaker, these economic policies are not wedded to any particular political party or school of thought. They are commonsense economics. In response to a query as to whether his tax cut proposals were conservative or progressive, President Kennedy had this to say: 'What is at stake in our economic decisions today is not some grand warfare of rival ideologies which will sweep the country with passion but the practical management of a modern economy. What we need is not labels and clichés, but more basic discussion of the sophisticated and technical questions political labels and ideological approaches are irrelevant to the solutions...'

"Mr. Speaker, as we discuss and debate House Bill 100, let us also see what we can learn from the experience of the 1980s. Again, I make reference to tax policy because it is inextricably linked to our budget and our fiscal planning.

"Mr. Speaker, Republican President Ronald Reagan vowed to cut taxes across-the-board during his administration. In light of the policies of presidents immediately preceding him, what he proposed was bold, but it was not unprecedented. President Kennedy had also implemented tax cuts to spur economic growth just two decades before, and with very promising results.

"President Reagan championed two major pieces of tax legislation which together reduced the top tax rate from 70 percent in 1980 to 28 percent by 1988. He managed to pass both reductions through a Democratically-controlled U.S. House of Representatives because they were made aware of President Kennedy's precedent.

"The economic consequences of the Reagan tax cuts were significant. In 1981 America's economy was being whipsawed between extraordinary inflation, on the one hand, and a double-dip recession (1980 and 1982), on the other hand. What most concerned policy makers was how this pattern contradicted the conventional economic wisdom of the day, which was that a recession could not co-exist with high inflation. This phenomenon was nicknamed 'stagflation'.

"As in the 1960s, America experienced a long period of economic growth following the tax cuts. Growth averaged nearly 4 percent.

"Mr. Speaker, according to one public policy research institute, 'the tax cuts of the 1980s show what happens if tax policy reduces the burden on working, saving, and investing. Once the economy received an unambiguous tax cut, everything President Reagan said would happen if tax rates were reduced began to happen.' The economy began to grow and 21 million new jobs were created.

"Congressional Budget Office data show that the lower tax rates were followed by increased tax revenues. From 1962-1969 tax revenues grew from 0.01% to 4.79% under Kennedy Johnson and in the period 1981-1989 tax revenues grew from 1.53% to 2.2% under President Reagan. How is it that more tax dollars were collected at lower rates? The answer is simple: tax cuts generate economic growth.

"The connection between tax rates and economic activity need not be exaggerated, Mr. Speaker. History provides clear and convincing evidence that tax rate reductions are followed by periods of economic prosperity.

"And this, Mr. Speaker, is corroborated by commonsense. When families are permitted to keep more of their hard-earned dollars, then tax revenues actually grow over the long haul due to the increased consumption and the entrance of more individuals into the labor market.

"Before I close, Mr. Speaker, let me refer briefly to the CIP issue mentioned by some of my distinguished colleagues. It has been suggested that Minority members seek to keep the

budget where it is and oppose growth in the general fund appropriations' portion of the budget during these economic terms. This is correct. If the charge is that we think it fiscally questionable to increase general fund spending during such a time as this, then the charge is correct and I plead guilty.

"I do think that at this time we must not grow our general fund spending.

"But it has also been mentioned that we cannot make this critique and at the same time introduce CIP bills. I introduced a CIP bill, the numbers and figures of which came directly from my principals in my Windward district. These are the schools that fall within House District 50 and these are the CIP requests they have asked me to introduce.

"Am I to understand by the criticism of the Representative of Moiliili that introducing such a CIP bill means that we cannot then speak with reservations concerning the budget? If one submits the request given by ones principals, then one must support, with total and unqualified approval, whatever budget the House Finance Committee submits to the full House?

"Mr. Speaker, this does not sound wise or correct. It would have the effect of holding Legislators hostage. Besides, the CIP portion of our budget is not growing. So that is not a concern. We are here addressing the general fund appropriation portion of the budget.

"And so, returning to the issue of CIP, I have indeed introduced a CIP request and at the same time I am pointing out my concerns regarding this budget bill.

"It should also be pointed out that the Majority members too have introduced CIP requests, and I don't think that that fact alone should preclude them from critiquing the budget bill. In order to properly represent our constituents, we must be given the right to vote with reservations where that is appropriate.

"So for all the foregoing reasons, Mr. Speaker, I vote in support of this budget bill, House Bill 100, HD 1, but with reservations.

"Thank you, Mr. Speaker, for the opportunity to speak in support but with reservations concerning the budget bill."

The motion was put to vote by the Chair and carried, and H.B. No. 100, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE BUDGET," passed Third Reading by a vote of 44 ayes to 1 no, with Representative Rath voting no, and Representatives Halford, McDermott, Menor, Moses, Okamura and Thielen being excused.

H.B. No. 1450, HD 1:

On motion by Representative Takamine, seconded by Representative Kawakami and carried, H.B. No. 1450, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY," passed Third Reading by a vote of 45 ayes, with Representatives Halford, McDermott, Menor, Moses, Okamura and Thielen being excused.

H.B. No. 700, HD 1:

On motion by Representative Takamine, seconded by Representative Kawakami and carried, H.B. No. 700, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS BUDGET," passed Third Reading by a vote of 45 ayes, with Representatives Halford, McDermott, Menor, Moses, Okamura and Thielen being excused.

The Chair directed the Clerk to note that H.B. Nos. 100, 1450 and 700 had passed Third Reading at 1:53 o'clock p.m.

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolutions (H.R. Nos. 61 through 71) and concurrent resolutions (H.C.R. Nos. 74 through 85) were referred to Printing and further action was deferred:

H.R. No. 61, entitled: "HOUSE RESOLUTION REQUESTING AN INVESTIGATION ON THE FULFILLMENT OF STATE OBLIGATIONS WITH RESPECT TO PUBLIC TRUST LANDS UNDER SECTION 5 OF THE ADMISSION ACT," was offered by Representative McDermott, by request.

H.R. No. 62, entitled: "HOUSE RESOLUTION REQUESTING THE HAWAII TOURISM AUTHORITY TO INCLUDE SPORTS TOURISM IN ITS LONG-RANGE PLAN FOR TOURISM," was jointly offered by Representatives Kahikina, Goodenow, Ito, Luke, Stegmaier, Ahu Isa, Chang, Suzuki, Schatz, Thielen, Yoshinaga, Abinsay, Auwae, Cachola, Catalani, Halford, Hamakawa, Herkes, Hiraki, Kanoho, Kawakami, Lee, Leong, McDermott, Menor, Morihara, Morita, Nakasone, P. Oshiro, Rath, Souki, Takai, Takamine, Takumi, Whalen and Yamane.

H.R. No. 63, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION AND THE DEPARTMENT OF HEALTH TO DEVELOP A PLAN TO PROVIDE ALL HAWAII PUBLIC SCHOOL CHILDREN WITH THE OPPORTUNITY TO HAVE A NUTRITIOUS BREAKFAST," was jointly offered by Representatives Arakaki, Santiago, Ito, Takai, Lee, Kawakami, Kahikina, Ahu Isa, Abinsay, Yamane and Cachola.

H.R. No. 64, entitled: "HOUSE RESOLUTION URGING THE POLICE DEPARTMENTS AND THE PROSECUTING ATTORNEY'S OFFICE OF EACH COUNTY TO PROVIDE ADEQUATE AND APPROPRIATE TRAINING TO THEIR POLICE OFFICERS AND ATTORNEYS WHEN RESPONDING TO, INVESTIGATING, AND PROSECUTING INCIDENTS OF DOMESTIC VIOLENCE INVOLVING DATING RELATIONSHIPS," was jointly offered by Representatives Arakaki, Lee, Ahu Isa, Takai, Kahikina, Yoshinaga, Catalani, Thielen, Pendleton and Morita.

H.R. No. 65, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO DEVELOP A PLAN TO ADD PRE-SCHOOL FACILITIES AND PROGRAMS ON OR NEAR ALL NEWLY CONTRACTED OR RENOVATED ELEMENTARY CAMPUSES AND TO ALLOCATE CLASSROOM SPACE AT EXISTING ELEMENTARY SCHOOLS FOR PRE-SCHOOL FACILITIES AND PROGRAMS," was jointly offered by Representatives Arakaki, Santiago, Ahu Isa, Takai, Kahikina, Leong, Ito, Lee, Kawakami, Hamakawa and Pendleton.

H.R. No. 66, entitled: "HOUSE RESOLUTION ESTABLISHING A JOINT LEGISLATIVE COMMITTEE ON CHILD AND ADOLESCENT MENTAL HEALTH," was jointly offered by Representatives Arakaki, Santiago, Kahikina, Case and Takamine.

H.R. No. 67, entitled: "HOUSE RESOLUTION REQUESTING A COST-BENEFIT ANALYSIS OF PREVENTION AND EARLY INTERVENTION SERVICES," was jointly offered by Representatives Arakaki, Lee, Case, Kahikina, Kawakami, Leong, McDermott, Pendleton, Santiago, Stegmaier, Suzuki, Takai and Takamine.

H.R. No. 68, entitled: "HOUSE RESOLUTION REQUESTING THE CONVENING OF A TASK FORCE TO DETERMINE ALTERNATIVES TO INCARCERATION AND RECOMMEND SYSTEMIC CHANGES FOR THE PROPER TREATMENT OF INDIVIDUALS NEEDING

MENTAL HEALTH SERVICES," was offered by Representative Santiago.

H.R. No. 69, entitled: "HOUSE RESOLUTION REQUESTING THE UNIVERSITY OF HAWAII TO CONVENE A STUDY GROUP TO CREATE A NEW HIGHER EDUCATION TITLE IN THE HAWAII REVISED STATUTES WHICH CLEARLY EXPRESSES LEGISLATIVE INTENT AND RECODIFIES THE HIGHER EDUCATION STATUTES," was jointly offered by Representatives Morihara, Takai, Arakaki, Ito, Leong, McDermott, Santiago and Stegmaier.

H.R. No. 70, entitled: "HOUSE RESOLUTION REQUESTING THE UNIVERSITY OF HAWAII TO REVIEW ITS TUITION WAIVERS WITH RESPECT TO THEIR APPLICABILITY TO ITS STRATEGIC PLAN," was jointly offered by Representatives Morihara, Takai, Ito, Arakaki and Stegmaier.

H.R. No. 71, entitled: "HOUSE RESOLUTION REQUESTING THE BOARD OF REGENTS AND THE BOARD OF EDUCATION TO ESTABLISH A JOINT SUBCOMMITTEE ON CREATING A COORDINATED EDUCATIONAL SYSTEM FOR HAWAII," was jointly offered by Representatives Morihara, Takai, Ito, Arakaki and Stegmaier.

H.C.R. No. 74, entitled: "HOUSE CONCURRENT RESOLUTION AUTHORIZING THE LEASE OF BOTH FAST AND SUBMERGED LANDS AT KEAUHOU, NORTH KONA, ON THE ISLAND OF HAWAII TO A PRIVATE ENTITY FOR MAINTENANCE PURPOSES," was offered by Representative Cachola, by request.

H.C.R. No. 75, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE HAWAII TOURISM AUTHORITY TO INCLUDE SPORTS TOURISM IN ITS LONG-RANGE PLAN FOR TOURISM," was jointly offered by Representatives Kahikina, Goodenow, Luke, Ito, Stegmaier, Ahu Isa, Chang, Thielen, Schatz, Suzuki, Yoshinaga, Abinsay, Auwae, Cachola, Catalani, Halford, Hamakawa, Herkes, Hiraki, Kanoho, Kawakami, Lee, Leong, McDermott, Menor, Morihara, Morita, Nakasone, P. Oshiro, Rath, Souki, Takai, Takamine, Takumi, Whalen and Yonamine.

H.C.R. No. 76, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION AND THE DEPARTMENT OF HEALTH TO DEVELOP A PLAN TO PROVIDE ALL HAWAII PUBLIC SCHOOL CHILDREN WITH THE OPPORTUNITY TO HAVE A NUTRITIOUS BREAKFAST," was jointly offered by Representatives Arakaki, Santiago, Ito, Takai, Lee, Kawakami, Kahikina, Ahu Isa, Abinsay, Yamane and Cachola.

H.C.R. No. 77, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE POLICE DEPARTMENTS AND THE PROSECUTING ATTORNEY'S OFFICE OF EACH COUNTY TO PROVIDE ADEQUATE AND APPROPRIATE TRAINING TO THEIR POLICE OFFICERS AND ATTORNEYS WHEN RESPONDING TO, INVESTIGATING, AND PROSECUTING INCIDENTS OF DOMESTIC VIOLENCE INVOLVING DATING RELATIONSHIPS," was jointly offered by Representatives Arakaki, Ahu Isa, Yoshinaga, Catalani, Thielen, Morita and Lee.

H.C.R. No. 78, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO DEVELOP A PLAN TO ADD PRE-SCHOOL FACILITIES AND PROGRAMS ON OR NEAR ALL NEWLY CONTRACTED OR RENOVATED ELEMENTARY CAMPUSES AND TO ALLOCATE CLASSROOM SPACE AT EXISTING ELEMENTARY SCHOOLS FOR PRE-SCHOOL FACILITIES AND

PROGRAMS," was jointly offered by Representatives Arakaki, Santiago, Ahu Isa, Kawakami, Leong, Ito, Lee and Hamakawa.

H.C.R. No. 79, entitled: "HOUSE CONCURRENT RESOLUTION ESTABLISHING A JOINT LEGISLATIVE COMMITTEE ON CHILD AND ADOLESCENT MENTAL HEALTH," was jointly offered by Representatives Arakaki, Santiago, Takamine and Kahikina.

H.C.R. No. 80, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A COST-BENEFIT ANALYSIS OF PREVENTION AND EARLY INTERVENTION SERVICES," was jointly offered by Representatives Arakaki, Lee, Case, Kahikina, Kawakami, Leong, McDermott, Santiago, Stegmaier, Suzuki, Takai and Takamine.

H.C.R. No. 81, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE CONVENING OF A TASK FORCE TO DETERMINE ALTERNATIVES TO INCARCERATION AND RECOMMEND SYSTEMIC CHANGES FOR THE PROPER TREATMENT OF INDIVIDUALS NEEDING MENTAL HEALTH SERVICES," was offered by Representative Santiago.

H.C.R. No. 82, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE UNIVERSITY OF HAWAII TO CONVENE A STUDY GROUP TO CREATE A NEW HIGHER EDUCATION TITLE IN THE HAWAII REVISED STATUTES WHICH CLEARLY EXPRESSES LEGISLATIVE INTENT AND RECODIFIES THE HIGHER EDUCATION STATUTES," was jointly offered by Representatives Morihara, Takai, Arakaki, Ito, Leong, McDermott, Santiago and Stegmaier.

H.C.R. No. 83, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE UNIVERSITY OF HAWAII TO REVIEW ITS TUITION WAIVERS WITH RESPECT TO THEIR APPLICABILITY TO ITS STRATEGIC PLAN," was jointly offered by Representatives Morihara, Takai, Ito, Arakaki and Stegmaier.

H.C.R. No. 84, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE BOARD OF REGENTS AND THE BOARD OF EDUCATION TO ESTABLISH A JOINT SUBCOMMITTEE ON CREATING A COORDINATED EDUCATIONAL SYSTEM FOR HAWAII," was jointly offered by Representatives Morihara, Takai, Ito, Arakaki and Stegmaier.

H.C.R. No. 85, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A MANAGEMENT AUDIT OF THE UNIVERSITY OF HAWAII TO DETERMINE THE EFFECTS OF THE FLEXIBILITY GRANTED TO THE UNIVERSITY UNDER ACT 115, SESSION LAWS OF HAWAII 1998," was jointly offered by Representatives Morihara, Takai, Ito, Arakaki and Stegmaier.

ANNOUNCEMENTS

Representative Herkes: "Yesterday, three members of this body were on an intensive agricultural inspection tour of certain pasture lands in the Salt Lake area. During that intensive agricultural tour that was led by none other than the Chairman of the Committee on Water and Land Use, which is appropriate, there was a portion of improved pasture land that I think they call a Par 3, and the Chairman scored what I believe is called an Ace. In agricultural terms, I think it's referred to as a hole in one, and I just wanted to congratulate the Chairman."

Representative Yamane: "One thing that the former speaker neglected to say is that the Chair of Water, Land Use also shot an even par. Thank you."

Representative M. Oshiro then asked for a recess and at 1:55 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 1:56 o'clock p.m.

ADJOURNMENT

At 1:57 o'clock p.m., on motion by Representative Yonamine, seconded by Representative Pendleton and carried, the House of Representatives adjourned until 10:30 o'clock a.m. tomorrow, Friday, March 12, 1999. (Representatives Halford, McDermott, Menor, Moses, Okamura and Thielen were excused.)