

CONFERENCE COMMITTEE REPORTS

Conf. Com. Rep. 1 on S.B. No. 560

The purpose of this measure is to define the term "substantial adverse environmental or ecological effect" in order to ensure that the long-term incremental degradation of natural resources is halted.

The measure also establishes definitions of "baseline", "resource", and "scenic resource" to further clarify the intent of Chapter 205A, Hawaii Revised Statutes, relating to coastal zone management.

Your Committee finds that the measure defines "substantial adverse environmental or ecological effect" as:

- (1) Irrevocable damage, degradation to, or loss of a resource found in an ahupua'a; or
- (2) A statistically significant persistent increase to the baseline in levels of any of the water pollutants, water quality parameters, air pollutants, or noise decibel levels as identified in administrative rules.

Upon further consideration, your Committee has amended the measure by making technical, nonsubstantive amendments for the purpose of style.

Your Committee believes that the amended measure will provide more guidance in interpreting and enforcing the state laws and policies on coastal zone management.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 560, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 560, S.D. 1, H.D. 1, C.D. 1.

Representatives Takumi, Garcia, Morita, Schatz and Meyer,
Managers on the part of the House.

Senators Hanabusa, Matsuura, Tanaka and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 2 on S.B. No. 1321

The purpose of this measure is to facilitate and support research and development of open ocean mariculture by clarifying the law dealing with the leasing of state marine waters for aquaculture and mariculture purposes.

Upon further consideration, your Committee has amended the measure by:

- (1) Changing the repeal date from June 30, 2001, to five years after the effective date of the measure for the amendments made in the measure to the Ocean and Submerged Lands Leasing Law (Law), which remove certain limitations to allow commercial mariculture as a permitted use under the law, clarify the process for obtaining a mariculture lease, and provide potential mariculture projects with the flexibility to adapt technology and designs to a site; and
- (2) Removing the ten lease limit on the amount of leases that may be executed pursuant to the measure.

Your Committee finds that this measure would remove key limitations and allow mariculture leases, streamline and clarify the process for a mariculture lease, and provide potential mariculture projects with the flexibility to adapt technology and designs to a site.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1321, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1321, S.D. 2, H.D. 2, C.D. 1.

Representatives Takumi, Suzuki, Garcia, Schatz and Fox,
Managers on the part of the House.

Senators Inouye, Hanabusa, Buen, Tanaka and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 3 on S.B. No. 809

The purpose of this bill is to allow a sole proprietor of a catamaran operating with a valid commercial registration certificate in Waikiki to transfer the ownership of the vessel to corporate or other business ownership without terminating the right to operate, with the existing commercial registration to be reissued in a timely manner in the name of the new owner, and to ensure that the registration shall not be denied or revoked without a hearing held in accordance with Chapter 91, Hawaii Revised Statutes (HRS).

Your Committee on Conference has amended this measure to add the word "prior" in reference to the hearing held under Chapter 91, HRS.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 809, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 809, S.D. 2, H.D. 1, C.D. 1.

Representatives Takumi, Kanoho, Schatz and Auwae,
Managers on the part of the House.

Senators Inouye, Fukunaga, Kawamoto and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 4 on S.B. No. 942

The purposes of this measure are to:

- (1) Require the Department of Land and Natural Resources (DLNR) to establish, maintain, manage, and operate game management areas, wildlife sanctuaries, and public hunting areas on land under its control;
- (2) Add a definition of "game management area"; and
- (3) Require DLNR to preserve, protect and promote public hunting, as part of its powers and duties.

Your Committee on Conference has amended this measure to add a definition of "public hunting area" in Section 183D-4, Hawaii Revised Statutes.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 942, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 942, S.D. 1, H.D. 1, C.D. 1.

Representatives Cachola, Kanoho, Goodenow, Schatz and Marumoto,
Managers on the part of the House.

Senators Inouye, Levin, Buen and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 5 on S.B. No. 1270

The purpose of this measure is to allow private schools to develop procedures for obtaining verifiable information regarding the criminal history of persons who are employed or are seeking employment in positions which place them in close proximity to children. In addition, this measure includes teacher trainees in public schools as subject to criminal history record checks.

Your Committee has amended this measure by making a technical, nonsubstantive change for the purpose of clarity.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1270, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1270, S.D. 1, H.D. 2, C.D. 1.

Representatives Ito, P. Oshiro, Arakaki, Morihara, Stegmaier and McDermott,
Managers on the part of the House.

Senators D. Ige, Bunda, Chumbley and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 6 on S.B. No. 1307

The purpose of this measure is to promote accountability in the public school system by requiring the Department of Education to establish a comprehensive system of educational accountability to motivate and support the improved performance of students and the education system.

Your Committee has amended this measure by amending the Senate version to add language from the House version which:

- (1) Includes the specifics of the design of the accountability system, fiscal requirements, and legislative actions needed in the required report; and
- (2) Directs the report to be submitted to the Board of Education, in addition to the Legislature and the Governor.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1307, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1307, S.D. 1, H.D. 1, C.D. 1.

Representatives Ito, Ahu Isa, Morihara, Stegmaier, Takai and Leong,
Managers on the part of the House.

Senators D. Ige, Sakamoto and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 7 on S.B. No. 1091

The purpose of this measure is to authorize the Department of Land and Natural Resources to adopt administrative rules relating to aquatic resource regulations that specify bag limits, sales restrictions, seasons, and regulation on fishing gear.

Your Committee on Conference has amended this measure to repeal the Act as of June 30, 2002.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1091, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1091, S.D. 1, H.D. 2, C.D. 1.

Representatives Takumi, Hamakawa, Schatz, Garcia and Marumoto,
Managers on the part of the House.

Senators Inouye, Chumbley, Buen, Ihara and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 8 on S.B. No. 528

The purpose of this measure is to exempt health insurers, mutual benefit societies, and health maintenance organizations that offer health insurance under federally-funded programs pursuant to the Social Security Act from mandated health coverage requirements.

Your Committee on Conference has amended this measure by inserting an effective date of July 1, 1999.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 528, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 528, S.D. 2, H.D. 1, C.D. 1.

Representatives Menor, Nakasone, Lee, Suzuki and Fox,
Managers on the part of the House.

Senators Taniguchi, Kanno, Fukunaga, Levin and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 9 on S.B. No. 1125

The purpose of this measure is to make conforming amendments to the Code of Financial Institutions consistent with amendments to the interstate banking and branching laws enacted in 1996, and to conform certain procedures applicable to foreign banks and credit unions to the procedures established for other financial institutions. Additionally, the measure establishes separate filing deadlines for unaudited statements of nondepository financial services loan companies.

Your Committee on Conference has amended this measure by deleting the reference to "qualifying state" in section 412:2-503(a)(2), Hawaii Revised Statutes, consistent with the repeal of the definition of "qualifying state" in section 7 of the measure.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1125, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1125, H.D. 1, C.D. 1.

Representatives Menor, Hiraki, Kaho'ohalahala, Lee and Rath,
Managers on the part of the House.

Senators Kanno, Taniguchi, Bunda and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 10 on S.B. No. 957

The purpose of this measure is to extend the deadline for the Motor Vehicle Insurance Benefits Task Force's (Task Force) final report to the legislative and executive branches regarding motor vehicle insurance costs and benefits and the uninsured motorists problem. Additionally, the measure extends no-cost motor vehicle insurance coverage under the joint underwriting plan to persons who received public assistance medical benefits prior to July 1, 1994, and who are still receiving these benefits.

Upon careful consideration, your Committee on Conference has amended this measure to:

- (1) Delete from the purpose section the discussion of developing a plan that balances maximum coverage and benefits for motor vehicle accident victims with the lowest possible cost for motor vehicle insurance purchasers;
- (2) Provide that the measure shall be effective upon its approval, rather than on July 1, 2010; and

- (3) Make technical, nonsubstantive changes.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 957, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 957, S.D. 2, H.D. 1, C.D. 1.

Representatives Menor, Arakaki, Yamane and Whalen,
Managers on the part of the House.

Senators Taniguchi, Kanno, Fukunaga, Levin, Bunda and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 11 on S.B. No. 1262

The purpose of this measure is to expand the definition of "captive insurance company"(CIC) to:

- (1) Establish four classes of CICs, subject to specified minimum capital or surplus requirements that may be increased by the Insurance Commissioner as necessary to preserve solvency;
- (2) Limit the first two classes to pure CICs and the third class to companies formed as association and risk retention CICs;
- (3) Designate class 4 CICs as leased capital facilities that, as newly authorized under this measure, are allowed to be owned by persons or entities that are not members of the CIC;
- (4) Exempt class 3 and 4 CICs from any National Association of Insurance Commissioners (NAIC) risk-based capital reports filing requirements; and
- (5) Subject class 4 CICs to the same one percent tax imposed on the gross premiums of association CICs and risk retention CICs, where no premium tax is otherwise paid to this State on those amounts.

Your Committee on Conference, upon further consideration, has amended this measure to:

- (1) Establish different minimum capital surplus requirements for Class 3 risk retention CICs (\$500,000), and Class 3 association CICs (\$750,000); and
- (2) Make technical, non-substantive amendments.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1262, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1262, H.D. 1, C.D. 1.

Representatives Menor, Cachola, Herkes, Lee and Whalen,
Managers on the part of the House.

Senators Taniguchi, Kanno and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 12 on S.B. No. 5

The purpose of this measure is to:

- (1) Provide loans to qualified farmers to export crops and livestock and to farmers who are the subject of state eradication programs; and
- (2) Appropriate funds from the agricultural loan revolving fund to farmers in economically depressed areas.

Your Committee on Conference has amended this measure to delete all references to the state eradication programs, as this issue is being resolved through other means, and to make technical amendments.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 5, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 5, S.D. 2, H.D. 2, C.D. 1.

Representatives Abinsay, Saiki, Ahu Isa, Ito, Morihara and Halford,
Managers on the part of the House.

Senators Inouye, Levin, Buen and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 13 on S.B. No. 1036

The purpose of this measure is to create a disability and communication access board to provide more efficient coordination of state efforts to comply with disability access laws and to provide services to the disabled, deaf, hard-of-hearing, and deaf-blind.

Upon further consideration, your Committee on Conference has amended this measure by providing that the Act take effect on January 1, 2000, but sections 6 and 7 take effect on July 1, 2000.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1036, S.D. 3, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1036, S.D. 3, H.D. 1, C.D. 1.

Representatives Santiago, Arakaki, Kawakami, Saiki and Fox,
Managers on the part of the House.

Senators Chun Oakland, Fukunaga, Chun and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 14 on S.B. No. 1024

The purpose of this measure is to clarify the factors to consider when determining civil and administrative penalties regarding the state water pollution law.

The measure also allows the department of health to establish a permanent exempt position for an ecological risk assessor and adds a new license category for environmental health services professionals.

This measure also makes general housekeeping amendments to the statutes governing the duties of the department of health.

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

- (1) Deleting the provisions clarifying the factors to consider when determining civil and administrative penalties regarding the state water pollution law, which have been incorporated into another measure; and
- (2) Deleting sections 5, 6, 8, and 9 of the measure, which make general housekeeping amendments to the statutes governing the department of health, and which do not directly relate to the title of this measure.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1024, S.D. 3, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1024, S.D. 3, H.D. 1, C.D. 1.

Representatives Morita, P. Oshiro, Schatz, Takumi and Thielen,
Managers on the part of the House.

Senators Nakata, Matsunaga, Ihara, Kanno and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 15 on S.B. No. 1079

The purpose of this measure is to:

- (1) Change the name of the consolidated application process to the facilitated application process;
- (2) Expand the membership of the permit process task force;
- (3) Limit the permit process task force's focus to county building permit applications requiring state approval; and
- (4) Establish a sunset date for the task force of June 30, 2002.

Your Committee on Conference has amended this measure to return to the language of the Senate Draft, added language from the House Draft to clarify that the permits include county permits, and has made technical amendments.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1079, S.D. 1, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1079, S.D. 1, H.D. 3, C.D. 1.

Representatives Herkes, Menor, Luke, Chang and Rath,
Managers on the part of the House.

Senators Inouye, Buen and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 16 on S.B. No. 1638

The purpose of this measure is to require the Department of Education and the exclusive representative for bargaining unit 6 to conduct a study on the issue of compensational parity for educational officers within the department.

Upon further consideration, your Committee on Conference has amended this measure by changing the effective date from March 1, 2001 to "upon its approval".

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1638, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1638, S.D. 2, H.D. 1, C.D. 1.

Representatives Ito, Yoshinaga, Catalani and Leong,
Managers on the part of the House.

Senators Nakata, Levin, D. Ige, M. Ige and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 17 on S.B. No. 1519

The purpose of this measure is to:

- (1) Require assisted housing development owners to give a one-year notice to tenants if the owner is going to terminate a subsidy contract; and
- (2) Give tenants or nonprofit organizations the opportunity to purchase the development if the owner of the development has not given notice to sell prior to July 1, 1999.

Your Committee on Conference has amended this measure by deleting the provision that authorized the issuance of general obligation bonds for the Rental Housing Trust Fund.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1519, S.D. 3, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1519, S.D. 3, H.D. 2, C.D. 1.

Representatives Arakaki, Kahikina, Stegmaier, Yamane and McDermott,
Managers on the part of the House.

Senators Tam, Levin, Buen and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 18 on S.B. No. 1149

The purpose of this measure is to clarify that attorney's fees and other costs of the opposing party shall not be assessed against the Director of Labor and Industrial Relations in cases involving the collection of unpaid wages.

This measure also clarifies penalties and suspension provisions with regards to violations of the laws relating to wages and hours on public works projects.

Upon further consideration, your Committee on Conference has amended this measure by:

- (1) Clarifying the provisions relating to suspension from work on public contracts for a third violation;
- (2) Clarifying that each violation refers to each investigation involving one or more projects;
- (3) Clarifying that offense means each section of the wage and hour laws under which the contractor is cited;
- (4) Deleting the proviso that suspensions for a first or second violation shall not exceed three years; and
- (5) Making technical, nonsubstantive amendments for clarity and style.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1149, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1149, S.D. 1, H.D. 2, C.D. 1.

Representatives Yoshinaga, Hamakawa, Goodenow, Okamura and Pendleton,
Managers on the part of the House.

Senators Nakata, M. Ige, Ihara, Kanno and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 19 on S.B. No. 40

The purpose of this measure is to replace certification of physician assistants with licensure of physician assistants.

Upon careful consideration, your Committee on Conference has amended this measure to:

- (1) Add definitions for "physician assistant" and "supervising physician" to the State Uniform Controlled Substances Act;
- (2) Authorize a physician assistant registered with the Department of Public Safety (DPS) to administer, prescribe, and dispense a controlled substance under the supervision of a physician licensed to practice medicine in the State and registered with DPS; and
- (3) Establish requirements for prescriptions issued by a physician assistant.

Your Committee on Conference has also provided that this measure shall take effect upon its approval.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 40, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 40, H.D. 2, C.D. 1.

Representatives Santiago, Menor and Whalen,
Managers on the part of the House.

Senators Kanno, Taniguchi, Inouye and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 20 on S.B. No. 236

The purpose of this measure is to make it an unfair and deceptive practice to promote a contest of chance where some or all of the prizes may not be awarded, or to fail to award all prizes offered, without providing a potential contestant with specific and conspicuous written disclosure. This measure also makes it unlawful to offer a prize of real property in a contest of chance.

Upon careful consideration, your Committee on Conference has amended this measure to allow the offering of a prize of real property in a contest of chance provided that the offeror files a minimum \$10,000 bond with the Director of Commerce and Consumer Affairs, that:

- (1) Names the director as obligee and a surety company authorized in the State to do business as surety;
- (2) Is continuous in form and conditioned upon an award of the real property to an eligible participant; and
- (3) Runs to the State for the benefit of any person who failed to receive the real property due to the failure of the offeror to award the real property.

The measure also establishes requirements and conditions for the cancellation of a bond by a surety. Additionally, your Committee on Conference has made technical, stylistic changes to the measure.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 236, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 236, S.D. 1, H.D. 1, C.D. 1.

Representatives Menor, Hamakawa, Lee and Thielen,
Managers on the part of the House.

Senators Kanno, Taniguchi, Chumbley, Ihara and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 21 on S.B. No. 664

The purpose of this measure is to allow the director of finance to discard and allow for new applications of inactive special number plates that have not been assigned or registered during the preceding three years.

Upon further consideration, your Committee on Conference has amended this measure by:

- (1) Making conforming amendments to section 249-9, Hawaii Revised Statutes;
- (2) Authorizing the county directors of finance to issue special number plates to organizations, establish application procedures, and allow the organizations to retain the fees collected, less expenses, for the special number plates. The organization's decal shall be affixed to the special number plates;

- (3) Allowing persons who served the United States in the military or as a civilian during the Pearl Harbor attack during World War II to obtain a special number plate;
- (4) Clarifying that the provisions in section 249-9.3, Hawaii Revised Statutes, relating to the issuance of special number plates to organizations shall not be construed to apply to special number plates issued to military veterans pursuant to section 249-9.2, Hawaii Revised Statutes; and
- (5) Making technical, nonsubstantive amendments for purposes of preferred drafting style.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 664, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 664, S.D. 1, H.D. 1, C.D. 1.

Representatives Hiraki, Goodenow, Catalani, Nakasone and Fox,
Managers on the part of the House.

Senators Kawamoto, Bunda, Iwase and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 22 on S.B. No. 709

The purpose of this measure is to allow use of a photo technology system to enforce the violation of unlawful crossing of longitudinal lane markings in conjunction with the photo red light and speed imaging detector demonstration project.

Upon further consideration, your Committee on Conference has amended this measure by using the Senate Draft of the bill. This draft was further amended by:

- (1) Changing the procedures relating to rebutting prima facie evidence of a traffic violation obtained pursuant to the photo technology system establishing that the registered owner was the operator of the vehicle during a violation of the applicable traffic laws. As amended, the prima facie evidence may be rebutted by submission of a declaration under penalty of perjury signed by both the registered owner and the vehicle operator. The declaration shall state the name, current address, and driver's license number of the vehicle operator and a description of the violation. Within forty-eight hours of receiving this information, the contractor or appropriate county police department shall cause a summons or citation to be mailed to the operator of the vehicle;
- (2) Deleting language that limited use of a photo technology system in any one location from thirty minutes after sunrise to thirty minutes before sunrise; and
- (3) Making technical, nonsubstantive changes for purposes of clarity and consistency.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 709, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 709, S.D. 1, H.D. 2, C.D. 1.

Representatives Hiraki, Goodenow, Nakasone, Takai and Fox,
Managers on the part of the House.

Senators Kawamoto, Matsunaga, Bunda, Ihara, Iwase and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 23 on S.B. No. 27

The purpose of this bill is to require an owner of a vehicle in storage to present a certificate of inspection issued after the recording of storage, only if the certificate of inspection expired during the storage period and the vehicle is to be removed.

Your Committee on Conference amended this bill by making the bill effective upon its approval.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 27, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 27, H.D. 1, C.D. 1.

Representatives Hiraki, Menor, Goodenow, Lee and Fox,
Managers on the part of the House.

Senators Kawamoto, Bunda, Iwase and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 24 on S.B. No. 676

The purpose of this bill is to permit the holder of a Type 3 driver's license to drive a motor vehicle with a gross vehicle weight rating of up to 12,000 pounds.

Your Committee on Conference has amended this bill by returning to the language of the Senate Draft which contains a purpose section and increases the gross vehicle weight rating limit for Type 3 driver's licenses to 15,000 instead of 12,000 pounds.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 676, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 676, S.D. 1, H.D. 2, C.D. 1.

Representatives Hiraki, Menor, Morita and Rath,
Managers on the part of the House.

Senators Kawamoto, Bunda, Iwase and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 25 on S.B. No. 700

The purpose of this bill is to enact provisions regulating neighborhood electric vehicles.

Your Committee on Conference has amended this bill by returning to the language of the last Senate Draft.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 700, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 700, S.D. 2, H.D. 1, C.D. 1.

Representatives Hiraki, P. Oshiro, Morita, Okamura and Fox,
Managers on the part of the House.

Senators Kawamoto, Taniguchi, Bunda, Iwase and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 26 on S.B. No. 823

The purpose of this bill is to require judges, when imposing a sentence, to consider the fact that the crime was committed in the presence of a minor as an aggravating factor of the crime.

Your Committee on Conference finds that children who witness domestic violence are harmed in many ways, and acknowledges that domestic violence is a perpetuation of a violent cycle, as children of abuse grow up to be abusers themselves. Various studies indicate that in homes where there is domestic violence, approximately 87 percent include children who witness these violent acts. Studies have also documented multiple problems among children that have witnessed continual assaults by one parent on another in the home. These problems include: psychological and emotional distress such as aggression, hostility, anxiety, social withdrawal, and depression; cognitive functioning problems such as lower verbal and quantitative skills and the development of attitudes supporting the use of violence; and physical problems such as delayed motor skills, speech difficulties, and multiple health problems. Therefore, because of the high social and financial costs resulting from domestic violence, your Committee agrees that more serious penalties should be imposed for both their deterrent and punitive effects.

Your Committee has amended this measure by clarifying that the court shall consider these aggravating factors in addition to the factors to be considered under section 706-606, Hawaii Revised Statutes.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 823, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 823, S.D. 1, H.D. 2, C.D. 1.

Representatives Arakaki, Hamakawa, Lee, Stegmaier and Thielen,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Chun Oakland and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 27 on S.B. No. 1502

The purpose of this bill is to require a candidate or a committee to file a report with the Campaign Spending Commission disclosing disbursements of over \$1,000 per year which are made for electioneering communications.

Your Committee notes that informational and educational advertising has become an unregulated and virtually unlimited aspect of political campaigns, which may be used to target not only individual candidates but also ballot issues. Your Committee agrees that allowing these types of communications to go unregulated, while requiring registered candidates and committees to submit reports is a loophole in the current law that provides an unfair advantage to those who are unregistered yet expending funds to affect a particular election. However, your Committee also agrees that the threshold of \$1,000 may be unduly restrictive upon certain types of electioneering communications.

Upon further consideration, your Committee has amended this measure by increasing the threshold for reporting from \$1,000 to \$2,000.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1502, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1502, S.D. 1, H.D. 1, C.D. 1.

Representatives Hamakawa, Cachola, Kaho'ohalahala and Thielen,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Ihara and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 28 on S.B. No. 777

The purpose of this measure is amend the alternate power of sale foreclosure procedures and requirements by:

- (1) Deleting references to "guarantor" in part II, chapter 667, Hawaii Revised Statutes;
- (2) Requiring a mortgagee foreclosing under the alternate power of sale process to provide the defaulting mortgagor with specific information summarizing the foreclosure process along with the first notice of default;
- (3) Providing that the foreclosing mortgagee is authorized to sign the conveyance document as the mortgagor's attorney-in-fact;
- (4) Clarifying that the public notice of public sale be mailed or delivered to the required parties; and
- (5) Removing the limitation on the applicability of the alternate power of sale foreclosure process to mortgages executed after July 1, 1999.

Upon careful consideration, your Committee on Conference has amended this measure to:

- (1) Reduce the minimum period of time allowed for curing a default from sixty days after the default notice date to forty-five days after the default notice date;
- (2) For the period prior to January 1, 2000, allow a mortgagee to provide to the defaulting mortgagor with the first notice of default a copy of the alternate power of sale foreclosure law, in lieu of the public information materials;
- (3) Allow a public sale of the mortgaged property thirty days, rather than sixty days, after the distribution of the public notice of public sale;
- (4) Repeal the foreclosure under power of sale law and its related provisions effective January 1, 2002; and
- (5) Provide that the measure shall be effective upon its approval.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 777, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 777, S.D. 2, H.D. 1, C.D. 1.

Representatives Menor, Hamakawa, Chang and Pendleton,
Managers on the part of the House.

Senators Kanno, Taniguchi, Chumbley, Matsunaga, Hanabusa and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 29 on S.B. No. 365

The purpose of this measure is to clarify that:

- (1) Individuals and the State (as parens patriae in class actions) as indirect purchasers injured by an illegal overcharge, shall be allowed to recover threefold compensatory damages for injuries sustained; and
- (2) Consent decrees resulting from antitrust actions become effective upon filing.

Your Committee on Conference, upon further consideration of has amended this measure by deleting its contents and creating a new chapter in Hawaii Revised Statutes that:

- (1) Prohibits the sale of laser pointing devices (LPDs) to minors;
- (2) Prohibits the use of LPDs by persons over 18 years-old to harass another person or an animal;

- (3) Prohibits the possession of LPDs by minors;
- (4) Establishes an exception for the use of LPDs by minors in commercial laser tag activities; and
- (5) Establishes penalties for violations of the law.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 365, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 365, S.D. 1, H.D. 1, C.D. 1.

Representatives P. Oshiro, Menor, Garcia, Lee and Whalen,
Managers on the part of the House.

Senators Taniguchi, Kanno, Bunda and Ihara,
Managers on the part of the Senate.

Conf. Com. Rep. 30 on S.B. No. 947

The purpose of this measure is to prevent telemarketing fraud in this State by adding a new chapter to the Hawaii Revised Statutes entitled the "Telemarketing Fraud Prevention Act", that:

- (1) Specifies the acts which constitute unfair or deceptive practices;
- (2) Specifies the acts which constitute abusive telemarketing practices;
- (3) Requires telephone solicitors to maintain records of telemarketing activities for a period of two years from the date of the telephone call and to make these records available to governmental agencies for law enforcement purposes;
- (4) Provides exemptions from the recordkeeping requirements of the chapter; and
- (5) Provides that violations of this chapter constitute unfair methods of competition or unfair and deceptive acts or practices within the meaning of section 480-2, Hawaii Revised Statutes (HRS).

After full and careful consideration, your Committee on Conference has amended this measure by:

- (1) Deleting the definition of "premium";
- (2) Amending the definition of "seller" to include persons who arrange for a telephone solicitor to solicit funds or contributions;
- (3) Amending the definition of "telemarketing" to include prize promotions and investment opportunities;
- (4) Clarifying the acts which constitute:
 - (a) Unfair or deceptive practices; and
 - (b) Abusive telemarketing practices;
- (5) Clarifying the recordkeeping requirements for all telemarketing activities initiated in this State;
- (6) Providing exemptions for:
 - (a) Nondepository financial services loan companies licensed or authorized to conduct business in the State by the commissioner of financial institutions or an affiliate of a financial institution as defined in chapter 412, HRS; and
 - (b) The sale of goods or services by land line or wireless video service providers; and
- (7) Making technical, nonsubstantive changes for the purposes of clarity and style.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 947, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 947, S.D. 2, H.D. 1, C.D. 1.

Representatives Menor, Hamakawa, Lee and Thielen,
Managers on the part of the House.

Senators Taniguchi, Kanno, Matsunaga, Ihara, Matsuura and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 31 on S.B. No. 630

The purpose of this measure is to modify the campaign spending laws by inserting provisions requiring reporting of late contributions to candidates, candidate's committees, and other registered committees.

Your Committee finds that under current law, "last-minute" or late contributions made to committees are not reported until after the election. Your Committee acknowledges that these types of late contributions are often used to make major donations with the intent of affecting the outcome of the election. Your Committee believes that these donations should be open to public scrutiny prior to the election to promote fairness and to close this loophole in our public disclosure laws.

Upon further deliberation, your Committee has amended this measure by:

- (1) Changing the period of time during which late contributions that are received must be reported prior to the election, from fifteen through three days before the election to fifteen through four days before the election; and
- (2) Changing the date by which late contributions must be reported from two days to three days before the election.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 630, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 630, S.D. 1, H.D. 1, C.D. 1.

Representatives P. Oshiro, Hamakawa, Kaho'ohalahala, Lee and Auwae,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Ihara, Sakamoto and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 32 on S.B. No. 1119

The purpose of this bill is to create an affirmative defense to murder in the first and second degrees that the defendant was, at the time the defendant caused the death of another person, under the influence of extreme mental or emotional disturbance for which there is a reasonable explanation.

Your Committee finds that under current law, in a trial for murder, there is a burden placed upon the prosecution to disprove the existence of an extreme mental or emotional disturbance, beyond a reasonable doubt, or see the charge reduced to that of manslaughter. Your Committee believes it proper that the defendant, upon raising this issue, should have the burden to prove that the defendant was under the influence of extreme mental or emotional disturbance. Placing this burden upon the defendant, rather than upon the prosecution to prove a negative, will assist prosecutors in cases similar to the recent Pada case, in which the issue of extreme mental or emotional disturbance was raised.

Upon further consideration, your Committee has amended this measure by adding an effective date.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1119, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1119, S.D. 1, H.D. 1, C.D. 1.

Representatives P. Oshiro, Chang, Hamakawa, Lee and Whalen,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Ihara and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 33 on S.B. No. 1485

The purpose of this bill is to:

- (1) Permit the court to waive jurisdiction on other felony charges arising from the same episode in which the minor was waived; and
- (2) Authorize the court to provide public inspection of a minor's legal records, if the proceeding or case involves an act resulting in the death of a victim.

Your Committee on Conference finds that when a court exercises its jurisdiction to waive a juvenile pursuant to subsections (b) or (d) of section 571-22, Hawaii Revised Statutes, the family court should be permitted to waive, in its discretion, any other related felony charges so that a related case may be brought and tried together for the sake of judicial economy and efficiency. Your Committee further finds that the right of the public to access important information on serious matters will be served by allowing the court to provide for the public inspection of a minor's legal records if the proceeding or case involves an act resulting in the death of a victim.

Your Committee has amended this measure by changing the effective date so that the Act will take effect upon its approval.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1485, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1485, S.D. 1, H.D. 1, C.D. 1.

Representatives P. Oshiro, Garcia, Hamakawa, Lee and Whalen,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Sakamoto and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 34 on S.B. No. 285

The purpose of this measure is to amend Chapter 514C, Hawaii Revised Statutes (HRS), to facilitate voluntary, bulk, lease-to-fee conversions of condominiums by condominium associations on behalf of their members.

Your Committee on Conference has amended this measure by:

- (1) Changing the title of Part I of Chapter 514C, HRS, to Right of First Refusal;
- (2) Deleting the language designating sections 514C-2 through 514C-8, HRS, as, "Part II. Right of First Refusal" and redesignating bill sections accordingly;
- (3) Deleting the amendments to the definition of "condominium" in section 514C-1, HRS;
- (4) Making the bill effective upon its approval; and
- (5) Making technical, nonsubstantive changes for purposes of clarity and proper drafting style.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 285, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 285, S.D. 1, H.D. 1, C.D. 1.

Representatives Menor, Suzuki, Cachola, Yamane and Whalen,
Managers on the part of the House.

Senators Tam, Fukunaga, Hanabusa, Ihara and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 35 on S.B. No. 594

The purpose of this bill is to define the term "good cause" as used in section 134-7, Hawaii Revised Statutes. In cases involving restraining orders where good cause exemption becomes an issue, judges generally take into consideration whether the person subject to the restraining order is required to possess or carry a firearm during the course of the person's employment. If the case involves a police officer, the courts defer the granting of exemptions to the police chief with the rationale that the police chief would be best able to determine whether the officer would qualify for a good cause exemption. Within the past two years, the courts handled thirty-one cases involving the granting of good cause exemptions, and twenty-one of those cases involved police officers.

Your Committee on Conference acknowledges the seriousness of domestic violence and believes that the current law needs to be applied consistently in all cases, regardless of whether the person subject to a restraining order is a police officer. Judges should not be deferring the granting of an exemption to a police chief.

Therefore, your Committee has amended this bill by:

- (1) Providing that "good cause" consideration should also include the protection and safety of the person to whom a restraining order is granted;
- (2) Making a conforming amendment by deleting the reference to section 134-7(f) within section 134-11(b); and
- (3) Making technical, non-substantive changes for the purposes of clarity and style.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 594, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 594, S.D. 1, H.D. 1, C.D. 1.

Representatives P. Oshiro, Hamakawa, Kaho'ohalahala, Lee
Managers on the part of the House.

and Thielen,

Senators Chumbley, Matsunaga, Ihara and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 36 on S.B. No. 628

The purpose of this measure is to strengthen our campaign spending laws by: clarifying the types of campaign-related activities to which the laws apply; establishing clear parameters for when a candidate must register with the Campaign Spending Commission; and clarifying the requirements regarding the reporting and return of excess campaign contributions.

Your Committee finds that constitutional constraints raise questions regarding the degree to which the State can exercise regulatory authority over informational or educational advertising. Similarly, the Attorney General has opined that committees that receive and expend funds only to impact ballot issues cannot be subject to contribution limits. Your Committee further finds that amending the candidate registration threshold will improve the Campaign Spending Commission's awareness and monitoring of candidates in smaller races, who under present law are not required to register until late in a campaign.

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

- (1) Inserting language in the definition of "committee" to exclude organizations which raise and expend funds for the sole purpose of production and dissemination of informational or educational advertising;
- (2) Requiring that the Commission publish the names of those failing to file a report in both the newspaper and on its website;
- (3) Retaining existing law with regard to registration of candidates for expenditures in an aggregate of amount of \$100;
- (4) Clarifying that limits on contributions shall not apply to contributions by a candidate to the candidate's own campaign; and
- (5) Making technical, non-substantive changes for the purposes of clarity and style.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 628, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 628, S.D. 1, H.D. 1, C.D. 1.

Representatives P. Oshiro, Hamakawa, Kaho'ohalahala, Lee and Auwae,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Ihara and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 37 on S.B. No. 616

Your Committee finds that those who promote prostitution often leave their victims with life-long physical, emotional, and financial scars. These may take the form of personal injury, disease, or even death; mental or emotional harm; medical and rehabilitation expenses; and the loss of past or future income and earning capacity. Your Committee further finds that the potential financial gains for those who coerce others into prostitution are so large that many persons evidently consider such coercion more than worth the risk of criminal prosecution. The added threat of civil liability, including payment of actual and exemplary damages, will serve as an additional deterrent to the promotion of prostitution.

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

- (1) Reinserting a findings and purpose section from the S.B. No. 616, S.D. 1;
- (2) Reinserting language from the S.D. 1 that included coercion of an individual to remain in prostitution or to relinquish earnings from prostitution as a basis for liability;
- (3) Reinserting a provision from the S.D. 1 that excepted minor children dependent on an individual for support from potential liability for coercing that individual to collect or receive earnings from prostitution;
- (4) Reinserting a provision from the S.D. 1 that included restriction of movement as evidence supporting a claim of coercion; and
- (5) Reinserting a provision from the S.D. 1 that included defining the terms of an individual's employment in a way that could lead to the individual's prostitution, as evidence supporting a claim of coercion of a minor.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 616, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 616, S.D. 1, H.D. 1, C.D. 1.

Representatives P. Oshiro, Garcia, Hamakawa, Takumi and Auwae,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Ihara and Anderson,

Managers on the part of the Senate.

Conf. Com. Rep. 38 on S.B. No. 1003

The purpose of this measure, as received by your Committee, is to impose penalties upon employers who fail to provide timely payments to employees obligated to pay child support, and to impose penalties upon the Child Support Enforcement Agency (CSEA) for failure to disburse payments within five working days after collection.

Your Committee acknowledges the continuing frustration of many custodial parents who are dependent upon the timely receipt of child support payments to meet their basic living expenses. Unfortunately, the disbursement system for child support payments continues to be plagued with problems, which further delays payments to custodial parents. While your Committee agrees that imposing penalties for late payments may be an incentive to ensure timeliness, a more proactive approach to addressing timely payments would be to provide additional opportunity for the obligor party to opt out of the system upon petition to the court.

Therefore, upon further consideration, your Committee has amended this measure by:

- (1) Deleting the provisions imposing penalties upon employers and the CSEA;
- (2) Establishing a notice provision to be provided to parties of divorce informing them of the opportunity to enter into alternative arrangements for direct payment of child support;
- (3) Allowing parties to petition the court to opt out of the child support enforcement agency system at any time upon petition to the court;
- (4) Requiring the court to assign such petitions priority on the dockets for expeditious processing;
- (5) Allowing the CSEA to issue orders permitting alternative arrangements; and
- (6) Making technical, non-substantive changes for the purposes of clarity and style.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1003, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1003, S.D. 1, H.D. 1, C.D. 1.

Representatives Arakaki, P. Oshiro, Saiki and Whalen,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Chun Oakland, Sakamoto and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 39 on S.B. No. 186

The purpose of this bill is to make changes to certain aspects of Hawaii's tort law system, and to implement in part ideas raised in a report presented to the Legislature by the Tort Law Study Group, pursuant to S.C.R. 256, H.D. 1 (1997).

Your Committee finds that there is an interest, particularly in the business and professional community, in modifications to Hawaii's tort law system that would serve to bring down the costs of litigation and discourage the filing of meritless claims. However, your Committee further finds that proposals of sweeping changes to the present theories of liability and recovery were not recommended by the Study Group, and are not the subject of any consensus within the community at this time. Therefore, your Committee has combined elements of the House and Senate drafts of this measure, in seeking to make changes to Hawaii's tort law system that will implement some of the ideas raised by the Study Group and improve the present system without drastically altering it.

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

- (1) Deleting the purpose clause;
- (2) Deleting the provision placing a limitation on the recovery of noneconomic damages;
- (3) Deleting the provision regarding offers of judgment in civil actions;
- (4) Deleting the provision limiting punitive damages awards and giving discretion as to the award amount to the court;
- (5) Deleting a severability clause;
- (6) Reinserting a provision from S.B. 186, S.D. 1, codifying the Hawaii Supreme Court's decision as to tortious breach of contract in Francis v. Lee Enterprises, Inc., No. 21631 (Haw. 1999);
- (7) Reinserting a provision from the S.D. permitting pleaders to name, under fictitious names, defendants whose responsibility for the wrongful acts alleged is unknown, in addition to defendants whose identity is unknown;

- (8) Reinserting the effective date from the S.D.;
- (9) Adding to the provision as to attorneys' fees in civil actions, further language permitting a party to request that another party drop frivolous claims or defenses, and providing that the court may consider such a request in determining whether claims or defenses were frivolous;
- (10) Deleting language that would have altered the percentage of negligence subjecting a tortfeasor to joint and several liability for noneconomic damages in certain cases;
- (11) Inserting language stating that joint and several liability does not apply to design professionals and accountants for non-physical injury cases; and
- (12) Making technical, non-substantive changes for the purposes of clarity and style.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 186, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 186, S.D. 1, H.D. 1, C.D. 1.

Representatives P. Oshiro, Hamakawa, Hiraki, Souki and Auwae,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Kanno, Taniguchi, Chun Oakland and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 40 on S.B. No. 919

The purpose of this bill is to clarify that for the offense of robbery, it shall not be a defense that any person other than the defendant is aware of the theft or attempted theft.

A recent Hawaii Supreme Court decision, State v. Mitsuda, 86 Haw. 37 (1997), held that where a defendant threatens the imminent use of force against any person present with the intent to compel acquiescence to the taking of or escaping with property, the victim's awareness that a theft occurred is an element which the prosecution must prove for the offense of robbery in the first degree. Therefore, your Committee on Conference believes that it is necessary to clarify that the offense of robbery does not require the victim or any other person present to be aware of the theft or the attempted theft of the property.

Your Committee has amended this measure by adding a clarifying amendment that explicitly states that a person does not need to be aware of the taking of property where another person threatens the imminent use of force to take or escape with the property.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 919, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 919, S.D. 1, H.D. 1, C.D. 1.

Representatives P. Oshiro, Hamakawa, Lee, Takumi and Whalen,
Managers on the part of the House.

Senators Chumbley, Matsunaga and Sakamoto,
Managers on the part of the Senate.

Conf. Com. Rep. 41 on S.B. No. 590

The purpose of this bill is to provide uniformity among and consistency between the penalty provisions for violations of domestic abuse protective orders.

Your Committee on Conference finds that the penalties for violating temporary restraining orders and protective orders must be standardized to assure adequate and appropriate consequences for those who choose to ignore a court order designed to prevent further harassment, threats, and violence.

Therefore, your Committee has amended this measure by:

- (1) Adding that a violation of a temporary restraining order must be a knowing or intentional violation within section 586-4, Hawaii Revised Statutes (HRS), in order to be consistent with all other orders granted pursuant to chapter 586, HRS;
- (2) Conforming sections 586-11 and 580-10, HRS, by including similar language presently contained in section 586-4, HRS, relating to mandatory fines and sentencing;
- (3) Making a conforming amendment to section 601-3.6, HRS, relating to the spouse and child abuse special account by including reference to sections 586-11 and 580-10, HRS; and
- (4) Making technical, non-substantive changes for the purposes of clarity and style.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 590, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 590, S.D. 1, H.D. 1, C.D. 1.

Representatives P. Oshiro, Luke, Hamakawa, Kaho'ohalahala, Lee and Auwae,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Ihara and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 42 on S.B. No. 1118

The purpose of this bill is to create a new offense of habitual criminal behavior against persons and property and to impose a mandatory minimum sentence upon repeat offenders.

Your Committee on Conference finds that there are many criminals who repeatedly commit misdemeanor offenses. These persons know that under current law, if caught, the consequences of their conduct will be relatively minor. As such, there is currently no serious deterrent to their repeated criminal behavior. A mandatory sentence will send a strong message that repeated criminal behavior will not be tolerated.

Therefore, your Committee has amended this measure by:

- (1) Providing that a repeat offender shall be sentenced to no less than nine months of imprisonment;
- (2) Providing that the court shall order a defendant sentenced under section 707-733, Hawaii Revised Statutes, relating to sexual assault in the fourth degree, to participate in a sex offender assessment and participate in the sex offender treatment program, if necessary and appropriate; and
- (3) Adding a saving provision.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1118, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1118, S.D. 1, H.D. 1, C.D. 1.

Representatives P. Oshiro, Chang, Hamakawa, Hiraki and Whalen,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Sakamoto and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 43 on S.B. No. 36

The purpose of this measure is to increase the clarity, fairness, and economic efficiency of laws governing condominium associations by:

- (1) Permitting associations to collect delinquent common assessments directly from the tenant upon notice to the apartment owner;
- (2) Allowing the association to cease providing services and privileges to an apartment that is delinquent in payment of common assessments; and
- (3) Specifying where and in what type of institutions and investments an association may place its funds.

Your Committee on Conference has amended this measure by:

- (1) Allowing associations to enforce liens created for delinquent maintenance fees, including non-judicial or power of sale foreclosure procedures;
- (2) Allowing associations to invest in obligations and mutual funds comprised solely of investments in the obligations of the United States Government, the State of Hawaii, or their respective agencies with maturity dates over ten years after the purchase date if a majority vote of the apartment owners at an annual or special meeting of the association or written consent of a majority of the apartment owners approves such investment;
- (3) Requiring an association board to approve investments longer than one year and clearly disclose to owners all investments longer than one year at each year's association annual meeting; and
- (4) Making technical, nonsubstantive changes for purposes of clarity and style.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 36, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 36, S.D. 2, H.D. 1, C.D. 1.

Representatives Menor, Cachola, Lee and Whalen,
Managers on the part of the House.

Senators Tam, Matsunaga, Chumbley, Hanabusa, Ihara and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 44 on S.B. No. 1160

The purpose of this measure is to update and strengthen Hawaii's drug laws by conforming the State Uniform Controlled Substances Act to reflect changes in federal and State law. Key changes to the law effected by this measure include increasing and broadening recordkeeping and reporting requirements, standardizing the paper size requirements for prescriptions, establishing that communications made to a physician for the purpose of unlawfully procuring controlled substances are not privileged physician-patient communications, and expanding the penalty provisions.

Upon careful consideration, your Committee on Conference has amended this measure to:

- (1) Make the theft, loss, and discrepancy reporting requirement of section 329-66, Hawaii Revised Statutes (HRS), applicable to all controlled substance transactions regulated under chapter 329, HRS;
- (2) Establish as one of the criteria for dietary supplements exempt from certain requirements of chapter 329, HRS, the requirement that the supplement's labeling not recommend a daily intake of more than one hundred milligrams of ephedrine alkaloids; and
- (3) Exclude from the penalty provision transactions involving claims that the consumption of ephedrine products will result in heightened awareness and increased energy.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1160, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1160, S.D. 2, H.D. 2, C.D. 1.

Representatives Hamakawa, Saiki, Luke, P. Oshiro and Whalen,
Managers on the part of the House.

Senators Taniguchi, Kanno, Chun Oakland, Chumbley and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 45 on S.B. No. 822

The purpose of this measure is to require all health insurers, mutual benefit societies, and health maintenance organizations to provide coverage for contraceptive services and supplies.

Upon further consideration, your Committee on Conference has amended this measure by:

- (1) Clarifying the definition of "religious employer" to add that the entity is not staffed by public employees;
- (2) Adding that any educational, health care, or other non-profit institution or organization owned or controlled by the religious employer is included in the religious employers exemption;
- (3) Requiring the insurance commissioner to report to the legislature prior to the convening of the 2001 session; and
- (4) Changing the effective date to upon its approval.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 822, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 822, S.D. 2, H.D. 2, C.D. 1.

Representatives Menor, Yamane, Garcia, Lee and Marumoto,
Managers on the part of the House.

Senators Chun Oakland, Kanno, Taniguchi, Bunda, Hanabusa and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 46 on S.B. No. 1018

The purpose of this measure is to allow the Drug Product Selection Board (Board) to adopt as rules the "Approved Drug Products with Therapeutic Equivalence Evaluations", known as the Orange Book, as a state drug formulary, including a Hawaii additions and deletions list.

Upon further consideration, your Committee on Conference has amended this measure by:

- (1) Providing that the Board may adopt administrative rules to establish a Hawaii additions and deletions list;
- (2) Deleting reference to the Board meeting no less than every six months;
- (3) Clarifying that an anti-epileptic drug for the treatment of epilepsy shall not be substituted; and
- (4) Making a nonsubstantive amendment for proper drafting style.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1018, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1018, S.D. 1, H.D. 2, C.D. 1.

Representatives Lee, Yamane, Ahu Isa, Garcia and Fox,
Managers on the part of the House.

Senators Chun Oakland, Iwase and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 47 on S.B. No. 1128

The purpose of this measure is to increase fines for the violations of the insurance code, and conform disclosure requirements for health insurance policies issued by mutual benefit societies and health maintenance organizations with the disclosure requirements for policies issued under chapter 431:10A, Hawaii Revised Statutes (HRS). The measure also requires that fraternal benefit societies be licensed in accordance with provisions governing solicitors in chapter 431, article 9, HRS.

Your Committee on Conference, upon further consideration, has amended S.B. No. 1128, S.D. 2, H.D. 1 to:

- (1) Clarify the scope of authority of the chief deputy insurance commissioner; and
- (2) Make non-substantive, technical amendments.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1128, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1128, S.D. 2, H.D. 1, C.D. 1.

Representatives Santiago, Menor, Yamane, Ahu Isa and Fox,
Managers on the part of the House.

Senators Taniguchi, Kanno, Fukunaga, Levin and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 48 on S.B. No. 1145

The purpose of this measure is to support the Department of Commerce and Consumer Affairs' (DCCA) move toward self-sufficiency by combining most of DCCA's special and revolving funds into the DCCA's Compliance Resolution Fund, which would be used to fund DCCA operations, but would not be subject to central service and departmental administration expense reimbursement deductions or other reversions to the general fund.

Upon further consideration, your Committee on Conference has amended this measure to:

- (1) Clarify that all fees and expenses charged for the examination of financial institutions shall be deposited to the Compliance Resolution Fund, rather than the Financial Institution Examiners' Revolving Fund; and
- (2) Make technical and nonsubstantive amendments for the purpose of clarity and style.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1145, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1145, S.D. 2, H.D. 2, C.D. 1.

Representatives Menor, Kawakami, Chang, Takumi, Yamane and Auwae,
Managers on the part of the House.

Senators Taniguchi, Kanno, Fukunaga, Levin and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 49 on S.B. No. 788

The purpose of this measure is to establish a system of mandatory cigarette stamps as a means to assess, collect, and enforce cigarette taxes.

Your Committee on Conference is in accord that this measure is necessitated by the terms of the federal court-approved settlement of the recent tobacco litigation case. States are required to establish a cigarette stamp system to collect cigarette taxes, in order to share in the settlement proceeds.

Your Committee on Conference finds that Act 10, Session Laws of Hawaii 1999, relating to exempting United States government agencies and instrumentalities, is not in conflict with this measure. This measure is not intended to impose a cigarette stamp requirement on cigarettes sold to the United States.

Upon further consideration, your Committee on Conference has amended this measure by:

- (1) Changing references to dates, as follows:
 - (A) From April 15, 2000, to December 15, 1999, for the licensee to apply for stamps;
 - (B) From May 1, 2000, to January 1, 2000, for the licensee to affix a stamp to each package of cigarettes;
 - (C) From September 1, 2000, to April 1, 2000, for prohibiting cigarettes to be sold or to be placed or stored in vending machines without a stamp;
 - (D) From September 1, 2000, to April 1, 2000, for penalties to begin; and
 - (E) From September 1, 2000, to April 1, 2000, to require the destruction of unstamped cigarettes;
- (2) Imposing the obligation to pay the tax upon the wholesaler or dealer and the licensee;
- (3) Deleting reference in current law to applying the tax against the latest of the activities of selling, using, or possessing;
- (4) Deleting references to percentages of the taxes collected to be allocated to county liquor commissions;
- (5) Deleting reference to the Auditor making a study and inserting reference to the Director of Taxation to study the effectiveness of the Act;
- (6) Making appropriations for each county liquor commission to enforce the cigarette stamp tax requirements; and
- (7) Requiring each county liquor commission to report to the legislature before the 2001 and 2002 Sessions on their respective activities relating to this measure, including expenses, fines and penalties collected, and forfeitures.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 788, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 788, S.D. 2, H.D. 2, C.D. 1.

Representatives Santiago, Suzuki, Goodenow, Kahikina and Leong,
Managers on the part of the House.

Senators Chun Oakland, Fukunaga, Levin, Chun, Kawamoto and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 50 on S.B. No. 392

The purpose of this bill is to:

- (1) Require the election of the chairperson of the Metropolitan Planning Organization (MPO) every two years, rather than annually and to update the functions of the MPO;
- (2) Appropriate funds to be expended by the Department of Transportation for the planning, design, and construction of a cruise ship passenger terminal at Pier 2, Honolulu Harbor; and
- (3) Authorize the department of transportation to make improvements to airports without county approval.

Your Committee on Conference has amended this bill by:

- (1) Deleting the provisions relating to the Metropolitan Planning Organization;
- (2) Appropriating \$2,000,000 to be expended by the Department of Transportation for the planning and design of a cruise ship passenger terminal at Pier 2, Honolulu Harbor; and

- (3) Deleting the provisions that allow the Department of Transportation to construct structures and improvements for airport purposes without county approval.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 392, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 392, S.D. 2, H.D. 2, C.D. 1.

Representatives Hiraki, Kanoho, Goodenow, Nakasone and Marumoto,
Managers on the part of the House.

Senators Kawamoto, Levin, Bunda, Iwase and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 51 on H.B. No. 1178

The purpose of this bill is to allow the Department of Land and Natural Resources (DLNR) to sell or take action to cause the sale of perishable natural resources that are seized.

After careful consideration, your Committee on Conference has amended the bill by:

- (1) Providing that, unless directed by the courts, any non-natural resources that are seized shall be forfeited to the State for disposition as determined by DLNR or may be destroyed, kept, retained or utilized by the department or any other state agency;
- (2) Providing that if a non-natural forfeited item is not needed or required by DLNR or any other state agency, it shall be disposed of as provided by chapter 712A, Hawaii Revised Statutes;
- (3) Specifying that only "live" natural resources that are seized may be immediately returned to their natural environment or suitable habitat;
- (4) Providing that the department may not sell or cause the sale of any threatened or endangered species or any other species whose sale is prohibited by law; and
- (5) Making technical, nonsubstantive amendments for the purposes of style and clarity.

Your Committee finds that this bill will define procedures in managing perishable natural resources. Selling seized catches in a timely manner at fair market value would reduce storage costs to the State and prevent the waste of valuable consumable resources.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1178, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1178, H.D. 1, S.D. 1, C.D. 1.

Representatives Takumi, P. Oshiro, Morita, Schatz and Thielen,
Managers on the part of the House.

Senators Inouye, Chumbley, Matsunaga, Buen, Kawamoto and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 52 on H.B. No. 1296

The purpose of this bill is to clarify certain aspects of the management of Kaneohe Bay by:

- (1) Limiting the number of permits the Department of Land and Natural Resources (DLNR) may issue for commercial operation of ocean use activities to the amount specified in the Kaneohe Bay Master Plan as it existed on June 21, 1993;
- (2) Requiring that all rules relating to the Kaneohe Bay Master Plan shall be done in accordance with sections 4.9 and 4.10 of the Kaneohe Bay Master Plan as adopted by the Office of State Planning on March 19, 1992, and with Chapter 91, Hawaii Revised Statutes;
- (3) Stating that any rule adopted by the DLNR that is in conflict with the Kaneohe Bay Master Plan must be for reasons of public health or safety, or resource protection or preservation;
- (4) Stating that if any provision of section 200-39, Hawaii Revised Statutes, affecting Kaneohe Bay is in conflict with Chapter 91, Hawaii Revised Statutes, relating to administrative procedure, Chapter 91 shall prevail; and
- (5) Requiring the Kaneohe Bay Regional Council to review the master plan and submit any amendments to DLNR by December, 1999.

After careful consideration, your Committee on Conference has amended this bill by deleting references to "section 200D-3" from Section 1 of this measure.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1296, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1296, H.D. 1, S.D. 1, C.D. 1.

Representatives Takumi, Garcia, Morita, Schatz and Meyer,
Managers on the part of the House.

Senators Hanabusa, Inouye, Fukunaga, Levin, Chun, M. Ige, Nakata, Tanaka and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 53 on H.B. No. 1020

The purpose of this bill is to provide a continued source of financing to businesses under the Hawaii Capital Loan Program.

After careful consideration, your Committee on Conference has amended this bill by amending the effective date to June 29, 1999.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1020, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1020, H.D. 2, S.D. 2, C.D. 1.

Representatives Herkes, Luke, Suzuki and Rath,
Managers on the part of the House.

Senators Inouye, Levin, Taniguchi and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 54 on H.B. No. 1142

The purpose of this bill is to modify the wastewater treatment law by:

- (1) Transferring the certification of cesspool pumping operations from the State Board of Certification to the Department of Health;
- (2) Expanding the Department of Health's authority to regulate domestic sewage and recycled water;
- (3) Providing for consistent wastewater penalties; and
- (4) Allowing for search warrants to investigate wastewater spills.

Your Committee has amended the measure by:

- (1) Deleting the definitions of "recycled water" and "reclaimed water"; and
- (2) Making technical, nonsubstantive amendments for the purpose of clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1142, H.D. 3, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1142, H.D. 3, S.D. 2, C.D. 1.

Representatives Morita, P. Oshiro, Schatz, Takumi and Thielen,
Managers on the part of the House.

Senators Nakata, Matsunaga, Ihara, Kanno and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 55 on H.B. No. 1548

The purpose of this bill is to:

- (1) Define "recycled water" and "reclaimed water" in chapter 342D, Hawaii Revised Statutes, relating to water pollution; and
- (2) Direct the Director of Health to give priority to adopting rules that will encourage the voluntary reuse of water where economically feasible.

Because this bill sets forth policy on the reuse of water, your Committee on Conference agrees that it would be inappropriate to make it voluntary. Accordingly, your Committee has deleted the phrase "...that will encourage the voluntary reuse of water where economically feasible."

This bill has been further amended by:

- (1) Stating that state laws and rules must ensure that the cost of recycled water is reasonable, fair, and economically feasible for both the processor and water consumer; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and to conform to correct drafting conventions.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1548, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1548, H.D. 1, S.D. 1, C.D. 1.

Representatives Morita, Schatz, Takumi and Thielen,
Managers on the part of the House.

Senators Nakata, M. Ige, Ihara and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 56 on H.B. No. 1177

The purpose of this bill is to allow private marinas and yacht clubs to take custody and dispose of vessels abandoned on their premises.

After careful consideration, your Committee on Conference has amended this bill by:

- (1) Amending the calculation of days before a vessel is considered abandoned to be 30 days after a notice is "mailed" instead of "received"; and
- (2) Specifying the number of days a notice will be deemed received after mailing as five "calendar" days instead of "business" days.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1177, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1177, H.D. 2, S.D. 1, C.D. 1.

Representatives Takumi, P. Oshiro, Takamine, Morita and Thielen,
Managers on the part of the House.

Senators Inouye, Fukunaga, Buen, M. Ige and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 57 on H.B. No. 1181

The purpose of this bill is to:

- (1) Consolidate and standardize various penalty provisions;
- (2) Establish minimum fines; and
- (3) Establish graduated penalties within chapters 187A, 188, 189, and 190, Hawaii Revised Statutes (HRS).

After careful consideration, your Committee on Conference has amended this bill by:

- (1) Deleting the reference to imprisonment for an officer of a corporation;
- (2) Correcting the description of section 188-23, HRS to accurately reflect the section heading; and
- (3) Making nonsubstantive, technical changes to conform to drafting style.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1181, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1181, H.D. 1, S.D. 2, C.D. 1.

Representatives Takumi, Hamakawa, Schatz, Garcia and Marumoto,
Managers on the part of the House.

Senators Inouye, Chumbley, Matsunaga, Buen and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 58 on H.B. No. 1086

The purpose of this bill is to delete the time provision which mandates that no less than fifty percent of each school day be devoted to oral expression, written composition, and the spelling of the English language.

Your Committee on Conference finds that there are times when meeting the fifty percent requirement of each instructional day is not feasible or practical. This rigid standard hampers the Department of Education's ability to provide a varied instructional program which allows students to maximize their learning potential. Specific curriculum decisions are properly within the purview of the Board of Education.

This measure will not delete the requirement that schools teach English altogether. Rather, this amendment allows the Board of Education and the Department of Education the freedom and flexibility to establish a strong learning environment and implement the Hawaii Content and Performance Standards, as provided in Section 302A-201, Hawaii Revised Statutes. This ensures that the basics will continue to be taught. This measure simply deletes the mandate that fifty percent of each day be devoted to specific aspects of the curriculum.

Your Committee on Conference has amended this bill by making a technical, nonsubstantive change for the purpose of conformity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1086, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1086, S.D. 1, C.D. 1.

Representatives Ito, Arakaki, Morihara, Stegmaier and McDermott,
Managers on the part of the House.

Senators D. Ige, Bunda and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 59 on H.B. No. 1028

The purpose of this bill is to:

- (1) Authorize the Aloha Tower Development Corporation (ATDC) to:
 - (A) Appoint exempt officers, agents, and employees;
 - (B) Prescribe their duties and qualifications; and
 - (C) Fix their salaries;
 without regard to chapters 76 and 77, Hawaii Revised Statutes;

and
- (2) Direct ATDC and the Department of Transportation (DOT) to:
 - (A) Work together to resolve immediately the parking shortage for the Aloha Tower Marketplace (Marketplace); and
 - (B) Develop plans to expedite the construction of additional parking for the Marketplace.

Your Committee on Conference has amended this bill by:

- (1) Deleting provisions that direct ATDC and DOT to:
 - (A) Work together to resolve the parking shortage and develop plans for additional parking for the Marketplace; and
 - (B) Submit a report to the Legislature prior to the 2000 Regular Session on the status of resolving the shortage of parking for the Marketplace;

and
- (2) Making technical, nonsubstantive amendments for clarity and style.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1028, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1028, H.D. 1, S.D. 1, C.D. 1.

Representatives Herkes, Hiraki, Luke, Goodenow and Whalen,
Managers on the part of the House.

Senators Inouye, Fukunaga, Levin, Kawamoto, Tam, Taniguchi and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 60 on H.B. No. 1711

The purpose of this bill is to resolve the regulation of piers in Kaneohe Bay by:

- (1) Designating any unpermitted pier in Kaneohe Bay existing in whatever form on the effective date of this Act as a nonconforming use;
- (2) Eliminating the requirement that all sunbathing and swimming piers built on submerged lands be open to the public and have signs placed on them indicating the public's right to use the pier;
- (3) Including private residential noncommercial piers as items not requiring prior legislative and gubernatorial approval of lease and easement dispositions;
- (4) Expunging any related penalties assessed prior to enactment of the measure;
- (5) Establishing a lease rent moratorium on the submerged lands and the private residential noncommercial piers thereon in Kaneohe Bay, located offshore of property between Kealohi Point and Nuupia Pond, until the Department of Land and Natural Resources adopts a residential pier lease rent formula; and
- (6) Requiring the Department of Land and Natural Resources to establish an equitable solution for lessees who have been paying lease rent on submerged lands and the private residential noncommercial piers thereon in Kaneohe Bay, located offshore of property between Kealohi Point and Nuupia Pond, which may include the issuance of a lease rent credit.

After careful consideration, your Committee on Conference has amended this bill by:

- (1) Deleting the reference to Chapter 91, Hawaii Revised Statutes, in Section 5(a);
- (2) Clarifying the nonconforming use provision to expunge penalties only for pier-related violations; and
- (3) Making technical, nonsubstantive changes for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1711, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1711, H.D. 2, S.D. 1, C.D. 1.

Representatives Takumi, Schatz, Goodenow, Kanoho and Marumoto,
Managers on the part of the House.

Senators Hanabusa, Inouye, Levin, Buen, Chun, M. Ige, Nakata, Tanaka and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 61 on H.B. No. 4

The purpose of this bill is to clarify that, in the case of internal police procedures that are not subject to the Hawaii Administrative Procedure Act, chapter 91, Hawaii Revised Statutes, failure of the police to comply scrupulously with such internal police procedures shall not invalidate a roadblock that otherwise meets the minimum statutory criteria provided in section 286-162.6, Hawaii Revised Statutes.

The Hawaii intermediate court of appeals, in *State v. Fedak*, 9 Haw. App. 98 (1992), ruled that internal police roadblock procedures exceeding the minimum statutory roadblock requirements, as set out in section 286-162.6, Hawaii Revised Statutes, must be "scrupulously" followed and that failure to do so will result in a determination that motor vehicles stopped at such a roadblock have been improperly seized. Your Committee on Conference finds that the Legislature did not intend that properly constituted roadblocks, meeting the minimum statutory criteria under section 286-162.6, be invalidated merely because of the failure of the police to comply scrupulously with internal police procedures that are not subject to chapter 91.

Your Committee on Conference has amended the bill by clarifying that the exempt internal police procedures being referred to are those that are not "rules" as defined under section 91-1(4), Hawaii Revised Statutes.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 4, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 4, H.D. 1, S.D. 1, C.D. 1.

Representatives Hiraki, P. Oshiro, Goodenow and Moses,
Managers on the part of the House.

Senators Kawamoto, Chumbley, Bunda, Iwase and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 62 on H.B. No. 500

The purpose of this bill is to allow nonresident aliens to bring firearms into the State under certain conditions.

Your Committee finds that all of Hawaii's game mammals are non-native and, if left unchecked, pose a considerable threat to Hawaii's native plants and wildlife. In Hawaii, as in most other locations, wildlife officials have found that hunting has provided an excellent, cost-effective means of controlling wildlife populations, as well as providing recreation and subsistence for a large number of residents. In addition, hunting and target shooting have become popular visitor activities and have demonstrated the potential for development as tourism niche markets.

Your Committee revised the bill by:

1. Requiring registration within three days; and
2. Making technical, non-substantive changes for the purposes of style and clarity.

The three day registration requirement addresses the public safety concerns of the Honolulu Police Department.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 500, H.D. 3, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 500, H.D. 3, S.D. 1, C.D. 1.

Representatives Cachola, Hamakawa, Kanoho, Schatz and Meyer,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Fukunaga, Tanaka and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 63 on H.B. No. 806

The purpose of this measure is to approve the exchange of public lands in North Kona for private lands along the Kona Coast to develop a new motor speedway industry.

Your Committee on Conference finds that Hawaii International Motor Speedway is prepared to acquire land in South Kohala and is willing to exchange the title to these lands for public lands in North Kona.

The measure would expedite the process by pre-authorizing the Department of Land and Natural Resources to enter into a land exchange with the Hawaii International Motor Speedway.

Upon further consideration, your Committee on Conference has amended the measure by:

- (1) Changing the effective date of the measure from July 1, 2020, to July 1, 1999;
- (2) Adding provisions that:
 - (A) Require the Department of Land and Natural Resources to comply with the requirements of Chapters 6E, 205, 205A, and 343, Hawaii Revised Statutes, as applicable;
 - (B) Require the Hawaii International Motor Speedway to comply with all applicable state laws and county ordinances including but not limited to historic preservation, land use, coastal zone management, planning, zoning, environmental health, including Chapter 128D and Chapters 342B to 342P, Hawaii Revised Statutes, and environmental impact statements; and
 - (C) State that the requirements stated in subparagraphs (A) and (B) shall supersede any other law to the contrary unless the conflicting law specifically provided otherwise; and
- (3) Making technical, nonsubstantive amendments for the purpose of style.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 806, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 806, H.D. 2, S.D. 2, C.D. 1.

Representatives Cachola, Kanoho, Garcia, Takumi and Meyer,
Managers on the part of the House.

Senators Hanabusa, Levin, Chun, Nakata and Tanaka,
Managers on the part of the Senate.

Conf. Com. Rep. 64 on H.B. No. 1522

The purpose of this bill is to clarify that county property tax assessors are not subject to the requirements of Chapter 466K, Hawaii Revised Statutes, relating to the regulation of real estate appraisers.

Your Committee on Conference has amended the measure by making the Act effective upon its approval.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1522, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1522, H.D. 1, S.D. 1, C.D. 1.

Representatives Menor, Nakasone, Goodenow, Takumi and Marumoto,
Managers on the part of the House.

Senators Kanno, Taniguchi, Kawamoto, Fukunaga, Levin and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 65 on H.B. No. 602

The purpose of this bill is to extend the time period in which to record the transfer of ownership of trailers, and to increase the penalties for delinquencies in recording transfers.

Your Committee on Conference finds owners are required to record the transfers of trailers within twenty days, and that delinquent transferees are subject to nominal fees of five dollars. Your Committee further finds that delinquency rates for recording transfers of trailers are high, and would be reduced if penalties were increased.

This bill proposes that owners be required to record the transfer of trailers within thirty days, and that delinquent transferees be subject to assessments of fees of fifty dollars.

Your Conferees deliberated on the amounts of the assessments for delinquencies, and agreed that an increase to fifty dollars would be a suitable deterrent to such occurrences.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 602, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 602, S.D. 1, C.D. 1.

Representatives Hiraki, Goodenow, Nakasone and Fox,
Managers on the part of the House.

Senators Kawamoto, Bunda, Iwase, Taniguchi and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 66 on H.B. No. 719

The purpose of this bill is to increase from \$1 to \$3 the highway beautification fee, which is collected from each motor vehicle registration. The measure exempts U-drive motor vehicles from the fee increase.

Your Committee on Conference finds that the fee increase will be a burden to the rental car industry, and further finds that although a fee increase is necessary in order to maintain the highway beautification program, a \$1 increase will be sufficient.

Your Committee has amended this bill by changing the fee increase from \$3 to \$2, and the effective date to January 1, 2000.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 719, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 719, H.D. 2, S.D. 1, C.D. 1.

Representatives Hiraki, Goodenow, Nakasone and Moses,
Managers on the part of the House.

Senators Kawamoto, Fukunaga, Levin, Bunda, Iwase, Taniguchi and Slom,
Managers on the part of the Senate.
(Senator Slom did not concur.)

Conf. Com. Rep. 67 on H.B. No. 221

The purpose of this bill is to:

- (1) Require the Hawaii Tourism Authority (HTA) to develop and complete a long-range policy plan and to submit the plan to the Legislature by January 1, 2000;
- (2) Specify that the long-range policy plan identify other departments and agencies involved and specify a program of action for those departments and agencies; and
- (3) Specify that the strategic tourism marketing plan be updated every two years and implement the recommendations of the long-range policy plan.

Your Committee on Conference has amended this bill by:

- (1) Authorizing the HTA Board to:
 - (a) Withhold from public inspection and copying, any consultant's report and internal analysis related to the formulation of the strategic tourism marketing plan if, in the opinion of at least two-thirds of the HTA Board members, public disclosure of the documents would frustrate the ability of HTA to implement its strategic tourism marketing plan and maximize the economic benefit of its expenditures, contracts, and agreements; and
 - (b) Discuss such documents in executive session, provided that nothing is to allow the HTA Board to withhold any documents from public inspection for more than eighteen months unless two-thirds of the HTA Board determines otherwise; and
- (2) Making technical, nonsubstantive amendments for clarity and style.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 221, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 221, H.D. 2, S.D. 1, C.D. 1.

Representatives Chang, Ahu Isa, Suzuki and Halford,
Managers on the part of the House.

Senators Inouye, Fukunaga, Levin, Taniguchi and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 68 on H.B. No. 827

The purpose of this bill is to stimulate tourism in east Hawaii by creating incentives for reinvestment in the resort infrastructure of the Banyan Drive resort area of Hilo, Hawaii, by authorizing the Department of Land and Natural Resources (DLNR) to issue new, up-to-fifty-year leases to existing lessees in the Banyan Drive resort area.

It is the intent of your Committee on Conference that DLNR consider "substantial improvements" in the issuance of any new leases to existing lessees of the Banyan Drive resort area.

Your Committee on Conference has amended this bill by:

- (1) Clarifying that any requirements for property improvements in new leases be for substantial improvements; and
- (2) Making technical, nonsubstantive amendments for style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 827, H.D. 3, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 827, H.D. 3, S.D. 1, C.D. 1.

Representatives Chang, Cachola, Saiki, Herkes and Fox,
Managers on the part of the House.

Senators Hanabusa, Inouye, Levin, Buen, Chun, Tanaka and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 69 on H.B. No. 1277

The purpose of this bill is to exclude from the definition of "public utility" any facility that reclaims wastewater, provided that:

- (1) At least ten percent of the wastewater processed is used by the State or county under a service contract;
- (2) The sole function of the facility is the processing, distribution, and sale of secondary treated wastewater produced by a municipal wastewater treatment facility;
- (3) The facility is not selling water to residential customers;
- (4) The facility is not processing food wastes; and
- (5) The purchase of reclaimed and recycled water by commercial entities is voluntary and available at market prices.

Your Committee on Conference finds that the public interest will be best served by exempting certain wastewater processing facilities from Public Utilities Commission (PUC) regulation. This bill, in particular, will address the City and County of Honolulu's (City) contract with U.S. Filter Operating Services, Inc. for a water reclamation facility on Oahu. The genesis of this project is a federal consent decree pursuant to a lawsuit brought against the City by the U.S. Environmental Protection Agency. Should the City fail to meet the conditions and schedule of the consent decree, fines of up to \$18,000 per day may be imposed on the City.

U.S. Filter's water reclamation facility will prevent approximately 12 million gallons per day of secondary sewage from being discharged into ocean waters through an outfall. Instead, the recycled or reclaimed water can be used for beneficial purposes such as agricultural and irrigation uses. This, in turn, will also reduce the need to draw from other fresh and brackish water resources.

Your Committee on Conference recognizes the need to establish a policy and regulatory framework that supports the advantages of wastewater reuse. However, it cannot allow a project which is clearly beneficial to the public interest and the environment to be "placed on the back burner" while the Legislature sorts through an interagency, bureaucratic maze to address every detail.

The Consumer Advocate's concerns warrant some attention. At the same time, however, it would not serve the best interest of the public and the environment to delay implementing a recycled water policy due to pricing issues that involve less than thirty percent of the total volume of wastewater processed at the facility.

Accordingly, your Committee on Conference has amended this bill by:

- (1) Allowing the facility to distribute and sell recycled or reclaimed water to entities not covered by a state or county service contract; provided that, in the absence of regulatory oversight and direct competition, the distribution and sale of recycled or reclaimed water shall be voluntary and its pricing fair and reasonable; and
- (2) Requiring the City Department of Environmental Services to submit a report to the Legislature in 2004 on:
 - (A) The volume of recycled or reclaimed water distributed; and
 - (B) The sale prices of recycled or reclaimed water charged;

by U.S. Filter at its Ewa wastewater reclamation facility to entities not covered by a state or county service contract.

Should the distribution and sale of recycled or reclaimed water not be fair and reasonable, the Legislature may seek remedy of the situation through revocation of the exemption and by requiring PUC regulation.

This bill has been further amended by:

- (1) Clarifying that the primary function of the facility, rather than its sole function, is the processing of secondary treated wastewater; and
- (2) Making technical, nonsubstantive amendments for the purpose of consistency.

Finally, the ramifications of wastewater reuse require a continued review of such a policy. Your Committee on Conference has taken the first step by stating a water reuse policy and defining recycled and reclaimed water in H.B. No. 1548, HD1, SD1, CD1. However, the importance of interagency cooperation to resolve jurisdictional issues and conflicting policies needs to be considered, and rule and legislative changes need to be addressed to further facilitate a wastewater reuse policy.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1277, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1277, H.D. 1, S.D. 1, C.D. 1.

Representatives Morita, Takamine, Garcia, Schatz and Thielen,
Managers on the part of the House.

Senators Nakata, Kanno, M. Ige and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 70 on H.B. No. 138

The purpose of this bill is to prevent theft of agricultural goods and commodities by providing ownership and certification requirements for agricultural goods and commodities.

Your Committee on Conference has amended this bill by:

- (1) Including horticultural and floricultural products under the ownership and certification requirements;
- (2) Making the lack of proof of ownership of agricultural commodities in lots of over two hundred pounds or with a value of at least \$100, a violation;
- (3) Authorizing law enforcement officers to:
 - (a) Detain persons having possession, selling, or transporting agricultural commodities and request proof of ownership of the commodities based on probable cause; and

- (b) Hold agricultural commodities upon reasonable belief that the person is in unlawful possession of the agricultural commodity;
- (4) Allowing commodities to be sold at fair market value to the retailer, wholesaler, or packer of the commodity if the agricultural commodity is not released to the lawful owner after being in the custody of law enforcement for forty-eight hours; and
- (5) Making technical, nonsubstantive amendments for clarity and style.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 138, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 138, H.D. 2, S.D. 1, C.D. 1.

Representatives Abinsay, Hamakawa, Kaho'ohalahala and Whalen,
Managers on the part of the House.

Senators Inouye, Chumbley, Matsunaga, Buen and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 71 on H.B. No. 562

The purpose of this bill is to establish additional labeling requirements for macadamia nuts and macadamia nut products.

After careful consideration, your Committee on Conference has amended this bill by:

- (1) Making the bill effective upon its approval; and
- (2) Making a technical, nonsubstantive change for purposes of clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 562, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 562, S.D. 2, C.D. 1.

Representatives Abinsay, Menor, Chang, Kaho'ohalahala and Whalen,
Managers on the part of the House.

Senators Inouye, Taniguchi, Buen and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 72 on H.B. No. 945

The purpose of this bill is to allow agriculture-related commercial operations to be conducted by lessees in agricultural park complexes.

This bill allows agricultural park lessees to process, market, and display agricultural crops or commodities, including products created through value added processes, in agricultural parks. Lessees may sell their products to the general public, provided that the commercial venture operation is owned by a lessee in good standing with the Department of Agriculture (DOA).

It is the intent of this bill that lessees who lease and operate commercial ventures in agricultural parks should be lessees who lease and operate farm ventures in their particular agricultural parks.

Your Committee on Conference has amended this bill by:

- (1) Authorizing the DOA to dispose of not more than two lots within an agricultural park for processing, marketing, and displaying agricultural crops or commodities;
- (2) Requiring that these lots be leased and operated by an agricultural park lessee in good standing;
- (3) Directing the Board of Agriculture (BOA) to define "value added process" through rules, and deleting the same definition from the bill;
- (4) Deleting the authorization for the BOA to perform any and all acts and adopt rules necessary to carry out the provisions;
- (5) Deleting the requirement in section 166-6, Hawaii Revised Statutes, that allows agricultural park lands to be disposed of for commercial purposes; and
- (6) Making technical, nonsubstantive amendments for the purpose of consistency.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 945, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 945, H.D. 1, S.D. 1, C.D. 1.

Representatives Abinsay, Nakasone, Morihara, Suzuki and Halford,
Managers on the part of the House.

Senators Inouye, Levin, Buen, M. Ige and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 73 on H.B. No. 1628

The purpose of this bill is to enable the Department of Agriculture to underwrite and service agricultural loan programs with cooperating private lenders and government loan programs providing loans to qualified farmers.

After careful consideration, your Committee on Conference has amended the bill by:

- (1) Removing the reference to section 155-13, Hawaii Revised Statutes; and
- (2) Making technical nonsubstantive changes for consistency.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1628, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1628, S.D. 2, C.D. 1.

Representatives Abinsay, Saiki, Ahu Isa, Ito, Morihara and Halford,
Managers on the part of the House.

Senators Inouye, Kanno, Taniguchi, Levin, Buen, M. Ige and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 74 on H.B. No. 1637

The purpose of this bill is to expedite the granting of permission to use tour buses for the transportation of student groups to and from school-related events or activities.

Your Committee on Conference finds that there are occasions when school buses are not available for transporting students to and from school-related events or activities, but that tour buses may be available as an alternate means of transportation. Your Committee further finds that school officials may have to make several calls to verify the nonavailability of school buses.

It is the intent of your Committee that this measure will facilitate the use of vehicles other than school vehicles for school-related events and activities. Under the current system, the Department of Transportation has made an exemption to use vehicles other than school buses nearly impossible to obtain. As a result, the teachers and school administrators must use the school vehicles and adjust their plans and budgets according to the school vehicles' restricted schedules and set rates. In easing the requirements to obtain an exemption to use a non-school vehicle, your Committee believes that the teachers and school administrators will have increased freedom in the planning of school events and activities which require transportation services.

Your Committee has amended this measure by:

- (1) Requiring the Department of Transportation to grant exemptions for the use of vehicles other than school vehicles when the Department of Transportation finds that compliance is impractical due to the unavailability of school vehicles;
- (2) Clarifying that a school vehicle is unavailable when it does not meet the requests of a school for a motorcoach with undercarriage storage compartments and public address system;
- (3) Clarifying that the use of the motorcoach be used solely for the transportation of middle, intermediate, or high school students to and from school-related events or activities;
- (4) Defining motorcoach as a vehicle that carries more than 25 passengers, has a gross vehicle weight rating of at least 26,000 pounds, and is no more than 15 years old; and
- (5) Amending the effective date to take effect upon approval.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1637, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1637, H.D. 2, S.D. 2, C.D. 1.

Representatives Hiraki, Ito, Goodenow, Morihara and Marumoto,
Managers on the part of the House.

Senators D. Ige, Fukunaga, Levin, Sakamoto and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 75 on H.B. No. 167

The purpose of this bill is to:

- (1) Establish a driving curfew for minors;
- (2) Raise to 15 years and 6 months the age at which a minor may apply for a permit;
- (3) Raise to 16 years the minimum age of licensing;
- (4) Require a behind-the-wheel driver training course for all drivers under the age of eighteen;
- (5) Clarify that a person must have a permit to operate a motor vehicle in connection with behind-the-wheel training; and
- (6) Require the Director of Transportation to establish and certify a statewide driver education program and behind-the-wheel driver training program.

Your Committee on Conference has amended this measure by:

- (1) Deleting the driving curfew for minors;
- (2) Requiring a driver education program, along with a behind-the-wheel driver training course for all drivers under the age of eighteen;
- (3) Deleting the requirement that all drivers under the age of eighteen complete a minimum of 10 hours of behind-the-wheel training and a minimum of 30 hours of classroom training; and
- (4) Making technical, nonsubstantive changes for clarity, consistency, and style.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 167, H.D. 3, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 167, H.D. 3, S.D. 2, C.D. 1.

Representatives Hiraki, P. Oshiro, Goodenow, Nakasone and Fox,
Managers on the part of the House.

Senators Kawamoto, Chumbley, Matsunaga, Bunda, Iwase and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 76 on H.B. No. 32

The purpose of this bill is to allow privately-funded industrial hemp research to be conducted in Hawaii only when the Department of Public Safety (DPS), Narcotics Enforcement Division, issues a controlled substance registration, and the United States (U.S.) Department of Justice, Drug Enforcement Administration (DEA), issues a federally-controlled substance registration for research on the agronomic potential of industrial hemp.

Your Committee on Conference finds that representatives of the law enforcement community assert that under existing law, persons may legally possess and cultivate hemp with the permits required under this measure. Your Committee on Conference, therefore, believes that this measure is necessary to codify this interpretation of the law and give further assurances to legitimate investors in hemp research that they will not be prosecuted. Your Committee on Conference further believes that the establishment of an affirmative defense, which requires defendants to prove that they are not engaged in criminal activity, shifts the burden of proof to the defendant to show that they have the required permits to engage in hemp research.

Your Committee on Conference has amended this bill by:

- (1) Changing the definition of "industrial hemp" and "cannabis" to mean the schedule I substance marijuana as defined in section 329-1, Hawaii Revised Statutes;
- (2) Authorizing, rather than requiring, DPS, in cooperation with the DEA to monitor all phases of the industrial hemp research;
- (3) Providing an affirmative defense for the possession or cultivation of marijuana under section 712-1247, 712-1248, 712-1249, 712-1249.4, or 712-1249.5 that the defendant was conducting industrial hemp research, had valid controlled substance registrations from DPS and the DEA to conduct the research, and has fully complied with all the conditions of the controlled substance registrations;
- (4) Providing that the affirmative defense provision in the bill shall not be an affirmative defense to a charge of distribution of marijuana;

- (5) Deleting the provision that all agronomic data derived from hemp research and maintained by a government agency be exempt from disclosure pursuant to the Uniform Information Practices Act, when the data is proprietary in nature and disclosure of it would frustrate a legitimate government or law enforcement function;
- (6) Changing the effective date of the bill to take effect upon its approval and to be repealed on June 30, 2002; and
- (7) Making technical, nonsubstantive amendments for clarity and style.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 32, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 32, H.D. 2, S.D. 2, C.D. 1.

Representatives Abinsay, P. Oshiro, Garcia and Thielen,
Managers on the part of the House.

Senators Inouye, Matsunaga, Chumbley and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 77 on H.B. No. 212

The purpose of this bill is to impose a mandatory fine of \$500, in addition to existing penalties, on any person age eighteen or older who is convicted of driving under the influence of intoxicating liquor while having in the vehicle a passenger age twelve or under. The bill also clarifies that convictions under section 291-4.4, Hawaii Revised Statutes (habitually driving under influence), count as prior driving under the influence offenses for sentencing purposes under section 291-4, Hawaii Revised Statutes.

Your Committee finds that increasing the penalty for driving under the influence with a minor passenger is necessary to deter such reckless conduct and to increase highway safety for children. Your Committee also believes that the bill will close a present loophole in the law whereby, depending upon the time interval, convictions under section 291-4.4 are not being counted as prior driving under the influence offenses in the sentencing under section 291-4.

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

- (1) Increasing the applicable age of the minor passenger from age twelve or younger to "younger than fifteen years of age";
- (2) Including, as an additional penalty, a mandatory term of imprisonment of forty-eight hours;
- (3) Providing that the total term of imprisonment shall not exceed thirty days, to avoid potentially triggering the right to a jury trial;
- (4) Adding a new section to the bill amending section 291-4.4, Hawaii Revised Statutes, to clarify that convictions under section 291-4.4 count as prior driving under the influence offenses for sentencing purposes under section 291-4.4;
- (5) Replacing the savings clause in section 3 with language that specifies that:
 - (a) The new, additional penalties for driving under the influence of intoxicating liquor with a minor passenger do not apply to persons arrested for a violation of section 291-4 prior to the bill's effective date; and
 - (b) The bill applies, for purposes of determining prior convictions under sections 291-4 and 291-4.4, to any person convicted under these sections prior to its effective date;
- (6) Renumbering the sections of the bill consecutively; and
- (7) Making technical nonsubstantive changes for purposes of style, clarity, and consistency.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 212, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 212, H.D. 1, S.D. 1, C.D. 1.

Representatives Hiraki, Hamakawa, Goodenow and Whalen,
Managers on the part of the House.

Senators Kawamoto, Chumbley, Matsunaga, Bunda, Iwase and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 78 on H.B. No. 1401

The purpose of this bill is to establish insurance and identification requirements for towing businesses. It includes a provision for cases in which tow operators fail to comply with the stated insurance requirements and allows for tow operators to be sued for damages as a result of their failure to comply with the requirements. Furthermore, the bill repeals the drop-dead provision of Act 138, Session Laws of Hawaii 1998.

Your Committee on Conference finds that tow operators should identify their trucks by the name and telephone number of their towing business, as well as obtain insurance that covers all damages that may occur to the towed vehicle while being towed by the towing business. Both of these measures are necessary as a means to give added protection to consumers against auto theft and faulty towing operations.

Your Committee has amended this bill by:

- (1) Instead of creating a new statutory section to effectuate its purpose, amending existing statutory provisions in sections 290-11 and 291C-165.5, Hawaii Revised Statutes;
- (2) Establishing penalties for individuals violating the insurance requirements; and
- (3) Making other technical, nonsubstantive amendments for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1401, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1401, H.D. 2, S.D. 1, C.D. 1.

Representatives Hiraki, Menor, Kaho'ohalahala, Takumi and Fox,
Managers on the part of the House.

Senators Kawamoto, Taniguchi, Bunda, Iwase and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 79 on H.B. No. 273

The purpose of this bill is to create new penalties for child abuse. Specifically, this bill:

- (1) Makes it a class A felony to intentionally, knowingly, or recklessly cause serious bodily injury to a minor twelve years of age or younger;
- (2) Makes it a class B felony to intentionally, knowingly, or recklessly cause substantial bodily injury to a minor twelve years of age or younger;
- (3) Requires that, in determining whether the use of force is justifiable under section 703-309, Hawaii Revised Statutes (HRS), consideration must be given to the condition of the minor;
- (4) For purposes of determining whether to impose an extended term of imprisonment under section 706-662, HRS, raises the age of a minor victim from eight years of age or younger to twelve years of age or younger;
- (5) For purposes of determining whether to impose a mandatory term of imprisonment for offenses against children, elder persons, or handicapped persons resulting in the victim's death or serious bodily injury under section 706-660.2, HRS, raises the age of a child victim from eight years of age or younger to twelve years of age or younger; and
- (6) Makes it a misdemeanor offense under section 709-904, HRS, to knowingly endanger the welfare of a minor in the second degree.

After much discussion, your Committee on Conference has amended the bill by:

- (1) Deleting language that makes it a class A felony to "recklessly" cause serious bodily injury to a minor twelve years of age or younger;
- (2) Making it a class C felony to recklessly cause substantial bodily injury to a minor twelve years of age or younger;
- (3) Deleting amendments to section 706-660.2, HRS, that would have, for purposes of determining whether to impose a mandatory term of imprisonment for offenses against children, elder persons, or handicapped persons, raised the age of a child victim from eight to twelve years of age or younger;
- (4) Deleting amendments to section 709-904, HRS, that would have made it a misdemeanor offense to knowingly endanger the welfare of a minor in the second degree;
- (5) Making it assault in the first degree under section 707-710, HRS, to intentionally or knowingly cause serious bodily injury to "a person thirteen years of age or older," rather than "another person";
- (6) Making it assault in the second degree under section 707-711, HRS to:
 - (a) Intentionally or knowingly cause substantial bodily injury to "a person thirteen years of age or older," rather than "another person"; or

- (b) Recklessly cause serious bodily injury to "a person thirteen years of age or older," rather than "another person"; and
- (7) Making technical, nonsubstantive revisions for purposes of consistency and style.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 273, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 273, H.D. 2, S.D. 2, C.D. 1.

Representatives Arakaki, P. Oshiro, Kahikina, Lee and Whalen,
Managers on the part of the House.

Senators Chun Oakland, Chumbley, Matsunaga and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 80 on H.B. No. 171

The purpose of this bill is to replace chapter 327D, Hawaii Revised Statutes, by enacting the Uniform Health Care Decisions Act.

Your Committee on Conference has amended the bill by:

- (1) Providing definitions for "best interest" and "interested person" for the purposes of this Act;
- (2) Modifying the powers and responsibilities of surrogates by:
 - (A) Requiring efforts to locate interested persons and inform them of the need for a surrogate health care decision-maker;
 - (B) Requiring an effort to reach consensus among interested persons as to appointment of a surrogate; and
 - (C) Providing for physician review of the decisional capacity of a patient upon request by an interested person; and
- (3) Making technical, nonsubstantive revisions for the purpose of style.

Your Committee on Conference believes that when a surrogate who has not been designated by the patient to make health care decisions must make decisions based on the wishes of the patient, the non-designated surrogate should determine the patient's wishes by considering the patient's:

- (1) Current diagnosis and prognosis with and without the treatment at issue;
- (2) Preference regarding the provision of, or the withholding or withdrawal of, the specific treatment at issue or of similar treatments;
- (3) Relevant religious and moral beliefs and personal values;
- (4) Behavior, attitude, and past conduct with respect to the treatment at issue and medical treatment generally;
- (5) Reaction to the provision of, or the withholding or withdrawal of, a similar treatment for another individual; and
- (6) Concern about the effect on the patient's family or intimate friends if a treatment were provided, withheld, or withdrawn.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 171, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 171, H.D. 2, S.D. 2, C.D. 1.

Representatives Santiago, P. Oshiro, Lee and Thielen,
Managers on the part of the House.

Senators Chun Oakland, Chumbley, Matsunaga, Sakamoto and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 81 on H.B. No. 325

The purpose of this bill is to:

- (1) Require that the directors of managed care plans hold an unlimited license to practice medicine in the State;
- (2) Define "medical director" as the person who makes the final decision of medical necessity or appropriateness; and

- (3) Ban the sale of, possession, and use of laser pointing devices by certain classes of persons.

Your Committee on Conference has amended this measure by:

- (1) Removing the provisions dealing with laser pointing devices, including the effective date; and
- (2) Amending section 321-15, Hawaii Revised Statutes (HRS), concerning registration requirements for a license to practice an occupation specified in section 321-13(a)(1), HRS, to require a biennial registration, rather than an annual registration.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 325, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 325, H.D. 2, S.D. 1, C.D. 1.

Representatives Santiago, Menor, P. Oshiro, Garcia and Leong,
Managers on the part of the House.

Senators Taniguchi, Kanno and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 82 on H.B. No. 72

The purpose of this bill is to amend the campaign spending law with respect to the voluntary expenditure limit and public matching fund provisions. Specifically the bill:

- (1) Amends the definition of "qualifying contribution" to clarify that makers of such contributions cannot have contributed more than \$100 during any matching payment period;
- (2) Moves the deadline for filing affidavits of compliance to the date of filing nomination papers;
- (3) Clarifies that expenditure limits apply to each election;
- (4) Changes the time period within which candidates who exceed spending limits must notify all contributors from the same day to thirty days;
- (5) Amends the distribution procedure for the Hawaii Election Campaign Fund, if near depletion, to distribution by order in which the application was filed;
- (6) Repeals a provision permitting a candidate to withdraw an affidavit of compliance with voluntary spending limits;
- (7) Clarifies that the maximum amount of public matching funds available to any candidate is based on the maximum expenditure limit per election;
- (8) Allows the minimum qualifying contributions for each election to be based on the total qualifying contributions to date instead of just those relating to the particular election (primary, general, or special) for which matching funds are sought;
- (9) Changes the deadline for application for matching funds from sixty to thirty days after the general election;
- (10) Changes the time by which initial public fund checks must be issued from ten to twenty days after application;
- (11) Deletes a provision that a candidate who exceeds the expenditure limits by less than one percent need only return twenty-five percent of public funds;
- (12) Clarifies that all unspent public funds must be returned; and
- (13) Provides a provision that preserves the amendments made by this bill when the amendments made to Chapter 11, Hawaii Revised Statutes, are repealed and reenacted.

Your Committee finds that the changes made to the elections law by this bill will promote fairness in the campaign process, more effective use of public matching funds for their intended purpose, and encourage compliance with voluntary spending limits.

This bill has been amended by deleting the exemption for certain fundraising costs from the voluntary campaign expenditure limit. In addition, language has been provided to clarify that a candidate must qualify at each election for monies from the public matching fund.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 72, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 72, H.D. 2, S.D. 1, C.D. 1.

Representatives P. Oshiro, Saiki, Hamakawa and Auwae,
Managers on the part of the House.

Senators Chumbley, Matsunaga and Ihara,
Managers on the part of the Senate.

Conf. Com. Rep. 83 on H.B. No. 160

The purpose of this bill, as received by your Committee, is to amend the sunset date of Act 190, Session Laws of Hawaii 1996, to June 30, 2001, and to provide that the Task Force on Beach and Water Safety report its findings to the Legislature each Regular Session.

Your Committee finds that the Task Force on Beach and Water Safety should be afforded additional time to complete its work on the development of a comprehensive plan for warning of dangerous natural conditions in the ocean adjacent to public beach parks.

Your Committee has amended this bill by changing the sunset date of Act 190, Session Laws of Hawaii 1996, to June 30, 2003.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 160, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 160, S.D. 1, C.D. 1.

Representatives P. Oshiro, Hamakawa, Lee, Takumi and Auwae,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Tanaka and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 84 on H.B. No. 161

The purpose of this bill is to allow a government entity to recover costs of a search or rescue operation.

Your Committee finds that government entities should seek reimbursement from persons whose intentional acts or omissions cause the need for a search or rescue operation.

Your Committee has amended this bill by:

- (1) Changing the defined terms as follows:
 - (A) From "governmental entity" to "government entity"; and
 - (B) From "official warnings or notices" to "warning or notice";
- (2) Amending the definitions of "government entity", "warning or notice", and "search and rescue expenses";
- (3) Changing the titles of sections -2 and -3 from "search and rescue costs" to "reimbursement", and from "reimbursement" to "action", respectively;
- (4) Adding persons from whom a government entity may seek reimbursement;
- (5) Specifying that reimbursement shall be allowed only if the need for search or rescue was caused by any act or omission by the person searched for or rescued, constituting intentional disregard for the person's safety;
- (6) Deleting the provision allowing reimbursement for violations of law; and
- (7) Making technical, nonsubstantive amendments for purposes of clarity and style.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 161, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 161, H.D. 1, S.D. 2, C.D. 1.

Representatives P. Oshiro, Saiki, Lee, Luke and Thielen,
Managers on the part of the House.

Senators Kawamoto, Matsunaga, Bunda, Iwase and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 85 on H.B. No. 165

The purpose of this bill is to subject political parties to the same contribution limits applicable to other persons and entities. In addition, the bill reduces the maximum allowable contribution to a political party to \$25,000.

Your Committee finds that thoughtful campaign spending laws are vital to reduce abuses and preserve the integrity of public elections. This bill will prevent the use of any local political party to circumvent contribution limits by individuals or other entities to candidates for elective office.

Your Committee further finds that political parties serve a vital role in the elections process. The importance of party building, voter registration and educational and organizational activities are necessary ingredients to ensure the health of the electoral process.

Your Committee has amended this bill by:

- (1) Including within the definition of "contribution" for election campaign purposes:
 - (A) Gifts to committees for political purposes; and
 - (B) The payment by a political party or other entity of compensation for services rendered at no charge or at an unreasonably low charge for political purposes;
- (2) Inserting a definition of "political committees established and maintained by a national political party"; and
- (3) Allowing the above mentioned entities to contribute an aggregate contribution amount up to \$50,000 to a political party in any two year election period.

This bill modifies the existing law in ways that will help to curb abuses in the area of contributions. Under the current law an individual can contribute up to \$50,000 to the state party per election cycle. The provisions of this bill lower that amount to \$25,000. To further ensure that a state party is not utilized as a conduit for transferring funds that circumvent the spirit of contribution limits, this bill substantially reduces the amount the state party can contribute to a candidate.

These changes allow the national party to provide vital financial support to local parties. With new restrictions in place regarding the expenditure of such funds by the local party, the use of a political party to circumvent the campaign spending contribution limits to individual candidates is effectively removed.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 165, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 165, H.D. 1, S.D. 1, C.D. 1.

Representatives P. Oshiro, Chang, Hamakawa and Takumi,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Ihara and Sakamoto,
Managers on the part of the Senate.

Conf. Com. Rep. 86 on H.B. No. 177

The purpose of this bill is to clarify the basis for granting temporary restraining orders in District Court harassment cases, and to make it an offense if a person, with the intent to harass, annoy, or alarm any other person, repeatedly makes "electronic transmissions" without purpose of legitimate communication.

Your Committee finds that harassment is a serious issue of growing concern in the community. The provisions of this bill will streamline and clarify the procedures in the issuance of temporary restraining orders in cases involving harassment.

Your Committee has amended this bill by:

- (1) Specifying that temporary restraining orders granted under Section 604-10.5, Hawaii Revised Statutes, shall remain in effect for a period not to exceed 90 days from the date the order is granted; and
- (2) Deleting Part II, Section 2 of the bill, which proposed to revise Section 711-1106, Hawaii Revised Statutes, by making it an offense to repeatedly make "electronic transmissions" without purpose of legitimate communication, but with an intent to harass, annoy, or alarm any other person.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 177, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 177, H.D. 1, S.D. 1, C.D. 1.

Representatives P. Oshiro, Hamakawa, Kaho'ohalahala, Lee and Auwae,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Ihara and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 87 on H.B. No. 955

The purpose of this bill is to make it a felony to take sexual photographs or videotapes of a person without that person's consent and when the person expects privacy. This bill also makes it a misdemeanor to knowingly possess such materials. This bill also removes the administrative cap placed on the crime victim compensation commission and creates an offense for concealing runaway minors.

Your Committee on Conference amended this bill by:

1. Requiring the knowing state of mind for the offense of Violation of Privacy in the First Degree;
2. Requiring that the prosecution for Violation of Privacy in the Second Degree be for instances other than those involving another person in a stage of undress or sexual activity; and
3. Deleting the provisions that penalize persons who conceal runaway minors.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 955, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 955, H.D. 1, S.D. 1, C.D. 1.

Representatives P. Oshiro, Suzuki, Kaho'ohalahala, Nakasone and Whalen,
Managers on the part of the House.

Senators Chumbley, Matsunaga and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 88 on H.B. No. 1496

Your Committee on Conference finds that particular attention needs to be given to butterfly knives by setting them apart from other deadly or dangerous weapons. In particular, the prohibitions against butterfly knives should be similar to that of switchblade knives.

A review of the case *In re: John Doe, born August 3, 1977*, 73 Haw. 89 (1992), indicates that the Hawaii Supreme Court has held that a butterfly knife does not have a blade that opens automatically by operation of inertia, gravity, or both; therefore, it is not a switchblade knife under Section 134-52, Hawaii Revised Statutes (HRS).

Upon close inspection of the switchblade prohibitions of section 134-52, HRS, your Committee on Conference finds that inclusion of butterfly knives into section 134-52, HRS, is hampered by the definition of switchblade knives contained within section 134-52, HRS, which inadequately describes butterfly knives. The prohibitions against butterfly knives contained within section 134-51, HRS, do not define butterfly knives.

Your Committee on Conference has amended this bill by:

1. Creating prohibitions against butterfly knives that are similar to those against switchblade knives, including:
 - a. Making it a misdemeanor offense for the knowing manufacture, sale, transfer, possession, or transport of a butterfly knife; and
 - b. Making it a class C felony for the knowing or intentional use or threatened use of a butterfly knife while engaged in the commission of a crime;
2. Defining butterfly knife as a knife having a blade encased in a split handle that manually unfolds with hand or wrist action with the assistance of inertia, gravity or both; and
3. Making a technical nonsubstantive revision to conform to drafting style.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1496, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1496, H.D. 1, S.D. 1, C.D. 1.

Representatives P. Oshiro, Hamakawa, Kaho'ohalahala, Lee and Whalen,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Tanaka and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 89 on H.B. No. 1497

The purpose of this bill is to heighten penalties for habitual violent and sexual offenders.

Your Committee on Conference finds that repeat violent and sexual offenders deserve some degree of enhanced sentencing.

Your Committee on Conference has amended this bill by:

1. Deleting the purpose section;
2. Combining the provisions relating to habitual violent offenders and repeat sexual offenders into a single section which mandates an extended term of imprisonment for multiple offenses; and
3. Inserting amendments to section 706-661, Hawaii Revised Statutes, which make the extended term of imprisonment for murder in the second degree an indeterminate life imprisonment without the possibility of parole.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1497, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1497, H.D. 1, S.D. 1, C.D. 1.

Representatives P. Oshiro, Chang, Hamakawa, Hiraki and Whalen,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Chun Oakland and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 90 on H.B. No. 266

The purpose of this bill is to promote breastfeeding by:

- (1) Disallowing an employer to prohibit an employee from breastfeeding or expressing milk during any meal period or other break period to which the employee is entitled; and
- (2) Amending the definition of "because of sex" to include "breastfeeding or expressing breastmilk";
- (3) Making it a discriminatory practice to restrict or limit the right of a woman to breastfeed a child in a place of public accommodation; and
- (4) Requiring the Hawaii Civil Rights Commission to:
 - (A) Accumulate, compile, and publish data concerning incidences of discrimination involving breastfeeding or expressing breastmilk in the workplace; and
 - (B) Submit a report to the Legislature on its findings no later than twenty days prior to the convening of the 2000 Legislature.

Your Committee on Conference has amended this bill by:

- (1) Deleting reference to "breastfeeding" in the workplace during meal periods or other break periods required by law to be provided by the employer;
- (2) Adding reference to collective bargaining agreements when allowing employees to express breastmilk during meal periods or other break periods;
- (3) Deleting "breastfeeding or expressing breastmilk" from the definition of "because of sex";
- (4) Prohibiting employers or labor organizations from refusing to hire, or from discharging, withholding pay, demoting, or penalizing a lactating woman who breastfeeds or expresses breastmilk in the workplace;
- (5) Deleting the provision making it a discriminatory practice to restrict or limit the right of a woman to breastfeed in a place of public accommodation; and
- (6) Adding a provision which clarifies that nothing in this bill prohibits employers from establishing internal rules and guidelines for employees who may wish to breastfeed or express breastmilk in the workplace.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 266, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 266, H.D. 2, S.D. 2, C.D. 1.

Representatives Yoshinaga, P. Oshiro, Catalani, Lee and Pendleton,
Managers on the part of the House.

Senators Nakata, Matsunaga, Chun Oakland and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 91 on H.B. No. 1622

The purpose of this bill is to permit a liquor manufacturer that holds a manufacturer's license not issued by this State to hold an interest in a wholesale liquor license.

Your Committee on Conference has amended this bill by:

- (1) Deleting its substance and instead allowing a brewer of beer to hold an indirect interest in a beer and wine wholesale dealer's license if the wholesaling is limited to beer; and
- (2) Making technical, nonsubstantive amendments for clarity and style.

The amended bill allows a beer manufacturer to have an indirect corporate relationship with a beer wholesaler. It is not your Conference Committee's intent to preclude the holder of a non-beer class manufacturer's license from maintaining a similar relationship with a wholesale dealer simply because the relationship is not explicitly permitted by statute as it is for the holder of a beer-class manufacturer's license.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1622, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1622, H.D. 1, S.D. 1, C.D. 1.

Representatives Menor, Hamakawa, Lee and Auwae,
Managers on the part of the House.

Senators Kawamoto, Chumbley, Matsunaga, Bunda, Ihara, Iwase and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 92 on H.B. No. 351

The purpose of this bill is to provide for the comprehensive regulation of the handling and disclosure of medical records that:

- (1) Encompasses the multiple parties that are included in the contemporary relationship between patient and health care provider;
- (2) Protects an individual's constitutional right to privacy of their medical information;
- (3) Accommodates the legitimate interests and needs of health care providers, hospitals, insurers, and other entities other than the patient, and serves to improve the provision of quality health care; and
- (4) Furthers the interest of society in medical research resulting in new treatments that relieve suffering and save lives.

Your Committee on Conference has made amendments to this measure that include, among other things:

- (1) Amending the definition of "insurer" to include health maintenance organizations, mutual benefit societies, group insurance policies issued by these organizations, and individual health policies;
- (2) Adding definitions of "educational institution" and "entity" for purposes of clarity and brevity;
- (3) Providing individuals who are refused access to their health information for safety and other reasons, an alternative procedure for further review of their requests;
- (4) Strengthening the notice provisions; and
- (5) Specifying that any civil penalties collected for violation of the law shall be deposited into the general fund.

Your Committee on Conference has further amended this bill by removing language in the bill providing immunity from liability under the common law, for entities making disclosures permitted under the measure. However it is your Committee on Conference's intent that the new chapter established by this bill provide guidance to courts dealing with lawsuits concerning the disclosure of medical information brought under common law tort theories, such as invasion of privacy. Additionally, compliance with this new law is intended to provide strong evidence that medical information was properly handled and disclosed. Thus, your Committee on Conference believes that this measure will encourage proper confidentiality practices with regards to medical information, and discourage litigation.

Finally, your Committee on Conference has removed language providing that the Office of Information Practices shall be responsible for the enforcement of the new chapter, and retaining language providing for rule adoption by the Office of Information Practices to implement the new law. Instead, your Committee on Conference believes that further discussion regarding the most appropriate agency to enforce this law is necessary, and has added a provision requesting that the Legislative Reference Bureau to examine the question and report its recommendations to the 2000 Legislature.

Your Committee on Conference finds that this bill is in large part the product of the dedicated and collaborative efforts of an informal task force representing the range of parties included in the contemporary health care relationship. Your Committee on Conference further finds that this bill represents a workable balance between the interests of those parties that will provide protections where needed, and benefit society by establishing clear-cut guidelines facilitating the appropriate transmission and beneficial use of medical information.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 351, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 351, H.D. 2, S.D. 1, C.D. 1.

Representatives Santiago, Menor, Hamakawa, Garcia and Whalen,
Managers on the part of the House.

Senators Chun Oakland, Chumbley, Matsunaga, Kanno and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 93 on H.B. No. 1115

The purpose of this bill is to improve the quality of foster care homes by:

- (1) Allowing foster boarding homes to care for six or more children to accommodate sibling groups; and
- (2) Requiring criminal history checks of foster boarding homes for the first two years of certification and annually or biennially thereafter depending on the certification status of the home.

Your Committee on Conference has amended this bill by making:

- (1) A technical amendment to broaden the definition of "criminal history record check" with regard to name inquiries into the State Criminal History Record Files; and
- (2) Technical, nonsubstantive amendments to the definition of "foster boarding home" for style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1115, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1115, H.D. 2, S.D. 1, C.D. 1.

Representatives Arakaki, Menor, Kahikina, Morita, Stegmaier and Halford,
Managers on the part of the House.

Senators Chun Oakland, Matsunaga and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 94 on H.B. No. 1117

The purpose of this bill is to conform Hawaii law with the federal Adoption and Safe Families Act of 1997, which seeks to expedite permanency for children in foster care.

Among other things, this bill:

- (1) Provides a definition for "abandoned infant";
- (2) Clarifies the definition of "aggravated circumstances" to include torture or abandonment of the child;
- (3) Clarifies service of summons on an out-of-state party;
- (4) Reduces the time period that triggers a show cause hearing, when the child's family home has been determined to be unsafe, from eighteen months to twelve consecutive months in which the child has been residing outside the family home;
- (5) Requires the court to set the case for a show cause hearing within thirty days if the court determines that aggravated circumstances are present;
- (6) Requires the court, at a review hearing, to set the case for a show cause hearing: within thirty days if the court determines that aggravated circumstances are present; or if the child has been residing outside the family home for twelve consecutive months;
- (7) Requires the Department of Human Services to file a motion to set the matter for a permanent plan hearing if the child has been residing outside of the family home for an aggregate of fifteen out of the most recent twenty-two months; and

- (8) Reduces from three years to two the time in which it is presumed reasonably foreseeable that a safe family home can be provided to the child by the legal mother or father, or natural father for purposes of a permanent plan hearing.

Your Committee on Conference has amended this bill by:

- (1) Including language in the definition of "abandoned infant" to include not only the presumed or alleged non-adjudicated father but the mother as well; and
- (2) Making technical, nonsubstantive revisions for the purpose of style.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1117, H.D. 3, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1117, H.D. 3, S.D. 2, C.D. 1.

Representatives Arakaki, P. Oshiro, Saiki, Lee and Whalen,
Managers on the part of the House.

Senators Chun Oakland, Chumbley and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 95 on H.B. No. 1088

The purpose of this bill is to change the date by which a child must have a birthday to attend kindergarten in the public schools from December 31 of the school year to the first day of the school year, unless the child meets readiness standards determined by the Board of Education.

Setting the kindergarten age in statute raises a number of complex issues and competing perspectives. A comprehensive review of these issues and perspectives should be completed before making a decision on this matter.

Your Committee on Conference has amended the bill by deleting its substance and replacing it with a study by the Board of Education, with a report to be submitted to the Legislature prior to the Regular Session of 2000.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1088, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1088, H.D. 2, S.D. 2, C.D. 1.

Representatives Ito, Kawakami, Saiki, Stegmaier and Leong,
Managers on the part of the House.

Senators D. Ige, Fukunaga, Levin, Sakamoto and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 96 on H.B. No. 1183

The purpose of this bill is to:

- (1) Authorize beach restoration;
- (2) Create a Beach Restoration Special Fund and appropriate funds for beach restoration; and
- (3) Appropriate funds to conduct an engineering design and analysis of beach restoration at the designated shorelines of Honokowai, Kaaawa, and Sacred Falls.

Your Committee finds that loss of sandy beaches is a major environmental, social, and economic problem. Nearly 25 percent or 17 miles of sandy beaches on Oahu have been lost or severely narrowed over the past 70 years. Similar losses have occurred on Maui, and to a lesser extent, Kauai and Hawaii. To reverse this loss, the Department of Land and Natural Resources and the University of Hawaii Department of Geology and Geophysics developed the Coastal Erosion Master Plan (COEMAP) in 1997, which made technical and policy recommendations for shore and beach management and protection.

Subsequently, the Department of Land and Natural Resources established the Coastal Lands Program to implement the COEMAP recommendations. The Coastal Lands Program, in order to fully carry out its mission, requires statutory authorization and funding.

Your Committee on Conference revised the bill by:

- (1) Amending the definition of coastal lands to include all lands within the the State Coastal Zone Management Area; provided that any leasing or development of public lands shall be limited to all fast lands up to one mile mauka of the shoreline and all submerged lands;

- (2) Changing "public lands within the state coastal zone management area" to "public coastal lands" in the provisions relating to authority to lease lands, development of lands, and the sources of moneys for the Beach Restoration Special Fund;
- (3) Limiting lease income for the Beach Restoration Special Fund to income from the lease of existing seawalls or revetments;
- (4) Designating the amount of \$250,000 for both appropriations from the Special Land and Development Fund and the Beach Restoration Special Fund;
- (5) Removing appropriations for beach restoration at Honokowai Beach Park, Kaaawa Beach Park, and the Sacred Falls shoreline;
- (6) Changing the effective date to July 1, 1999; and
- (7) Making technical, nonsubstantive changes for the purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1183, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1183, H.D. 2, S.D. 2, C.D. 1.

Representatives Cachola, Takumi, Schatz, Kanoho and Thielen,
Managers on the part of the House.

Senators Hanabusa, Inouye, Levin, Buen, Nakata, Tanaka and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 97 on H.B. No. 1119

The purpose of this bill is to improve child welfare services by:

- (1) Adding two Child Protective Services (CPS), line staffers to the CPS Reform Coordinating Committee and providing that the committee members be appointed by the Director of Human Services; and
- (2) Allowing the Department of Human Services to share information with the "neighborhood places" established by the Child Protective and Diversion Services Pilot Project; and
- (3) Extending the Committee for three years.

Your Committee on Conference has amended the bill by:

- (1) Creating a two-year demonstration project to assist and support social workers to improve the delivery of child welfare services; and
- (2) Making technical, nonsubstantive amendments for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1119, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1119, H.D. 1, S.D. 1, C.D. 1.

Representatives Arakaki, Kawakami, Kahikina, Stegmaier and Pendleton,
Managers on the part of the House.

Senators Chun Oakland, Chumbley and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 98 on H.B. No. 377

The purpose of this bill is to encourage the growth of Hawaii's high technology industry to stimulate economic development.

In particular, this bill:

- (1) Consolidates the State's high technology agencies, divisions, and offices, under the coordination of a special advisor for technology development, and creates a Governor's special advisory council for technology development to assist the advisor;
- (2) Offers tax incentives for technology training or job creation, investments in qualified high technology businesses, and investments in high technology research;

- (3) Exempts from the general excise tax and income tax amounts received as royalty income from the sale or licensing of intellectual property developed for use in a qualified high technology business;
- (4) Authorizes the issuance of special purpose revenue bonds to the Ohana Foundation for the construction of facilities for research, development, technology development, and technology support;
- (5) Integrates high technology with Hawaii's tourism and marketing industries;
- (6) Prohibits the imposition of taxes on internet access and commerce;
- (7) Establishes the Hawaii internet exchange to serve as a catalyst for the development of internet-focused businesses;
- (8) Focuses work force development programs to ensure a pool of technology professionals; and
- (9) Accelerates high speed access to the internet for the University of Hawaii and the public schools, and establishes educational technology programs within public schools.

Your Committee finds that there is a need to support the growth and development of high technology industries in Hawaii. Recent advances in information technology and telecommunications, combined with the explosive growth of the internet, have opened significant new opportunities for the diversification of the State's economy. Your Committee believes that the State must take advantage of its unique geographic location and encourage the development of Hawaii's high technology industry to help to rebuild Hawaii's economy for the twenty-first century.

Your Committee on Conference has amended this bill by deleting its contents except for part IV of the bill, which authorizes the issuance of special purpose revenue bonds in an amount not exceeding \$100,000,000, to the Ohana Foundation, a Hawaii not-for-profit corporation, for the construction of facilities to assist the high technology industry including facilities for research, development, technology development, and technology support.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 377, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 377, H.D. 2, S.D. 2, C.D. 1.

Representatives Morihara, Takamine, Chang, Luke, Ito, Nakasone, Suzuki, Halford and Meyer,
Managers on the part of the House.

Senators D. Ige, Inouye, Fukunaga, Levin, Sakamoto, Tam and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 99 on H.B. No. 154

The purpose of this bill is to transfer the assets of the Hawaii Public Broadcasting Authority (HPBA) to the Hawaii Public Television Foundation (HPTF), a private nonprofit agency.

Your Committee has amended the bill by:

- (1) Clarifying that the transfer of assets from HPBA to HPTF is contingent upon the transfer of the broadcast license;
- (2) Clarifying that HPBA shall transfer the assets to HPTF;
- (3) Adding other items to be transferred;
- (4) Specifically excluding employment contracts and collective bargaining contracts from the items to be transferred;
- (5) Not making the requirement for HPBA to continue to function until July 1, 2000, contingent upon the transfer of the broadcast license; and
- (6) Making technical, nonsubstantive revisions for style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 154, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 154, H.D. 1, S.D. 1, C.D. 1.

Representatives Takai, Kawakami, Ahu Isa, Stegmaier and Leong,
Managers on the part of the House.

Senators D. Ige, Fukunaga, Chumbley, Sakamoto and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 100 on H.B. No. 307

The purpose of this bill is to establish a college savings program within the Department of Budget and Finance to enable families to save for college tuition and other expenses.

A qualified state tuition program in accordance with section 529 of the Internal Revenue Code will enable participants of the program to obtain federal tax benefits.

Your Committee on Conference has amended the bill by:

- (1) Authorizing the Director of Finance to enter into a contract of up to ten years with a financial organization;
- (2) Specifying the percentages and the amount that are exempt from application to the satisfaction of a money judgment as follows:
 - (A) 100 percent of moneys in an account established in connection with a scholarship program;
 - (B) 100 percent of moneys in an account where the judgment debtor is the account owner and the designated beneficiary of the account is a minor; and
 - (C) An amount not exceeding \$10,000 in an account, or in the aggregate for more than one account, where the judgment debtor is the account owner of the account or accounts; and
- (3) Making technical, nonsubstantive revisions for style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 307, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 307, H.D. 2, S.D. 1, C.D. 1.

Representatives Takai, Kanoho, Schatz, Suzuki and Marumoto,
Managers on the part of the House.

Senators D. Ige, Fukunaga, Levin, Bunda and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 101 on S.B. No. 798

The purpose of this measure is to clarify state and county jurisdiction over noise control.

Your Committee on Conference finds that the Department of Health (DOH) regulates noise primarily in the areas of construction, stationary noise source, agricultural, or industrial activities. At this time, DOH does not have the resources to address other noise issues that may be generally classified as a public nuisance.

Upon further consideration, your Committee on Conference has amended this measure by:

- (1) Amending the section regarding regulation of certain public nuisances to clearly exempt noise rules adopted by DOH from the proviso governing conflicts between a statute, rule, or ordinance; and
- (2) Deleting the amendment to the section regarding convention center district rules.

This measure, as amended, establishes and clarifies a standard for noise control in section 46-17, Hawaii Revised Statutes, in which a county ordinance would yield jurisdiction to a noise rule promulgated by the DOH under the authority of chapter 342F, Hawaii Revised Statutes. This clarification provides clear guidance that the counties can regulate noise when not addressed by a DOH rule.

With these amendments, chapters 46 and 342F, Hawaii Revised Statutes, work in conjunction rather than in conflict, thereby, giving clear guidance with regard to jurisdiction over noise issues.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 798, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 798, S.D. 2, H.D. 2, C.D. 1.

Representatives Morita, Hamakawa, Kanoho, Cachola and Auwae,
Managers on the part of the House.

Senators Nakata, Chun Oakland, Fukunaga, M. Ige, Ihara and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 102 on S.B. No. 1256

The purpose of this bill is to appropriate funds for the purpose of matching \$3,000,000 from the Federal Transit Administration to be expended for establishing an interisland ferry system between the islands of Maui and Molokai.

Your Committee on Conference has amended this bill by specifying that \$750,000 shall be appropriated out of the harbor special fund revenues for the purposes of this bill.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1256, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1256, S.D. 2, H.D. 1, C.D. 1.

Representatives Hiraki, Goodenow, Okamura and Fox,
Managers on the part of the House.

Senators Kawamoto, Fukunaga, Levin, Buen, Bunda, Iwase and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 103 on S.B. No. 223

The purpose of this bill is to establish a canine corps within the Department of Public Safety to be used for correctional and other authorized purposes.

Your Committee finds that the Department of Public Safety is responsible for the operation of five community correctional centers and three correctional facilities, many of which have been plagued with insufficient staffing ratios due to overcrowding and lack of qualified personnel. Your Committee agrees that establishing a canine corps is a cost-effective method for enhancing security and safety within our correctional centers and facilities. Your Committee further notes that the canine corps may also serve as a valuable tool to assist the department in other law enforcement efforts.

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

- (1) Deleting the appropriation section; and
- (2) Changing the effective date to upon approval.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 223, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 223, S.D. 2, H.D. 1, C.D. 1.

Representatives Garcia, Kanoho, Catalani, Kaho'ohalahala and Pendleton,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Levin, Sakamoto and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 104 on S.B. No. 889

The purpose of this measure, as received by your Committee, is to increase fees and mileage paid to persons serving as jurors.

Your Committee is aware that most citizens agree to serve as jurors out of their sense of civic duty, despite the disruption it may have on their daily work and family responsibilities. Thus, your Committee agrees that enhanced juror remuneration would support and encourage citizen participation. Due to the State's serious fiscal constraints, in order to support enhanced juror remuneration, additional sources of revenue must be identified. Your Committee believes that increasing the fee from \$25 to \$50 for the issuance of penal summons upon persons who fail to appear on traffic citations will generate additional revenues to assist in supporting enhanced juror fees. Despite this additional revenue source, your Committee does not anticipate that sufficient funds will be generated to support increased juror fees, which has an estimated fiscal impact of \$500,000, nor an increase in mileage fees, which has an estimated fiscal impact of \$70,000.

Therefore, upon further deliberation, your Committee has amended this measure by:

- (1) Deleting the increases in juror fees and mileage fees paid to jurors;
- (2) Inserting a provision to define good cause consideration by the court in making a determination on whether a person under a temporary restraining order should be permitted to possess firearms or ammunition;
- (3) Inserting a provision to increase the assessment for issuance of penal summons from \$25 to \$50; and
- (4) Making technical, non-substantive changes for the purposes of clarity and style.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 889, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 889, S.D. 1, H.D. 1, C.D. 1.

Representatives P. Oshiro, Saiki, Hamakawa, Luke and Whalen,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Levin, Fukunaga, Tanaka and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 105 on S.B. No. 921

The purpose of this bill is to provide another avenue for the courts to regulate their own proceedings in an expeditious and appropriate manner by creating a procedure for the issuance of summons and bench warrants where any person fails to pay a monetary assessment for a traffic violation.

Your Committee on Conference finds a compelling need to assure that violators of decriminalized traffic offenses will comply with district court orders of default judgment for payment of fines.

Your Committee has amended this measure by:

- (1) Providing that when a person fails to pay a monetary assessment for any traffic infraction, the court shall issue a penal summons;
- (2) Providing that when a person fails to pay the assessments and fails to appear before the court at the specified time and place, then the court shall issue a bench warrant; and
- (3) Providing that if a person refuses to pay the assessments or fails to pay within a specified period of time, the monetary assessments shall be considered delinquent and subject to collection by the Department of the Attorney General.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 921, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 921, H.D. 1, C.D. 1.

Representatives P. Oshiro, Goodenow, Hamakawa, Saiki and Whalen,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Ihara, Sakamoto and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 106 on S.B. No. 1158

The purpose of this bill is to provide funds for the Crime Victim Compensation Commission which helps to compensate victims of crimes.

Your Committee on Conference finds that the Crime Victim Compensation Commission (CVCC) is the only state agency that provides compensation to victims of violent crimes in Hawaii. Last year, the CVCC provided compensation to over 1,000 crime victims and their families. The CVCC is a payer of last resort that provides compensation for medical treatment and therapy costs, lost wages, funeral and burial expenses, and pain and suffering. Your Committee further finds that if the CVCC does not have sufficient funding to pay crime victim compensation claims, forty percent of federal matching funds will be lost for every dollar that the CVCC is unable to pay in compensation.

Therefore, your Committee has amended this measure by appropriating \$1,127,025 for fiscal year 1999-2000, and \$1,127,025 for fiscal year 2000-2001, for the crime victim compensation special fund.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1158, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1158, S.D. 1, H.D. 1, C.D. 1.

Representatives P. Oshiro, Kanohe, Schatz and Meyer,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Fukunaga, Chun Oakland and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 107 on S.B. No. 1274

The purpose of this measure is to address a variety of public safety issues by:

- (1) Transferring the responsibility of the administration of the night security programs for selected public schools from the Department of Public Safety to the Department of Education; and
- (2) Providing that the community partnering process shall include a community hearing for the purpose of soliciting community input when discussing all aspects of building a correctional facility.

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

- (1) Deleting sections 7 through 23 which provided for the continuation of a comprehensive schedule of intermediate alternatives to incarceration;
- (2) Deleting section 4 which authorized the governor to use public or private funds, including certificates of participation, for the development of a private in-state correctional facility;
- (3) Deleting the provision that allowed a private developer to include schematic plans and a fixed dollar amount dedicated to improvements in the total development package;
- (4) Adding a severability clause;
- (5) Specifying that the bill take effect upon approval; and
- (6) Making technical, nonsubstantive amendments for the purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1274, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1274, H.D. 1, C.D. 1.

Representatives Garcia, Hamakawa, Ito, Saiki, Suzuki and Pendleton,
Managers on the part of the House.

Senators D. Ige, Chumbley, Fukunaga, Levin, Bunda and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 108 on S.B. No. 238

The purpose of this measure is to simplify, streamline, and clarify the State's real estate licensing laws. Under this measure:

- (1) A limited liability company registered with the State may hold a real estate license;
- (2) The Real Estate Commission is authorized to issue a preliminary advisory decision on a license application;
- (3) The requirements for a real estate broker's license are clarified;
- (4) The license examination requirement may be waived under certain circumstances; and
- (5) The registration requirement for a real estate broker's site office is repealed.

Additionally, the measure makes other changes to chapter 467, Hawaii Revised Statutes (HRS), intended to provide for a more efficient administration of the real estate licensing laws.

Upon careful consideration, your Committee on Conference has amended this measure to:

- (1) Provide in section 1 that the purpose of the measure, among other things, is to:
 - (A) Facilitate the review and understanding of the continuing education laws, rather than to simplify and deregulate the certification of real estate continuing education instructors;
 - (B) Require the registration of real estate branch offices, rather than to deregulate the branch offices; and
 - (C) Repeal the requirement that real estate site offices be registered, rather than the registration of real estate site offices;
- (2) Add a new section to chapter 467, HRS, that consolidates the laws relating to the Real Estate Commission's authority regarding continuing education for real estate salespersons and brokers, and the requirements relating to continuing education providers, instructors, and courses;
- (3) Repeal, rather than amend the definition of "continuing education"; and
- (4) Make technical, stylistic, and formatting changes.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 238, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 238, S.D. 1, H.D. 2, C.D. 1.

Representatives Menor, Suzuki, Cachola, Nakasone and Fox,
Managers on the part of the House.

Senators Kanno, Taniguchi and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 109 on S.B. No. 1124

The purpose of this measure is to facilitate interstate branching in Hawaii by removing restrictions on and establishing requirements for the establishment or acquisition of interstate branches in the State by out-of-state banks.

Upon careful consideration, your Committee on Conference has amended this measure by changing its effective date from June 1, 2010, to January 1, 2001.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1124, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1124, S.D. 2, H.D. 1, C.D. 1.

Representatives Menor, Suzuki, Garcia, Yamane and Fox,
Managers on the part of the House.

Senators Kanno, Taniguchi, Fukunaga, Levin, Ihara, Inouye and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 110 on S.B. No. 1294

The purpose of this measure is to improve the cost-effectiveness of the Hawaii Public Employees Health Fund (Health Fund) by:

- (1) Requiring the State and the several counties to pay the Health Fund a monthly contribution of \$43.80 for voluntary medical insurance coverage for each employee-beneficiary; and
- (2) Requiring that eligible employee-beneficiaries of the Health Fund and their spouses enroll in the federal Medicare Part B medical insurance plan, with exceptions to be determined by the Health Fund Board of Trustees.

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

- (1) Deleting the \$43.80 cap on the Medicare Part B reimbursement for voluntary medical insurance coverage for each employee-beneficiary; and
- (2) Making technical, nonsubstantive amendments for the purposes of style and clarity.

Your Committee finds that requiring eligible employee-beneficiaries of the Public Employees' Health Fund and their spouses to enroll in the Federal Medicare Part B insurance program will result in reduced costs to the Health Fund as well as to public employers.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1294, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1294, S.D. 1, H.D. 2, C.D. 1.

Representatives Yoshinaga, Takamine, Goodenow, Nakasone, Suzuki and Moses,
Managers on the part of the House.

Senators Kanno, Taniguchi, Fukunaga, Levin and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 111 on S.B. No. 450

The purpose of this bill is to continue the on-going work to privatize government services by:

- (1) Specifying the tasks that the committee charged with developing a managed process for public-private competition must complete; and
- (2) Specifying deadlines by which the committee must complete a draft and a final draft of the managed process, and a report of its findings, plans, implementations, and recommendations for statutory changes to civil service laws to the legislature.

Your Committee on Conference finds that article 16, section 1, Hawaii State Constitution, requires the employment of civil servants to be governed by the merit principle. While recognizing that civil service laws and certain merit principles must be upheld, your Committee on Conference does not intend that the merit principle as interpreted under *Konno v. County of Hawaii*, 85 Haw. 61, 937 P.2d 397 (1997), be an impediment to contracting out under a managed process system under this Act.

Your Committee on Conference has amended this measure by:

- (1) Deleting the requirement that the committee monitor and review the managed process;

- (2) Deleting the repeal of merit principles as a factor the committee should consider when developing a managed process that ensures civil service laws are not violated;
- (3) Repealing the June 30, 2001, sunset date for those provisions related to the managed process, including the committee created to develop, monitor, and review the managed process, and public-private competition for government services; and
- (4) Amending the effective date of this measure to take effect upon approval.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 450, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 450, S.D. 1, H.D. 2, C.D. 1.

Representatives Yoshinaga, Takamine, Kanohe, Nakasone and Marumoto,
Managers on the part of the House.

Senators Tam, Fukunaga, Levin, Chun and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 112 on S.B. No. 1518

The purpose of this measure is to:

- (1) Close the Hawaii State Hospital;
- (2) Authorize the Director of Health to privatize the Hawaii State Hospital's current functions; and
- (3) Create a joint legislative committee to oversee the efforts to address Hawaii State Hospital, Hawaii Revised Statutes.

Upon further consideration, your Committee on Conference has amended the measure by deleting its substance and inserting therefor, provisions that:

- (1) Allow for the use of excess investment earnings of the Employees' Retirement System by state and county employers to provide funding for retroactive pay raises;
- (2) Provide that this use of excess investment earnings of the Employees' Retirement System shall be a one-time only provision and shall be effective only until July 1, 2001;
- (3) Specify that the savings realized by the State and counties shall be used exclusively for funding retroactive cost items for contracts expiring on June 30, 1999, and funds not utilized be returned to the Employees' Retirement System;
- (4) Prohibit enactment of any future law that applies excess actuarial investment earnings of the Employees' Retirement System against the amounts contributed by employers under section 88-123, Hawaii Revised Statutes; and
- (5) Appropriate funds to the counties for the retroactive cost items; and
- (6) Require all departments and agencies to identify their goals, objectives, and policies to provide a basis for determining priorities and allocating limited public funds and human resources.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1518, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1518, H.D. 1, C.D. 1.

Representatives Takamine, Yoshinaga, Nakasone, Suzuki and Moses,
Managers on the part of the House.

Senators Tam, Levin, Fukunaga, Kanno, Taniguchi, Chun, Chun Oakland, D. Ige, Nakata and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 113 on S.B. No. 816

The purpose of this measure is to:

- (1) Combine the convention center capital special fund with the convention center operations special fund;
- (2) Extend the sunset date of the convention center authority from June 30, 1999, to June 30, 2001; and
- (3) Appropriate funds from the consolidated special fund to the convention center authority.

Your Committee on Conference has amended this measure to:

- (1) Add a purpose section;
- (2) Amend four additional sections in the Hawaii Revised Statutes to combine the two special funds;
- (3) Authorize the authority to waive or substantially discount any payment of the convention center for a specific event whenever the authority determines that the waiver or discount is in the best interest of the convention center facility or the State by attracting new tourist markets or conventioners;
- (4) Specify that reimbursement of the general fund for debt service on general obligation bonds or reimbursable general obligation bonds for the Hawaii convention center be in accordance with a schedule determined by the director of finance, with the approval of the governor, in the best interest of the State;
- (5) Extend the sunset date of the convention center authority from June 30, 1999, to June 30, 2000;
- (6) Require the Auditor to continue to audit and monitor the progress of the convention center authority in resolving various outstanding issues, with a report to the legislature by February 28, 2000;
- (7) Clarify the effective dates of the respective sections of the Act; and
- (8) Make a technical, nonsubstantive amendment to conform to preferred drafting style.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 816, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 816, S.D. 1, H.D. 2, C.D. 1.

Representatives Chang, Takamine, Ahu Isa, Suzuki and Meyer,
Managers on the part of the House.

Senators Inouye, Fukunaga, D. Ige, Taniguchi and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 114 on S.B. No. 1129

The purpose of this measure is to:

- (1) Establish continuing education requirements for insurance licensees;
- (2) Establish a single fund for the operations of the insurance division; and
- (3) Provide the Hawaii Employers' Mutual Insurance Company, Inc., with a partial exemption from the levy imposed on insurers who insure employers.

Upon further consideration, your Committee on Conference has amended this measure by:

- (1) Deleting the provision granting exemptions to agents licensed as of July 1, 1999;
- (2) Deleting the provisions relating to the insurance licensing administration special fund, as licensing fees and penalties will be placed into the insurance regulation fund;
- (3) Clarifying that a licensee whose license was inactivated must show proof of continuing education credit hours completed and pay any required fees and penalties;
- (4) Amending sections 36-27 and 36-30, Hawaii Revised Statutes, to exempt the insurance regulation fund from the requirements contained in those sections;
- (5) Adding the patients' compensation fund to the list of funds exempted from inclusion into the insurance regulation fund since this fund is technically still in existence;
- (6) Clarifying the assessment authority of the insurance commissioner;
- (7) Providing that the provisions relating to license renewal prerequisites and continuing education recordkeeping shall become effective on January 1, 2000, rather than July 1, 1999;
- (8) Clarifying the effective date of the continuing education program and the abolishment of the motor vehicle insurance administration revolving fund and the insurance examiners revolving fund;
- (9) Clarifying that the sums transferred to the insurance regulated fund may be expended by the commissioner to carry out the purposes of Title 24, Hawaii Revised Statutes; and

- (10) Making technical, nonsubstantive amendments for the purposes of clarity and style.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1129, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1129, S.D. 2, H.D. 2, C.D. 1.

Representatives Menor, Takamine, Garcia, Yamane and Halford,
Managers on the part of the House.

Senators Taniguchi, Kanno, Fukunaga, Levin, Hanabusa, Ihara and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 115 on S.B. No. 1235

The purpose of this measure is to require the adjutant general to adopt hurricane resistant shelter criteria.

Upon further consideration, your Committee on Conference has amended this measure by:

- (1) Deleting references to hurricane shelter; and
- (2) Inserting language relating to the creation of a temporary two-year governor's task force on alternative medicine.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1235, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1235, S.D. 1, H.D. 1, C.D. 1.

Representatives Menor, Yamane, Chang, Goodenow and Whalen,
Managers on the part of the House.

Senators Chun Oakland, Kanno, Taniguchi, Fukunaga, Levin, Bunda, Chun and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 116 on S.B. No. 1238

The purpose of this measure is to:

- (1) Repeal the regulation of real estate collection servicing agents;
- (2) Require the Auditor to conduct a sunset review of the regulatory programs for barbering, beauty culture, and speech pathology and audiology; and
- (3) Require the Legislative Reference Bureau to conduct a study of the state-constructed dental licensing examination used by the Board of Dental Examiners.

Your Committee on Conference has amended this measure by correcting its title.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1238, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1238, S.D. 2, H.D. 2, C.D. 1.

Representatives Menor, Ahu Isa, Herkes, Yamane and Whalen,
Managers on the part of the House.

Senators Kanno, Taniguchi, D. Ige, Fukunaga and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 117 on S.B. No. 1157

The purpose of this measure is to allow the Board of Education to appoint the State Librarian without regard to state residency provisions and for a term of up to four years. In addition, this measure allows the State Librarian to receive additional compensation from private sources.

Your Committee has amended this measure by deleting the provision which allows the State Librarian to receive additional compensation from private sources. In so doing, this measure sets the salary of the State Librarian at \$85,302. Additionally, the effective date was changed to July 1, 1999.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1157, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1157, S.D. 1, H.D. 1, C.D. 1.

Representatives Ito, Saiki, Morihara and Leong,

Managers on the part of the House.

Senators D. Ige, Fukunaga, Levin, Sakamoto and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 118 on S.B. No. 1499

The purpose of this measure is to allow the State Committee of Blind Vendors (Vendors) to hire outside counsel and to establish financial procedures to increase the flexibility of Vendors to expend moneys in the Randolph-Sheppard revolving account (Account).

Upon further consideration, your Committee on Conference has amended this measure by:

- (1) Adding a purpose section;
- (2) Clarifying the provision allowing the Vendors to hire outside attorneys by:
 - (A) Inserting "Notwithstanding section 28-8.3": and
 - (B) Adding that in some instances a court must first determine that representation by the attorney general is directly adverse to another client or to the attorney general;
- (3) Adding a conforming amendment to section 28-8.3, Hawaii Revised Statutes, relating to specifying state agencies that can hire outside counsel;
- (4) Clarifying that income from vending operations, such as operations at an airport, shall be deposited into the Account;
- (5) Inserting an amount of \$30,000 that the Vendors can spend each year from the Account;
- (6) Deleting the proviso prohibiting the use of the \$30,000 to hire private attorneys;
- (7) Clarifying that the transfer of the \$30,000 shall not affect the expenditure of funds from the Account by the Department of Human Services; and
- (8) Making an appropriation of \$30,000 from the Account to the subaccount, to be expended for purposes of the Account.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1499, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1499, S.D. 1, H.D. 2, C.D. 1.

Representatives Arakaki, Kahikina, Goodenow, Stegmaier and Pendleton,
Managers on the part of the House.

Senators Chun Oakland, Fukunaga, Levin and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 119 on S.B. No. 1501

The purpose of this measure is to define "New Century Charter Schools" as schools that utilize an alternate educational framework and are governed by an independent governing board. In addition, this measure creates a process whereby New Century Charter Schools may be established.

Your Committee acknowledges the growing national and state interest in charter schools because they provide a truly flexible, self-defining alternative for public school reform, and allow students, teachers, and administrators the opportunity for innovation and increased autonomy to achieve their academic goals. Hawaii currently has a process whereby existing schools may become student-centered schools (sections 302A-1123, 302A-1123.5, and 302A-1123.6, Hawaii Revised Statutes), but this process is difficult to follow and the provisions of the school are not adequately identified. Hawaii is in need of a comprehensive charter school measure which will explicitly detail a process that will enable and allow both existing schools and new schools to meet the educational demands of the twenty-first century -- to become New Century Charter Schools.

This measure is intended to be comprehensive charter school legislation that establishes the process for the creation of a charter school, either from a new school, an existing school, a school-within-a-school, or a new school comprised of parts and programs of existing schools. Your Committee has diligently worked to formulate a measure which not only facilitates the process to create New Century Charter Schools, but also ensures that the New Century Charter Schools will be held accountable for the academic performance of their students. By working with current charter school officials, the Department of Education, the Office of the Governor, and employee representatives, your Committee has created a measure that it strongly believes is groundbreaking in its definitive step towards complete educational reform in this State.

Your Committee has amended this measure by:

- (1) Clarifying the process for the Board of Education to designate a school as a New Century Charter School (sections 302A-B and 302A-C);
- (2) Charging the Auditor with the responsibility to determine the appropriate Department of Education funding allocation to the New Century Charter Schools, taking into consideration the advice of the Superintendent of Education, and including, if necessary, an appropriate small school allotment;
- (3) Clarifying the entire funding section (section 302A-E) to distinguish the supplemental funds which can be spent at the discretion of the local school board of the New Century Charter School;
- (4) Making fiscal accountability a factor in the evaluation of New Century Charter Schools (section 302A-F); and
- (5) Making technical nonsubstantive amendments for the purposes of style and clarity.

Your Committee expressly notes that anyone in the community can initiate a request to establish a New Century Charter School, including the University of Hawaii, the counties, or the Chamber of Commerce. New Century Charter Schools will also have the flexibility to negotiate entirely new contracts, establish new procedures for selection of personnel, and the authority to define and establish new positions. In addition, this measure includes a mandate for the Board of Education and the Department of Education to support the formation of New Century Charter Schools.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1501, S.D. 3, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1501, S.D. 3, H.D. 3, C.D. 1.

Representatives Ito, Arakaki, Santiago, Yoshinaga, Takamine and Leong,
Managers on the part of the House.

Senators D. Ige, Fukunaga, Levin, Chumbley, Chun Oakland, Sakamoto and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 120 on S.B. No. 131

The purpose of this measure is to require a study by the Joint Legislative Committee on Long-Term Care (JLC) to conduct a study on whether to adopt the July 1998 Model Long-Term Care Insurance Model Act and Model Regulations, and to make an appropriation for a universal long-term care study.

Upon further consideration, and with the input and concurrence of stakeholders, your Committee on Conference has amended this measure by:

- (1) Clarifying the purpose section to more accurately reflect the provisions of the conference draft;
- (2) Deleting the study by the JLC on the adoption of the model act and model regulation;
- (3) Enacting provisions of the July 1998 Long-Term Care Insurance Model Act and Model Regulation;
- (4) Revising Act 339, Session Laws of Hawaii 1997, to provide that the JLC shall cease to exist upon introduction of legislation, if any, for the Regular Session of 2000;
- (5) Adding provisions relating to universal availability of long-term care insurance, including employer-related guidelines;
- (6) Clarifying the obligations of mutual benefits societies that offer long-term care insurance;
- (7) Clarifying the actuarial study provision to enumerate specific models and making an appropriation for expenses for the study;
- (8) Deleting the regulatory funding for the Insurance Division;
- (9) Deleting the managed long-term care demonstration project, as this is included in H.B. No. 100, relating to the state budget; and
- (10) Adding an appropriation for the JLC for expenses to conduct public briefings on the findings and recommendations of the actuarial study.

This measure, as amended, is an outgrowth of the work of the JLC, established by Act 339, Session Laws of Hawaii 1997. The JLC undertook an eighteen month study to develop a sound financial plan to address a problem of compelling state interest, the current and future long-term care needs of the people of Hawaii. This measure represents a major component of a financial plan. An actuarial study is included in this measure to study the feasibility and advisability of establishing a state-sponsored universal program of long-term care that offers comprehensive, protective coverage to the largest numbers of people. A universal program would complement an insurance-based long-term care program that is established in this measure.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 131, S.D. 3, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 131, S.D. 3, H.D. 3, C.D. 1.

Representatives Arakaki, Santiago, Menor, Yoshinaga, Kawakami and Fox,
Managers on the part of the House.

Senators Chun Oakland, Kanno, Taniguchi, Fukunaga, Levin, Bunda, Chun, Kawamoto and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 121 on S.B. No. 1452

The purpose of this measure is to strengthen the provisions of the Hawaii Patient Bill of Rights by adopting the recommendations of the Patient Rights and Responsibilities Task Force ("Task Force").

After careful consideration, your Committee on Conference has amended this bill by:

- (1) Adopting the federal "prudent layperson" standard with respect to "emergency services" in section 431:10C-103, Hawaii Revised Statutes ("HRS"), rather than in section 432E-1, HRS;
- (2) Deleting the definition of "mutual benefit society" as it does not apply to motor vehicle accidents;
- (3) Amending section 432E-6, HRS, by clarifying that:
 - (A) The independent medical evidence is exempt from the requirements of section 91-9(g), HRS, rather than chapter 91, HRS; and
 - (B) At the commissioner's discretion, the enrollee may recover reasonable attorney's fees and costs;
- (4) Deleting the provisions relating to a health insurance revolving fund and appropriating the moneys therefrom, as an insurance regulation fund is being established in other related legislation;
- (5) Referencing the insurance regulation fund, rather than the health insurance revolving fund, to reflect the above; and
- (6) Making technical, nonsubstantive changes for the purposes of clarity and style.

Your Committee on Conference believes that this measure will strengthen the protection of consumer rights of patients receiving health care in this State.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1452, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1452, H.D. 3, C.D. 1.

Representatives Santiago, Menor, Takamine, Chang and Halford,
Managers on the part of the House.

Senators Taniguchi, Kanno, Chun Oakland, Levin and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 122 on S.B. No. 1583

The purpose of this measure is to spur economic development and foster the growth of knowledge-based industries in Hawaii via tax incentives, special purpose revenue bonds, and other incentives. More specifically, this measure:

- (1) Consolidates the State's high technology agencies, divisions, and offices under the coordination and direction of a special advisor for technology development and creates a governor's special advisory council for technology development to assist the advisor;
- (2) Offering a tax incentive for investment in new high technology businesses;
- (3) Integrating technology with Hawaii's tourism and marketing industries;
- (4) Prohibiting the imposition of taxes on Internet commerce;
- (5) Focusing work force development programs to ensure a pool of technology professionals;
- (6) Accelerating high speed access to the Internet for the University of Hawaii and the public schools, and establishing educational technology programs within public schools;

- (7) Exempting stock options from qualified high technology businesses from income taxation;
- (8) Assisting Ohana Foundation and its not-for-profit affiliates in financing or refinancing costs related to the development of a high technology park in Kakaako;
- (9) Exempting royalties from qualified high technology businesses and other sources from gross income for tax purposes; and
- (10) Creating tax credits for high technology companies that invest in high technology businesses and increase research activities.

Due to the State's current economic condition, your Committee recognizes the necessity of fostering the development of the high technology industry in Hawaii. High technology spans a variety of fields--from cutting edge bioengineering research, to the explosive growth of Internet commerce, to the development of advanced computer software. Because of this, high technology promises to be the major industry of the future, fast growing and enhancing our everyday lives in more ways than can be imagined. Your Committee's commitment to fostering high technology growth and development in this State will ensure Hawaii's prominent role as a mecca for high technology companies and a world-renowned center for innovation and invention.

Your Committee has amended this measure to:

- (1) Specify that the Governor's Special Advisor for Technology Development, the Governor's Special Advisory Council for Technology Development, the Millennium Work Force Development Training Program, and the Department of Education's E Academy programs shall seek and utilize any available funding sources, including grant moneys, in carrying out their duties;
- (2) Delete the specific tax credit for financial institutions to invest in high technology businesses;
- (3) Clarify the provisions of the Hawaii Internet Tax Freedom Act (section 9);
- (4) Acknowledge the University of Hawaii's role in the development of a high technology workforce by appropriating funds to the University of Hawaii to implement programs pursuant to the workforce development training program;
- (5) Delete the appropriation for the establishment of a University of Hawaii teleconferencing center in California's Silicon Valley;
- (6) Delete the authorization for the issuance of special purpose revenue bonds for Ohana Foundation, as this provision is addressed in H.B. No. 377, H.D. 2, S.D. 2, C.D. 1;
- (7) Clarify the provisions for tax exemptions for stock options from high technology businesses, and royalties from high technology businesses, including the deletion of the requirement that these business must operate solely in Hawaii, and the addition of computer software development companies to the definition of "qualified high technology businesses" (sections 20 and 22);
- (8) Clarify the provisions for tax credits for investment in high technology businesses and increasing research activities, including the addition of computer software development companies to the definition of "qualified high technology businesses", and the allowance of financial institutions and insurance companies to utilize the tax credits for high technology investment (sections 24, 25, 26, and 27); and
- (9) Make technical nonsubstantive changes for the purposes of clarity and style.

It is the intent of you Committee that the tax credits and exemptions provided for in this measure be applied to a broad range of high technology businesses, including Internet based businesses. Your Committee urges the Department of Taxation to consider this intention in the authorization of these tax incentives.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1583, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1583, S.D. 2, H.D. 2, C.D. 1.

Representatives Takamine, Luke, Morihara, Ito, Nakasone, Suzuki, Halford and Meyer,
Managers on the part of the House.

Senators D. Ige, Inouye, Nakata, Fukunaga, Levin and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 123 on S.B. No. 646

The purpose of this measure is to improve various aspects of the functioning of State government including:

- (1) Authorizing the Attorney General to charge state agencies for the collection of delinquent accounts;

- (2) Changing the fee for copying government records that is charged to the public;
- (3) Authorizing the Barbers Point Naval Air Station Redevelopment Commission to arrange for or provide interim infrastructure services to the owners of properties being conveyed by the Navy;
- (4) Creating a structure for managing the Kapolei Recreational Sports Complex and makes the Stadium Authority responsible for managing it;
- (5) Exempting sales to foreign diplomats from the general excise tax and accommodations furnished to foreign diplomats from the transient accommodations tax;
- (6) Establishing the Hawaii Performance Partnerships Board to develop community outcomes of well-being and to increase the use of performance measurement;
- (7) Authorizing fees, fines, and other administrative charges collected in the management of public lands to be deposited in the Special Land and Development Fund;
- (8) Providing additional security to lenders on land or interest covered by a lease, patent, license, agreement, or other instruments, and provides flexibility to the Department of Land and Natural Resources to assign or transfer leases based on current industry standards;
- (9) Exempting the counties from the public notice requirements of Chapters 103D and 103F, Hawaii Revised Statutes, until December 31, 2000;
- (10) Authorizing the Director of Finance to invest state funds in federal Agricultural Mortgage Corporation notes and bonds rather than joint stock farm loan bonds;
- (11) Exempting the construction of air cargo operations facilities from the general excise tax and use tax; and
- (12) Establishing a structure for a special savings account program known as the Individual Development Account Program.

Your Committee on Conference finds that currently the county charters require public notices to be published daily. In 1998, the expectation of the counties prior to the procurement for the publishing of public notices was that the contract would be awarded to a daily publication. Due to the fact that the procurement of public notices for the State and counties was based on total circulation rather than how often the periodical was published, the contract was awarded to a weekly publication. Your Committee on Conference finds that this measure is needed in order to give the counties time to change their county charters to weekly publication.

Your Committee on Conference has amended this measure by:

- (1) Deleting the section authorizing the Attorney General to charge state agencies for the collection of delinquent accounts;
- (2) Amending the section on costs of copying government records as follows:
 - (A) Designating the minimum cost of copying government records and other data to five cents per page; and
 - (B) Deleting amendments to the section on the cost of copies of any tax return filed with the State;
- (3) Deleting specific county positions from the Barbers Point Naval Air Station redevelopment commission and replacing them with four county department directors appointed by the mayor;
- (4) Deleting the section on the lost and found money or property at the Kapolei recreational sports complex;
- (5) Deleting the section exempting sales to foreign diplomats from the general excise tax and accommodations furnished to foreign diplomats from the transient accommodations tax;
- (6) Amending the section on the special land and development fund as follows:
 - (A) Adding language on designated uses of the special land and development fund that allows moneys from the fund to be used for permanent or temporary staff positions for the planning and management of all lands under the Board of Land and Natural Resources; and
 - (B) Adding language that requires the director of finance to transfer the unexpended balance of the industrial park special fund as of the close of business on June 30, 1999 to the credit of the special land and development fund;
- (7) Amending the publication of notice section by:

- (A) Adding the language, "Notwithstanding any other statute, law, charter provision, ordinance, or rule to the contrary";
 - (B) Adding language that requires the Comptroller to follow chapter 103D, Hawaii Revised Statutes, when determining publication of notices for all government agencies; and
 - (C) Deleting the language that exempts counties from the provisions of section 1-28.5, HRS, until December 31, 2000;
- (8) Deleting the section exempting the construction of air cargo operations facilities from the general excise tax and use tax;
- (9) Amending the section on Individual Development Accounts by:
- (A) Designating five project years as the time an applicant may apply for funding if the State lacks the resources to fund an individual development account project;
 - (B) Limiting grant money to each individual development account program to five years; and
 - (C) Adding language that requires the Department of Taxation to submit proposed legislation establishing a tax credit for individual development accounts to the legislature no later than the convening of the regular session of 2000;
- (10) Amending current law regarding the interagency federal revenue maximization revolving fund by:
- (A) Deleting the June 30, 1999, sunset date in section 15 of Act 11, Special Session Laws of Hawaii 1995; and
 - (B) Appropriating funds out of revenues of the interagency federal revenue maximization revolving fund for expenses, including the creation and hiring of temporary staff, related to the recovery of federal fund reimbursements under section 29-24, HRS; and
- (11) Making technical, nonsubstantive changes for clarity and style.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 646, S.D. 2, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 646, S.D. 2, H.D. 3, C.D. 1.

Representatives Cachola, Yoshinaga, P. Oshiro, Kanoho, Saiki and Meyer,
Managers on the part of the House.

Senators Tam, Fukunaga, Levin, Hanabusa, D. Ige, Kawamoto, Matsunaga and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 124 on S.B. No. 951

The purpose of this measure is to authorize the University of Hawaii and the Department of Education to establish custodial accounts for their employees and to make periodic salary withholdings for deposit into those accounts. In addition, this measure shields the University of Hawaii, the Department of Education, and the State of Hawaii from liability for the results of any investment.

Your Committee intends for this measure to be implemented at no cost to the State.

Your Committee has amended this measure by:

- (1) Deleting the Department of Education from the provisions regarding the establishment of custodial accounts;
- (2) Changing its effective date from January 1, 2001, to January 1, 2000; and
- (3) Making technical nonsubstantive changes for the purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 951, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 951, S.D. 1, H.D. 1, C.D. 1.

Representatives Morihara, Ito, Yoshinaga, Catalani and Leong,
Managers on the part of the House.

Senators D. Ige, Fukunaga, Levin, Sakamoto and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 125 on S.B. No. 1635

The purpose of this measure is to facilitate the resolution of public land trust issues by:

- (1) Establishing a joint committee to study and make recommendations on all outstanding anticipated public land trust issues;
- (2) Requiring the Auditor to coordinate the resolution of public land trust issues;
- (3) Requiring the joint committee and the Legislative Auditor to submit progress reports to the Legislature prior to the 2000 Regular Session and final reports to the Legislature prior to the 2001 Regular Session; and
- (4) Appropriating funds for activities relating to the resolution of the public land trust issues.

Upon further consideration, your Committee has amended the measure by:

- (1) Deleting the provisions that establish the joint committee to oversee the resolution of the public land trust;
- (2) Requiring that the inventory be completed in one year;
- (3) Amending section 10-13.3, Hawaii Revised Statutes, to provide interim revenue to the Office of Hawaiian Affairs in the amount of \$16,060,000;
- (4) Stating that the revenues paid under section 10-13.3, Hawaii Revised Statutes, shall be credited against any amount settled upon between the State and the Office of Hawaiian Affairs to resolve public land trust controversies; and
- (5) Appropriating \$16,060,000 for fiscal year 1999-2000 to be transferred to the Office of Hawaiian Affairs.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1635, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1635, S.D. 2, H.D. 2, C.D. 1.

Representatives P. Oshiro, Suzuki, Kaho'ohalahala, Kanoho, Saiki and Fox,
Managers on the part of the House.

Senators Hanabusa, Fukunaga, Levin, Chun, D. Ige, Kanno, Kawamoto, Tanaka and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 126 on H.B. No. 294

The purpose of this bill is to prohibit the distribution of:

- (1) Sample tobacco products in or on any public street, sidewalk, or park, or within 1,000 feet of any school attended by minors; and
- (2) Tobacco promotional materials within 1,000 feet of any school attended by minor.

After much discussion, your Committee on Conference has amended this bill by:

- (1) Prohibiting the distribution of coupons redeemable for cigarette or tobacco products in or on any public street, sidewalk, or park, or within 1,000 feet of any elementary, middle or intermediate, or high school;
- (2) Prohibiting the distribution of coupons redeemable for cigarette or tobacco promotional materials within 1,000 feet of any elementary, middle or intermediate, or high school; and
- (3) Making technical nonsubstantive revisions for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 294, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 294, H.D. 1, S.D. 2, C.D. 1.

Representatives Santiago, Yamane, Kahikina and Leong,
Managers on the part of the House.

Senators Chun Oakland, Chumbley, Matsunaga, Sakamoto and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 127 on H.B. No. 635

The purpose of this bill is to:

- (1) Authorize the issuance of \$15,000,000 in special purpose revenue bonds to assist the Hilo Residency Training Program, Inc., a not-for-profit Hawaii corporation, that provides health care facilities; and

- (2) Establish a Hospital and Medical Facilities (HMF) Special Fund in the Department of Health;
- (3) Establish a State Health Planning and Development (SHPD) Special Fund in the State Treasury to be administered by the State Health Planning and Development Agency;
- (4) Amend section 321-11.5, Hawaii Revised Statutes (HRS), to require the Director of Health to adopt rules to set fees for licensure or certification for certain facilities, and to require those fees to be deposited into the HMF Special Fund; and
- (5) Amend section 321-27(a), HRS, to allow certain fees to be deposited into the HMF Special Fund.

After careful consideration, your Committee on Conference has amended this bill by deleting all provisions relating to the HMF and SHPD Special Funds.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 635, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 635, H.D. 2, S.D. 1, C.D. 1.

Representatives Santiago, Takamine, Kawakami and Leong,
Managers on the part of the House.

Senators Chun Oakland, Levin and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 128 on H.B. No. 661

The purpose of this bill is to provide a mechanism for regulating and funding phase I and phase II wireless enhanced 911 service. Specifically, this bill:

- (1) Establishes a twelve-member Wireless Enhanced 911 Board (Board) within the Department of Health;
- (2) Establishes outside the state treasury the Wireless Enhanced 911 Fund (Fund) for the purpose of ensuring adequate cost recovery for the deployment of wireless enhanced 911 service in Hawaii;
- (3) Requires the Board to establish a monthly wireless enhanced 911 surcharge on each commercial mobile radio service connection if a public safety answering point requests wireless enhanced 911 service from a provider of commercial mobile radio service;
- (4) Allows providers of commercial mobile radio service to request reimbursement from the Fund for incurred wireless enhanced 911 commercial mobile radio service costs;
- (5) Requires providers of facilities-based commercial mobile radio service and resellers of commercial mobile radio service to be audited to ensure that the wireless enhanced 911 surcharge recovers only legitimate costs and expenses directly related to the provision of phase I and phase II wireless enhanced 911 service;
- (6) Prohibits the disclosure of proprietary information submitted to the Board, a third party employed by the board, or a public safety answering point;
- (7) Imposes an unspecified civil penalty, in an amount of which has yet to be determined, if proprietary information identified by statute or rule is disclosed to an unauthorized person;
- (8) Limits the liability of providers of facilities-based commercial mobile radio service and public safety answering points to damages caused by gross negligence, wanton and wilful misconduct, or bad faith;
- (9) Deems commercial mobile radio service location information obtained by a public safety answering point or public safety agency for public safety purposes not to be a government record open to disclosure;
- (10) Allows providers of facilities-based commercial mobile radio service, resellers of commercial mobile radio service, and public safety answering points to resolve disputes with the Board through final and binding arbitration; and
- (11) Exempts the Fund from assessments for central service expenses and departmental administrative expenses.

After much discussion, your Committee on Conference has amended this bill by:

- (1) Specifying that the "Federal Communications Commission Order" means not only the original order issued in the Federal Communications Commission Docket No. 94-102 (governing wireless enhanced 911 service), but also any other Federal Communication Commission orders related to the provision of wireless enhanced 911 services;
- (2) Specifying that the chair of the Board may retain outside counsel only with the approval of the Board;

- (3) Specifying that the Board shall select an independent third party to conduct audits;
- (4) Deleting penalties and fines for violations of board rules;
- (5) Deleting liability for actions conducted "in bad faith" by providers of facilities-based commercial mobile radio service and public safety answering points;
- (6) Amending section 37-51, Hawaii Revised Statutes (HRS), to exempt the Fund from legislative and executive budgetary control in the same manner as the general fund;
- (7) Amending section 37-53, HRS, to exempt from transfer to the general revenues of the State all or any portion of moneys in the Fund determined to be in excess of fiscal year requirements; and
- (8) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 661, H.D. 3, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 661, H.D. 3, S.D. 2, C.D. 1.

Representatives Santiago, Menor, Kawakami, Souki and Halford,
Managers on the part of the House.

Senators Taniguchi, Kanno, Fukunaga, Levin and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 129 on H.B. No. 743

The purpose of this bill is to require coverage and equitable reimbursement for services provided by advanced practice registered nurses (APRNs) in all health insurance policies, contracts, plans, and agreements, including workers' compensation coverage.

Your Committee on Conference has amended this bill by:

- (1) Requiring reimbursement by mutual benefit societies for health plan-covered services, rather than requiring coverage and reimbursement;
- (2) Including the services provided by APRNs among the required coverages and reimbursements under accident and sickness insurance policies, rather than creating a new section in that chapter;
- (3) Including the services provided by APRNs in the definition of "medical care," "medical services," or "medical supplies" for purposes of the Workers' Compensation chapter, rather than including APRNs in the definition of "health care provider"; and
- (4) Making technical, nonsubstantive revisions for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 743, H.D. 3, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 743, H.D. 3, S.D. 1, C.D. 1.

Representatives Santiago, Menor, Yamane, Kawakami, Lee and Moses,
Managers on the part of the House.

Senators Taniguchi, Kanno, Fukunaga, Levin, Chun Oakland and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 130 on H.B. No. 895

The purpose of this bill is to allow the Department of Health (DOH) to provide emergency aeromedical services as part of its required emergency medical services by:

- (1) Defining "emergency aeromedical services";
- (2) Requiring DOH to support interagency dispatch policies and procedures for aeromedical transports;
- (3) Requiring DOH to establish and maintain an emergency aeromedical medical services information system with specified elements; and
- (4) Requiring DOH to establish an emergency aeromedical services quality improvement advisory committee with specific membership requirements.

After careful consideration, your Committee on Conference has amended this bill by:

- (1) Adding a tenth member to the emergency aeromedical services quality improvement advisory committee;
- (2) Ensuring representation on the committee from fixed-wing and rotor-wing aeromedical services; and
- (3) Making technical, nonsubstantive amendments for clarity and style.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 895, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 895, H.D. 2, S.D. 2, C.D. 1.

Representatives Santiago, Yamane, Kahikina, Souki and Fox,
Managers on the part of the House.

Senators Chun Oakland, Levin and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 131 on H.B. No. 122

The purpose of this measure is to establish penalties for failure of a contractor to pay a subcontractor promptly for a public contract and prohibit the State from procuring with unlicensed privately-operated group living facilities.

Your Committee on Conference has amended this measure by:

- (1) Deleting the graduated penalties section for failure to pay subcontractor promptly and inserting language that requires the Comptroller to adopt rules necessary to implement this measure, including establishing a system of graduated penalties with monetary fines, payment of interest, and debarment for noncomplying contractors, by the convening of the 2000 regular session;
- (2) Deleting the language on licensed group living facilities and replacing it with language that:
 - (A) Allows for a public informational hearing, pursuant to chapter 91, Hawaii Revised Statutes, prior to the procurement for services for group living facilities in communities where group living facilities are located;
 - (B) Requires State contracts for the procurement of group living facilities to contain operational standards to be monitored by the contracting agency; and
 - (C) Changes the effective date of the group living facilities section to January 1, 2000; and
- (3) Making technical, nonsubstantive changes for clarity and style.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 122, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 122, H.D. 2, S.D. 1, C.D. 1.

Representatives Herkes, Arakaki, Nakasone, Suzuki and Rath,
Managers on the part of the House.

Senators Tam, Hanabusa and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 132 on H.B. No. 850

The purpose of this bill is to:

- (1) Delete the conviction for driving without a valid motor vehicle insurance policy as a basis for automatic license suspension; and
- (2) Extend the amnesty period for uninsured motorists to June 30, 2000.

Your Committee on Conference has amended this bill by amending the amnesty period from June 30, 2000, to December 31, 1999.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 850, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 850, H.D. 1, S.D. 1, C.D. 1.

Representatives Menor, Hamakawa, Saiki, Lee and Auwae,
Managers on the part of the House.

Senators Taniguchi, Kanno and Inouye,

Managers on the part of the Senate.

Conf. Com. Rep. 133 on H.B. No. 460

The purpose of this bill is to establish stronger consumer protections regulations on the check cashing industry by:

- (1) Establishing fee caps for check cashing;
- (2) Requiring posted and written notices of fees to consumers;
- (3) Specifying other prohibited acts with regard to check cashing; and
- (4) Making violations of the check cashing law an unfair or deceptive act or practice and wilful violations punishable by a fine of up to \$500 and 30 days imprisonment.

Your Committee on Conference has amended this bill by:

- (1) Limiting the face amount of deferred deposit checks to \$300;
- (2) Exempting fees for deferred deposit of personal checks from chapter 478, Hawaii Revised Statutes, which regulates usury;
- (3) Repealing the bill on July 1, 2001; and
- (4) Making technical, nonsubstantive amendments for style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 460, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 460, H.D. 2, S.D. 1, C.D. 1.

Representatives Menor, Nakasone, Ahu Isa, Lee and Whalen,
Managers on the part of the House.

Senators Taniguchi, Kanno and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 134 on H.B. No. 1361

The purpose of this bill is to protect consumers who make advance purchases from charter tour operators against the risk of loss resulting from the failure of these businesses.

Specifically, this bill imposes statutory regulations on travel agencies operating charter tours by requiring:

- (1) Licensure;
- (2) Evidence of financial ability to perform contractual obligations; and
- (3) Periodic financial reporting.

After much discussion, your Committee on Conference has amended this bill by:

- (1) Requiring a charter tour operator applicant to state whether the applicant intends to operate 16 or more charter tours during any 12 months or shorter period of the registration period;
- (2) Amending the required bond coverage or irrevocable letter of credit a travel agency wishing to engage in the business of a charter tour operator is required to carry;
- (3) Deleting the requirement that a charter tour operator's required quarterly report must be prepared by an independent certified public accountant; and
- (4) Making technical, nonsubstantive revisions for purposes of consistency and style.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1361, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1361, H.D. 2, S.D. 2, C.D. 1.

Representatives Herkes, Hiraki, Menor, Yamane and Marumoto,
Managers on the part of the House.

Senators Inouye, Kanno, Taniguchi, Buen, M. Ige and Slom,

Managers on the part of the Senate.

Conf. Com. Rep. 135 on H.B. No. 252

The purpose of this bill is to prohibit unaccredited institutions from issuing degrees and conducting business in Hawaii unless they comply with certain standards.

Your Committee on Conference finds that there has been a significant increase in the number of unaccredited institutions conducting business in Hawaii, who are merely "diploma mills" or "mail drops", as other States have clamped down on these non-legitimate, unaccredited institutions. This legislation will prevent "diploma mills" or "mail drops" from continuing their activities in Hawaii by:

- (1) Enacting more comprehensive disclosures;
- (2) Prohibiting the issuance of certain types of degrees;
- (3) Creating a mechanism for service of process; and
- (4) Requiring an operational level of physical presence.

Your Committee on Conference has amended this bill by:

- (1) Requiring the office to be located in Hawaii;
- (2) Requiring the employee to reside in Hawaii;
- (3) Deleting the residency requirement for the student and, instead, requiring them to enroll in Hawaii;
- (4) Deleting the requirement that the students and employee be full-time;
- (5) Providing an exemption for a limited period under specific conditions stated in the law;
- (6) Making this measure effective upon approval; and
- (7) Making technical, nonsubstantive changes for purposes of clarity and style.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 252, H.D. 3, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 252, H.D. 3, S.D. 2, C.D. 1.

Representatives Morihara, Menor, Ahu Isa, Kawakami and Leong,
Managers on the part of the House.

Senators D. Ige, Kanno, Taniguchi, Sakamoto and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 136 on H.B. No. 1660

The purpose of this bill is to appropriate an unspecified amount for utilities of the University of Hawaii (University) system.

Your Committee on Conference has amended the bill by:

- (1) Deleting the appropriation;
- (2) Authorizing the University carry over unexpended funds from one fiscal period to the next; and
- (3) Making technical, nonsubstantive revisions for style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1660, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1660, H.D. 2, S.D. 1, C.D. 1.

Representatives Morihara, Schatz, Ito, Yamane and Marumoto,
Managers on the part of the House.

Senators D. Ige, Fukunaga, Levin, Bunda and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 137 on H.B. No. 1085

The purpose of this bill is to make an emergency appropriation of an unspecified amount for operating expenses required to fulfill the conditions of the Felix v. Cayetano consent decree.

Your Committee on Conference has amended the bill by:

- (1) Inserting the amount appropriated to fulfill the Felix consent decree;
- (2) Adding emergency appropriations for books and equipment for Kapolei Middle School and Keaau High School; and
- (3) Making technical, nonsubstantive revisions for style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1085, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1085, H.D. 1, S.D. 1, C.D. 1.

Representatives Ito, Santiago, Kawakami, Saiki and Leong,
Managers on the part of the House.

Senators D. Ige, Fukunaga, Levin, Sakamoto and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 138 on H.B. No. 988

The purpose of this bill is to provide emergency funding for the testing, modification, and support of the State's computer system for Year 2000 compliance.

Your Committee has amended this bill by appropriating \$1,040,000 to be used in support of the State's Year 2000 compliance efforts.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 988, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 988, H.D. 2, S.D. 2, C.D. 1.

Representatives Hamakawa, Takamine, Kaho'ohalahala, Kawakami and Auwae,
Managers on the part of the House.

Senators D. Ige, Fukunaga, Levin, Sakamoto and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 139 on H.B. No. 1471

The purpose of this bill is to:

- (1) Establish an elections review program and require assessment of the performance of the Chief Election Officer;
- (2) Change the name of the Elections Appointment Panel to the Elections Appointment and Review Panel;
- (3) Allow appointment of four members of the Elections Appointment and Review Panel by the leadership of the majority and minority parties of each house of the legislature;
- (4) Assign the Office of Elections and the Elections Appointment and Review Panel to the Department of Accounting and General Services for administrative purposes; and
- (5) Make an appropriation of \$5,000 to support the purposes of this bill.

Your Committee on Conference has amended this bill by:

- (1) Deleting the provision which would require the Elections Appointment and Review Panel to review complaints filed against the operation of any election or the performance of the Chief Election Officer;
- (2) Deleting the establishment of advisory subcommittees to assist the panel;
- (3) Keeping the Office of Elections attached to the Office of the Lieutenant Governor instead of the Department of Accounting and General Services;;
- (4) Clarifying that the terms for all members of the Elections Appointment and Review Panel expire six years and four years respectfully, from the date the first member is appointed;
- (5) Requiring that any holdover member not remain in office longer than six months after the member's term has expired;

- (6) Requiring that the findings and recommendation for the biennial performance evaluation to the legislature be submitted not less than twenty days prior to the convening of each regular session held in odd-numbered years;
- (7) Deleting the \$5,000 appropriation; and
- (8) Making technical, nonsubstantive amendments for the purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1471, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1471, H.D. 1, S.D. 1, C.D. 1.

Representatives P. Oshiro, Kanohe, Ahu Isa, Hamakawa and Auwae,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Fukunaga, Ihara and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 140 on H.B. No. 100

The purpose of this bill is to appropriate operating and capital improvements program funds to the executive branch for the 1999-2001 biennium.

OVERVIEW

Over the past few years, your Committee sought ways in which to help stabilize and energize the State's fragile economy with the understanding that this could not be accomplished overnight. Two years ago, your Committee took the first steps towards economic recovery and committed State resources to tax incentives intended to foster new business opportunities and revitalize existing businesses. Last year, the focus was income tax relief for Hawaii residents through the development of a progressive tax structure that was fair and equitable. This year, your Committee is focused on assisting small businesses and stabilizing the economy.

Your Committee believes that small business is the backbone of our economic base and must be supported and nurtured in order for it to thrive. As such, your Committee reviewed and prioritized numerous tax incentive measures and determined that the depyramiding of the general excise tax would yield the greatest positive impact on the business community, both large and small--crossing all industries. As such, your Committee strongly supports the depyramiding of the general excise tax on services and the exemption of exported services and the taxation imported services, thus levelling the playing field for Hawaii service providers. These measures are intended to encourage economic recovery by reducing the level of taxation and freeing dollars for reinvestment in Hawaii.

Your Committee has also provided for tax incentives for investment capital, call centers, the health industry, technology, and other businesses. In addition, your Committee has provided incentives for hotel construction and remodeling in order to inject vitality into a maturing industry.

Your Committee believes that this tax relief package, in conjunction with the budget proposed by your Committee will be the necessary catalyst towards economic viability.

CURRENT FISCAL BACKDROP

As required by the State Constitution, the Council on Revenues (Council) estimates economic growth based on various factors such as tourism statistics, construction growth, and inflation. These projections are the guidelines by which the biennium budget is crafted. The Council notes that Hawaii has been in the midst of a deflationary period in the past year and while financial recovery has not reached the anticipated levels in Asia, the United States economy remains strong. As a result, the Council on Revenues moderately reduced its growth rate of general fund tax revenues for fiscal year 1999 by 0.5%, but retains its optimistic growth rates in the remaining forecast horizon.

The general fund appropriation authorized in the operating budget consists of \$3.10 billion for FY 1999-2000 and \$3.12 billion for FY 2000-2001. The general fund appropriation for FY 1999-2000 represents a -2.69 per cent decrease over the executive request. Including other means of financing, the total operating budget consists of \$5.95 billion for FY 1999-2000 and \$6.01 billion for FY 2000-2001.

Capital improvement funds authorized in this bill consist of \$723,000,000 for FY 1999-2000 and \$466,000,000 for FY 2000-2001. Of these sums, \$262,000,000 in FY 1999-2000 and \$139,000,000 for FY 2000-2001 would be financed through the issuance of general obligation bonds.

ECONOMIC DEVELOPMENT

Your Committee recognizes the continued importance of the tourism industry and provided for the expenditure of up to \$60 million in each fiscal year for the Hawaii Tourism Authority to strategically plan, coordinate and develop the tourism marketing initiatives.

In support of the business community, your Committee provided funds to continue the deregulation initiatives of the small business task force on regulatory relief. Furthermore, your Committee is committed to enhanced outreach to the small business community and further simplification and automation of all aspects of business registry.

Your Committee recognizes the development of new research and commercial development in energy, aquaculture, and marine biotechnology at the Natural Energy Laboratory of Hawaii (NELHA) by providing additional resources to expand its operational capacity. Your Committee is encouraged that the activities of the tenants at NELHA resulted in an economic benefit of \$29 million in 1998.

To support further economic diversification, funds have also been provided for research in aquaculture disease management, Forest Stewardship projects that protect endangered species and diversify the economy, tropical flower research, Hawaii Agriculture Research Center and the Agribusiness Development Corporation.

Finally, efforts are being made to broaden the State's economic base by enhancing forest watersheds and producing, improving, and assisting in the production of high quality, high yield forest production that will create job opportunities in rural areas.

EDUCATION

Lower Education

Your Committee finds that providing all children with the services required to prosper as students is of utmost importance. In this regard, achieving compliance with the Felix consent decree has become a focal point within the department and requires greater resources during this fiscal biennium. Your Committee has provided funds to meet this task by upgrading departmental personnel and implementing the comprehensive student support system (CSSS).

Your Committee finds that the financial resources necessary to comply with the requirements of the Felix consent decree are growing at a seemingly exponential pace. Your Committee is alarmed that the Department of Education (DOE) is unable to provide an accurate accounting of the funds currently provided for Felix cases. Consequently, to ensure efficient utilization of resources and greater accountability, your Committee created a new program, Comprehensive School Support Services, EDN 150, that is intended to consolidate and identify all resources dedicated to resolving the Felix consent decree.

Reduction in class size continues to be a priority of the DOE. The opening of new facilities, including Konawaena Elementary School, Kauai Middle School, and Kapolei High School will help to alleviate the problem. Funds have also been provided to fulfill the basic requirements of textbooks and equipment for the new schools.

Your Committee continues to be concerned with the lack of accountability in the DOE and has thus provided funds to revise and implement the Hawaii Content and Performance Standards as a systemic means of measuring performance.

In addition, your Committee understands that teachers are overburdened by large class sizes due to the current policy of the Department of Education to not include special education students in the class ratio formula. Your Committee feels that this is an unfair burden for educators and has therefore provided funds to support the inclusion of special education students in the class ratio as a means of effectuating relief for teachers.

Your Committee continues to support the educational system with the full understanding that Hawaii's future rests in the hands of our children. Therefore, the DOE was spared from much of the reductions that were required to balance the State budget. During such lean times, education continues to be a top priority, however, your Committee has taken appropriate action to ensure greater accountability and fiscal responsibility within the DOE.

Felix Consent Decree

Your Committee agrees that the individualized education plan (IEP) process should be reviewed with regard to the composition of the IEP team and the process by which services are authorized. Private service providers are now a major part of the team that develops the IEP for Felix youths. Your Committee is concerned that some of these same providers are also involved in determining the level of mental health services in the IEP process. Your Committee believes that an inherent conflict of interest exists and there is an immediate need to eliminate this conflict. Furthermore, appropriate changes to the IEP process are needed to ensure that necessary services are identified and provided for in the most efficient and effective manner possible. Given the importance and urgency of the decree, these issues must be resolved swiftly by the Department of Education in collaboration with the Department of Health to meet its responsibilities in complying with the Felix Consent Decree.

Higher Education

Your Committee continues to support the University of Hawaii as it begins its first full year of autonomy. Your Committee fully understands that difficult decisions must be made by the Board of Regents in order to achieve self-sufficiency. However, your Committee believes that the University has the potential to be an economic force in the State. Furthermore, the University must be responsible for the development of a qualified workforce to meet the changing needs of a global society and technological advances.

HEALTH

Your Committee has made every effort towards full compliance with the law with respect to children with special needs, especially those in the Felix class. As such, quality health and educational services to aid in the educational development for these individuals remain a priority of your Committee.

Your Committee understands the necessity of the safety net provided by rural health care services and has provided funds to such programs as Molokai General Hospital, Kahuku Hospital, Hana Medical Center, Waianae Coast Comprehensive Health Clinic and 24-hour aeromedical services on Hawaii and emergency medical services statewide.

HUMAN SERVICES

Despite limited resources, your Committee is fully committed to providing assistance to those that lack sufficient resources or simply cannot take care of themselves. Of particular concern are the children of Hawaii. As such, your Committee has provided funds for the following:

1. Children's Health Insurance Program - provides access to health care for uninsured children.
2. Child Placement Board and Related Client Payments - helps children in danger of abuse and neglect find placement in foster care homes or other types of placements.
3. Child Care Payments Program - consolidates all payments for child day care into one program; allows low-income families remain self-sufficient by allowing both parents to retain employment.
4. Child Care Payment Processing Contract - allows overburdened child care administrators and social workers address pressing areas of concern such as licensing and renewal of licensing for child care facilities.

Your Committee also continues to provide support for the aged, blind and disabled; uninsured and underinsured populations in rural areas; and First-To-Work contracts which serve welfare clients who must meet work requirements in order to retain assistance.

WORKFORCE DEVELOPMENT

Labor and Industrial Relations

In an effort to become more proactive in the employment field, the Department of Labor and Industrial Relations (DLIR) developed a new Workforce Investment Act (WIA) system that will allow the State to receive improved employment opportunities and training for customers by July 1, 2000. Your Committee supports DLIR's efforts with regard to the workforce development program as it continues to promote apprenticeship opportunities for women, veterans, disabled, disadvantaged, offenders and immigrants.

TRANSPORTATION

Your Committee understands that a safe, reliable, and efficient transportation infrastructure plays a crucial role in the State economy as well as the overall well being of the population. Presently, the Department of Transportation (DOT) is the only entirely self-sufficient department and in the current fiscal climate, your Committee appreciates the department's independence from the state general fund.

Your Committee is aware that repair and maintenance is a necessity for public infrastructure and has provided special funds in the amounts of \$61.6 million in FY 2000 and \$59.8 million in FY 2001 exclusively for the purposes of special repair and maintenance projects.

Your Committee is cognizant of the traffic problems occurring during peak hours on State highways and has provided funds to continue the vanpool pilot project. Your Committee supports the DOT's efforts in promoting ridesharing as a way to reduce the use of fuel, save wear and tear on the highways, reduce air pollution and the need for parking facilities.

Special funds are also provided to market an innovative initiative, the "Aloha Spirit" program at the five major airports. As part of the Airports cultural master plan, the program offers visitors the opportunity to experience a multi-faceted Hawaii through exposure to exhibits and live performances focusing on the Hawaiian culture. Your Committee is aware that it is critical to create a positive first and last impression of Hawaii and is captivated by the potential of this volunteer program.

GOVERNMENT-WIDE SUPPORT

Accounting and General Services

With the turn of the century approaching, the Department of Accounting and General Services (DAGS) is preparing the State to be Y2K compliant. Your Committee has provided funds to support resolution of this issue. With eight months remaining in the year, the Information Processing Service Program continues to upgrade computer systems, as well as assisting other agencies in achieving compliance.

Budget and Finance

In recognition of the spiralling cost of debt service to the State, your Committee has maintained a responsible schedule of capital improvement projects for the upcoming fiscal biennium.

Commerce and Consumer Affairs

During this biennium, the Department of Commerce and Consumer Affairs (DCCA) continues its movement toward fiscal self-sufficiency and insurance regulation reform. To support these efforts, your Committee has provided funds for the following initiatives:

1. Consolidation of special funds to allow the department greater flexibility in the management of its funds.
2. Realignment of positions within the various operating programs to facilitate better fiscal management and oversight; and
3. Development of new sources of revenue to enable regulatory programs to be self-supporting. Of particular note is the Insurance Division's effort to strengthen insurance regulation with the implementation of the continuing education for insurance agents program, the health insurance revolving fund and the long term care revolving fund.

Taxation

In FB1999-2001, the priority of the Department of Taxation (TAX) is the implementation of the Integrated Tax Information Management System (ITIMS). With this complete overhaul of the department's computer system, the Department of Taxation expects that when fully implemented, the project will facilitate a more timely collection of taxes due the state; reduce the amount of "leakage" from the tax base of revenue that is due the state but not collected; provide more flexibility in accommodating tax law changes and initiatives to improve tax administration; and an overall improvement in services provided to the public.

CAPITAL IMPROVEMENT

Your Committee remains cautious about managing the state's debt limit in future fiscal years and has proposed lower expenditures for Capital Improvement Projects in the amount of \$200 million in each year of the biennium. Your Committee believes that this a prudent approach while still providing for various projects, including DOE projects totalling over \$161 million.

CONCLUSION

After much deliberation, your Committee has developed a budget that preserves current services while providing for the basic requirements of health, safety and education. In particular, your Committee has fully funded the mental health services mandated by the Felix vs. Cayetano consent decree.

While crafting H.B. 100, H.D.1, S.D.1, C.D. 1, your Committee was mindful of the need to balance the services provided by government through the executive budget with the equally critical need to stimulate the economy. In doing so your Committee presents you with a budget that is affordable and a tax package intending to improve the business climate, stimulate the development of new industries, encourage investment in Hawaii and provide relief for existing businesses.

Your Committee realizes that its work is not over and that there is much left to be done. However, your Committee is committed to the direction set forth in this document and the accompanying bills.

Your Committee on Conference is in accord with the intent and purpose of H.B. 100, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. 100, H.D. 1, S.D. 1, C.D. 1.

Representatives Takamine, Ahu Isa, Catalani, Goodenow, Kahikina, Kanoho, Kawakami, Luke, Nakasone, Saiki, Schatz, Suzuki, Yamane, Fox, Marumoto, Meyer and Moses,
Managers on the part of the House.

Senators Levin, Fukunaga, Buen, Chun, Chun Oakland, D. Ige, M. Ige, Iwase, Kawamoto, Nakata, Tam, Taniguchi and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 141 on H.B. No. 1450

The purpose of this bill is to provide the necessary appropriations and authorizations for the operation of and capital improvements for the Judiciary Branch for the fiscal biennium 1999-2001.

In light of the current fiscal situation, your Committee was unable to provide all funding requested by the Judiciary. However, your Committee was able to fund the Judiciary's most critical needs to ensure the timely and efficient administration of justice and protection of our community's most vulnerable citizens. Funding for many of these crucial programs was made possible by revenue enhancement measures identified by the Judiciary that are implemented in other measures. As such, your Committee appreciates the Judiciary's positive efforts to identify new general fund revenues to support critical governmental services.

Your Committee would like to highlight three areas within the scope of funding for the Judiciary:

HAWAII DRUG COURT PROGRAM

In 1995, the Hawaii Drug Court Program was established on a temporary basis to address the growing drug offender problem. The program has proved to be a cost-effective alternative for diverting drug offenders by saving between \$678,000 and \$854,000 a year while attaining a client recidivism rate of six per cent as compared to other criminal justice programs where recidivism ranges between forty and sixty per cent. This measure solidifies your Committee's support for the Hawaii Drug Court Program by converting 14 temporary positions to permanent status.

FAMILY COURTS

Our community's concerns about addressing child abuse, neglect and domestic violence in a timely manner have prompted your Committee to support the establishment of two new judgeships in the Family Courts.

In the First Circuit, an additional circuit-level judge and support staff is provided in the second year of the biennium to intensify Family Court case resolution, to ensure the safety and welfare of family members victimized by family violence, and to allow greater emphasis on preventing instances of family violence.

An additional District Family Court judge and support staff for the Third Circuit in Hilo is also provided. The backlog of domestic violence cases in the Third Circuit Family Court is near crisis levels with a 1,800 case backlog or four months of cases waiting to be heard. This additional judgeship will help ensure timely resolution of these cases and enable the court to implement a one-judge, one-family approach for child abuse and neglect cases as recommended by the Department of Human Services, Department of the Attorney General and the National Center for State Courts.

ATTORNEY AND GUARDIAN AD LITEM FEES FOR FAMILY COURT IN THE SECOND AND THIRD CIRCUITS

State law mandates that the Courts appoint a Guardian Ad Litem for children and legal counsel for parents involved in child protection cases. Due to an increase in caseload, additional services are required for both the Second and Third Circuits. Accordingly, your Committee provides \$161,000 in both years of the biennium for the Third Circuit.

CAPITAL IMPROVEMENT PROJECTS

Your Committee provides \$33,870,000 for capital improvement projects to the Judiciary which includes the sum of \$30,795,000 for the development of the new Kauai judiciary complex. Other projects include the following:

- (1) \$225,000 for Ho'okele Court Navigation Project, statewide;
- (2) \$500,000 for remodeling and upgrading Judiciary buildings, statewide; and
- (3) \$1,350,000 for Architectural barrier removal for Judiciary buildings, statewide.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1450, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1450, H.D. 1, S.D. 2, C.D. 1.

Representatives Takamine, Ahu Isa, Catalani, Goodenow, Kahikina, Kanoho, Kawakami, Luke, Nakasone, Saiki, Schatz, Suzuki, Yamane, Fox, Marumoto, Meyer and Moses,
Managers on the part of the House.

Senators Levin, Fukunaga, Chumbley, Matsunaga, Buen, Chun, Chun Oakland, D. Ige, M. Ige, Iwase, Kawamoto, Nakata, Tam, Taniguchi and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 142 on H.B. No. 700

The purpose of this bill is to provide the necessary appropriations and authorizations for the operation of Office of Hawaiian Affairs (OHA), for the fiscal biennium 1999-2001.

In view of the fiscal constraints facing the State, your Committee found it necessary to reduce the request submitted by the Office of Hawaiian Affairs. Accordingly, your Committee has amended this bill by providing \$6,599,046 in fiscal year 1999-2000 and \$6,536,529 in fiscal year 2000-2001 for OHA to operate in each fiscal year of the biennium. Your Committee highlights \$62,517 in fiscal year 1999-2000 to fund the Comprehensive Hawaiian Master Plan. The plan is intended to incorporate the ideas and goals of Hawaiian organizations, identify service areas in the community, reduce duplicated services and implement accountability measures for short and long term goals.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 700, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 700, H.D. 1, S.D. 2, C.D. 1.

Representatives Takamine, Ahu Isa, Catalani, Goodenow, Kahikina, Kanoho, Kawakami, Luke, Nakasone, Saiki, Schatz, Suzuki, Yamane, Fox, Marumoto, Meyer and Moses,
Managers on the part of the House.

Senators Levin, Fukunaga, Hanabusa, Buen, Chun, Chun Oakland, D. Ige, M. Ige, Iwase, Kawamoto, Nakata, Tam, Taniguchi and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 143 on H.B. No. 86

The purpose of this bill is to authorize the issuance of general obligation bonds and to declare findings that the total amount of principal and interest, estimated for such bonds authorized but unissued and calculated for all bonds issued and outstanding, will not cause the debt limit to be exceeded at the time of issuance.

Article VII, section 13, of the Constitution of the State of Hawaii, requires the legislature to include a declaration of findings in every general law authorizing the issuance of general obligation bonds, which shall declare the issuance of state bonds authorized will not cause the debt limit to be exceeded at the time of issuance.

Your Committee has amended this bill by:

- (1) Inserting the appropriate amounts provided by the Department of Budget and Finance; and
- (2) Making technical, nonsubstantive revisions for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 86, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 86, S.D. 1, C.D. 1.

Representatives Takamine, Kawakami, Nakasone and Marumoto,
Managers on the part of the House.

Senators Fukunaga, Levin, Buen, Chun, Chun Oakland, D. Ige, M. Ige, Iwase, Kawamoto, Nakata, Tam, Taniguchi and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 144 on H.B. No. 333

The purpose of this bill is to appropriate funds for research and development of various agricultural commodities.

Your Committee has amended this bill by:

- (1) Making the appropriation apply only to agricultural research and development to be performed by the Hawaii Agriculture Research Center (HARC) and to only the 1999-2000 fiscal year;
- (2) Inserting the appropriation sum of \$700,000 for fiscal year 1999-2000 for HARC; and
- (3) Making technical, nonsubstantive amendments for clarity and style.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 333, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 333, H.D. 2, S.D. 1, C.D. 1.

Representatives Abinsay, Takamine, Saiki, Suzuki and Rath,
Managers on the part of the House.

Senators Inouye, Levin, M. Ige and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 145 on H.B. No. 336

The purpose of this bill is to protect the State from the importation of microorganisms, which could pose a threat to agriculture, horticulture, animals or the public by establishing a list of:

- (1) Microorganisms approved for importation;
- (2) Restricted microorganisms that may be imported only by permit; and
- (3) Microorganisms prohibited entry that can only be imported for medical or scientific research and under strict conditions.

After careful consideration, your Committee on Conference has amended the measure by:

- (1) Adding a new part in place of the new section delineating the requirements for listing and permitting importation of prohibited microorganisms under specific and limited circumstances. The new part also establishes the Microorganism Import Certification Revolving Fund and limits its maximum balance, uses, and funding sources;
- (2) Appropriating \$0 from the general revenues for each year of the fiscal biennium 1999-2001 for the development, administration, and operation of the microorganism Import Certification Program;
- (3) Appropriating \$100,000 from the Microorganism Import Certification Revolving Fund for each year of the fiscal biennium 1999-2001 for the development, administration, and operation of the Microorganism Import Certification Program; and
- (4) Changing the effective date to July 1, 1999.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 336, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 336, H.D. 1, S.D. 1, C.D. 1.

Representatives Abinsay, Saiki, Morihara, Suzuki and Rath,
Managers on the part of the House.

Senators Inouye, Levin, Buen, D. Ige and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 146 on H.B. No. 978

The purpose of this bill is to encourage private lenders to provide financing for diversified agriculture by authorizing the Department of Agriculture to guarantee loans made to qualified farmers and cooperatives.

Your Committee on Conference has amended this bill to include the requirements of Section 155-13, Hawaii Revised Statutes, among the limitations on the guaranteed loans.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 978, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 978, S.D. 1, C.D. 1.

Representatives Abinsay, Takamine and Fox,
Managers on the part of the House.

Senators Inouye, Fukunaga, Buen and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 147 on H.B. No. 1280

The purpose of this bill is to support the continued redevelopment of the State's agricultural industry by:

- (1) Changing the composition of the Board of the Agribusiness Development Corporation (ADC Board) to include persons with expertise in banking, real estate, and promotion, and provide more flexibility with regard to county representation on the ADC Board;
- (2) Appropriating funds for:
 - (a) Four positions and other operating expenses relating to the ADC; and
 - (b) The planning, design, and construction of an agricultural subdivision in the Hamakua district of the island of Hawaii;
- (3) Requiring ADC to allot financial and human resources to plan, design, and construct an agricultural subdivision in the Hamakua district; and
- (4) Requiring the ADC Board to submit annual reports to the Legislature with regard to:
 - (a) Development of the Hamakua agricultural subdivision;
 - (b) Technical support to small, start-up farming operations;
 - (c) Farm credit from public and private sources;
 - (d) New, start-up farming operations;

- (e) Tax incentives and their effects on diversified agricultural operations; and
- (f) Transport and distribution programs.

Your Committee on Conference has amended this bill by deleting all provisions in the bill except for:

- (1) Retaining the provision that changes the composition of the ADC Board to include persons with expertise in banking, real estate, and promotion, and provide more flexibility with regard to county representation on the ADC Board; and
- (2) Adding provisions that:
 - (a) Enable ADC to develop, promote, assist, and market export crops and other crops for local markets without the approval of the Board of Agriculture (BOA);
 - (b) Specify that members of the ADC Board consist of the members of the BOA, effective July 1, 2001; and
 - (c) Appropriate the sum of \$400,000 for fiscal year 1999-2000 for the expenses incurred in the performance of the duties of the ADC Board.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1280, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1280, H.D. 2, S.D. 2, C.D. 1.

Representatives Abinsay, Takamine, Chang, Saiki and Halford,
Managers on the part of the House.

Senators Inouye, Levin, Buen, Taniguchi and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 148 on H.B. No. 20

The purpose of this bill is to:

- (1) Amend the service retirement laws to correlate years on the bench with retirement benefits; and
- (2) Increase judicial salaries over a two-year period.

Your Committee on Conference has amended this bill by:

- (1) Deleting language in the purpose clause of the measure that compares judges compensation with private sector attorneys;
- (2) Increasing judicial salaries by 13 per cent over a two-year period;
- (3) Appropriating \$4,121,073 to fund the salary increases for fiscal year 1999-2000 and \$2,121,413 for fiscal year 2000-2001; and
- (4) Making technical, nonsubstantive amendments for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 20, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 20, H.D. 2, S.D. 2, C.D. 1.

Representatives P. Oshiro, Takamine, Lee and Marumoto,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Taniguchi, Fukunaga, Levin, Ihara and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 149 on H.B. No. 1095

The purpose of this bill is to restart the four-year cycle for the process to review the salaries for the trustees of the Office of Hawaiian Affairs.

Your Committee finds that Act 358, Session Laws of Hawaii 1993, originally set forth a scheme in which a salary commission for the trustees would be appointed by the Governor by November 30, 1996, and every four years thereafter. The commission would then submit recommendations regarding salary increases during the next regular session of the Legislature. Unfortunately, the salary commission was never appointed.

Your Committee has amended this bill by:

- (1) Inserting a new date for the deadline to appoint the salary commission; and
- (2) Requiring a report to be made to the Legislature by the twentieth day of the regular session of 2000 and every four years thereafter.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1095, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1095, H.D. 1, S.D. 2, C.D. 1.

Representatives P. Oshiro, Kanoho, Hamakawa, Kahikina and Marumoto,
Managers on the part of the House.

Senators Hanabusa, Levin, Chun, Kanno, Nakata, Tanaka and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 150 on H.B. No. 1111

The purpose of this bill is to provide protection for persons who make commercially reasonable efforts to find solutions for potential year 2000 errors in computer systems and to set standards and provide guidance as to what steps must be undertaken as part of commercially reasonable efforts.

Your Committee on Conference has amended this bill by:

- (1) Adding non-economic damages under the blanket protections;
- (2) Deleted the two year limitations on actions;
- (3) Clarifying that upon a finding that the respondent failed to engage in commercially reasonable efforts, the respondent is liable for all economic damages directly caused by the year 2000 error;
- (4) Adding the requirement that a credit reporting agency or a creditor not report negative credit information about a consumer if the credit reporting agency or creditor knew or should have known that the consumer was unable to meet financial obligations due to a year 2000 error;
- (5) Clarifying that the manufacturer or contractor who provided or serviced a government computer system or the computer software used by the system is liable to persons harmed by year 2000 errors to the same extent the person would be liable had this measure not existed;
- (6) Adds definitions for the terms "contractor" and "manufacturer of a government computer system or the computer software";
- (7) Clarifies that the chapter does not apply to any claim for physical injury or death;
- (8) Changing the effective date to be effective upon approval; and
- (9) Making technical, nonsubstantive amendments for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1111, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1111, H.D. 2, S.D. 2, C.D. 1.

Representatives Hamakawa, Nakasone, Catalani and Marumoto,
Managers on the part of the House.

Senators D. Ige, Taniguchi, Chumbley, Matsunaga, Kanno and Sakamoto,
Managers on the part of the Senate.

Conf. Com. Rep. 151 on S.B. No. 953

The purpose of this measure is to establish a stewardship and partnering program within the office of environmental quality in order to improve the protection of natural and cultural resources.

Your Committee on Conference believes that this landmark measure creates the mechanism within state government for a creative and innovative program. The Stewardship and Partnering Program addresses the need to downsize government by encouraging the development of public and private partnerships to preserve Hawaii's natural and cultural resources.

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

- (1) Clarifying that any hiring by the administrator be approved by the council;

- (2) Changing the reference from "state resources" to "public resources";
- (3) Adding a definition of "natural and cultural resources";
- (4) Deleting the protocol fund provisions within the environmental special fund;
- (5) Adding a section to the new chapter to set out the conditions for acquisition of real property;
- (6) Exempting the program from grants and subsidies law;
- (7) Deleting the provision directing the council to adopt rules regarding the projects, operations, properties, and facilities of the program;
- (8) Amending Session Laws 1997 and 1998 to retain amendments to certain fund exemptions when those funds are reenacted;
- (9) Removing the appropriation section; and
- (10) Making technical amendments to conform to preferred drafting style.

Recognizing that current economic conditions preclude the immediate ability of the State to directly fund this program, your Committee on Conference has deleted the provisions that appropriate funds from the general revenues of the State to the Environmental Special Fund. However, it is the intent of your Committee on Conference that this shall not in any way adversely impact the program's implementation with contributions to the Environmental Special Fund from private sources.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 953, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 953, S.D. 2, H.D. 2, C.D. 1.

Representatives Morita, Nakasone, Garcia, Schatz and Marumoto,
Managers on the part of the House.

Senators Nakata, Inouye, Hanabusa, Fukunaga, Levin and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 152 on S.B. No. 1470

The purpose of this measure is to make an appropriation to fund salary increases and other cost adjustments for certain excluded legislative officers and employees.

Upon further consideration, your Committee on Conference has amended this measure by inserting the appropriate dollar amounts for the salary increases.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1470, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1470, H.D. 2, C.D. 1.

Representatives Yoshinaga, Takamine, Kanohe, Kawakami and Moses,
Managers on the part of the House.

Senators Nakata, Fukunaga, Levin, D. Ige, M. Ige and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 153 on S.B. No. 102

The purpose of this measure is to require the Department of Health to develop a statewide rural health plan and to establish a wireless enhanced 911 advisory board and fund.

Your Committee on Conference has amended this measure by:

- (1) Deleting references to an enhanced 911 system; and
- (2) Adding a provision relating to payment methodology for QUEST.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 102, S.D. 3, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 102, S.D. 3, H.D. 2, C.D. 1.

Representatives Santiago, Menor, Kawakami, Souki and Halford,
Managers on the part of the House.

Senators Chun Oakland, Fukunaga, Levin, Chun, D. Ige, Kawamoto and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 154 on S.B. No. 513

The purpose of this measure is to establish guidelines for the establishment of family childcare homes in apartments, condominiums, and townhouses, to provide immunity from liability for townhouse associations that have properly established family child care homes, and to clarify zoning, land court registration, and real property covenant laws to allow for properly established family childcare homes.

Your Committee on Conference has amended this measure by:

- (1) Revising the definitions, as follows:
 - (A) Adding a definition of "Apartment";
 - (B) Clarifying the definition of "Association";
 - (C) Clarifying the definition of "Common elements";
 - (D) Clarifying the definition of "Family child care home" as a private residence, including an apartment, unit, or townhouse, where care may be provided for three to no more than six children, who are unrelated to the caregiver by blood, marriage, or adoption at any given time;
 - (E) Adding a definition of "Planned community"; and
 - (F) Clarifying the definition of "Townhouse";
- (2) Requiring that the family child care home operate on the ground floor unit with a ground floor entry;
- (3) Clarifying the requirements for giving notice;
- (4) Allowing an association to authorize a family child care home in an apartment;
- (5) Clarifying the conditions that an association may impose;
- (6) Clarifying the provisions relating to immunity from liability for the association; and
- (7) Making conforming amendments to provisions relating to zoning, land court registration, real property covenant laws, and licensing of family child care homes.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 513, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 513, S.D. 2, H.D. 2, C.D. 1.

Representatives Arakaki, Menor, Hamakawa, Kawakami and Thielen,
Managers on the part of the House.

Senators Chun Oakland, Kanno, Taniguchi, Bunda and Fukunaga,
Managers on the part of the Senate.

Conf. Com. Rep. 155 on S.B. No. 1032

The purpose of this measure is to establish procedures for the administration of involuntary psychoactive medication.

Upon further consideration, your Committee on Conference has amended this measure by deleting its contents and inserting a task force study on the administration of psychoactive medication to involuntarily committed persons who refuse to take prescribed medication.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1032, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1032, S.D. 1, H.D. 2, C.D. 1.

Representatives Santiago, P. Oshiro, Yamane, Garcia and Whalen,
Managers on the part of the House.

Senators Chun Oakland, Fukunaga, Levin and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 156 on S.B. No. 1034

The purpose of this measure is to establish a Hawaii tobacco settlement special fund.

Upon further consideration, your Committee on Conference has amended this measure by:

- (1) Deleting the definition of "Fund";
- (2) Adding a definition of "Tobacco settlement moneys";
- (3) Specifying percentage allocations of tobacco settlement moneys, as follows:
 - (A) Forty per cent to the emergency and budget reserve fund;
 - (B) Thirty-five per cent to the department of health for health related programs, including the children's health insurance program; and
 - (C) Twenty-five per cent to the Hawaii tobacco prevention and control trust fund;
- (4) Deleting references to a report by the Director of Finance on the condition of the emergency and budget reserve fund;
- (5) Creating a tobacco prevention and control advisory board;
- (6) Requiring the Director of Health to convene an advisory body for strategic planning and development of health related programs;
- (7) Exempting the Hawaii tobacco settlement special trust fund and emergency budget reserve fund from assessments for central services and administrative expenses; and
- (8) Making appropriation for dollar amounts to effectuate the allocation and transfer of moneys.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1034, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1034, S.D. 1, H.D. 2, C.D. 1.

Representatives Santiago, Takamine, Kawakami, Suzuki and Marumoto,
Managers on the part of the House.

Senators Chun Oakland, Fukunaga, Levin and Chun,
Managers on the part of the Senate.

Conf. Com. Rep. 157 on S.B. No. 1229

The purpose of this measure is to establish a special fund for homeless assistance.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1229, S.D. 1, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1229, S.D. 1, H.D. 3, C.D. 1.

Representatives Arakaki, Cachola, Yamane, Garcia, Kahikina and Pendleton,
Managers on the part of the House.

Senators Chun Oakland, Fukunaga, Levin, Tam and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 158 on S.B. No. 844

The purpose of this measure is to establish the Hawaii equal insurance task force to study the financial and social implications of mandated equal mental health and substance abuse insurance coverage in Hawaii.

Upon further consideration, your Committee on Conference has amended this measure by:

- (1) Adding a definition of "Serious mental illness";
- (2) Clarifying that the provision relating to covered benefits shall not be construed to limit serious mental illness benefits;
- (3) Prohibiting a health insurance plan from imposing rates, terms, and conditions if measures are not applied for other medical or surgical conditions, and providing for exemptions
- (4) Revising the membership of the task force;

- (5) Clarifying the duties of the task force; and
- (6) Changing the time the task force is to report from the 2000 Session to the 2001 Session.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 844, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 844, S.D. 2, H.D. 2, C.D. 1.

Representatives Santiago, Menor, Kawakami, Herkes and Leong,
Managers on the part of the House.

Senators Chun Oakland, Kanno, Taniguchi, Bunda and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 159 on S.B. No. 830

The purpose of this measure is to require health insurers, mutual benefit societies, and health maintenance organizations to reimburse providers and patients within a specified time period.

Upon further consideration, your Committee on Conference has amended this measure by:

- (1) Deleting the findings paragraph in section 1;
- (2) Adding dental service corporations under chapter 423, Hawaii Revised Statutes, to the providers covered by this measure;
- (3) Specifying that unless shorter payment timeframes are otherwise specified in a contract the entity must reimburse an uncontested claim within thirty calendar days of receiving the claim;
- (4) Specifying that the entity notifies the healthcare provider in writing or electronically if a claim is contested or denied;
- (5) Adding the provision that any interest accrued on delayed claims is added to the amount of the unpaid claim;
- (6) Deleting language that authorizes the Insurance Commissioner to suspend the accrual of interest on untimely claims payments if the failure to pay a claim was necessary to protect the solvency of the insurer;
- (7) Making the effective date July 1, 2000, and repealing the measure on July 1, 2002; and
- (8) Making technical, nonsubstantive changes for the purpose of clarity and style.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 830, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 830, S.D. 1, H.D. 2, C.D. 1.

Representatives Lee, Nakasone, Garcia, Suzuki and Whalen,
Managers on the part of the House.

Senators Taniguchi, Kanno, Bunda and Ihara,
Managers on the part of the Senate.

Conf. Com. Rep. 160 on S.B. No. 1082

The purpose of this measure is to provide for more efficient operations by the Bureau of Conveyances (Bureau) by:

- (1) Replacing the Bureau of Conveyances Equipment Modernization Special Fund with the Bureau of Conveyances Special Fund (Bureau Special Fund);
- (2) Authorizing the Bureau to change the fees charged for microfilm duplication;
- (3) Providing for the deposit of a portion of recordation fees received at the Bureau into the general fund;
- (4) Providing for the deposit of the remainder of recordation fees and other fees received at the Bureau into the Bureau Special Fund;
- (5) Directing the Bureau to pay for equipment, software, administrative costs, personnel, and improvements necessary for modernization of the recording system out of the Bureau Special Fund; and
- (6) Making an appropriation out of the Bureau Special Fund to be expended by the Department of Land and Natural Resources for the purposes of the Bureau Special Fund.

Upon further consideration, your Committee on Conference has amended the measure by requiring that the Bureau expend the funds in the newly created Bureau Special Fund for the purposes as specified in this measure.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1082, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1082, S.D. 2, H.D. 2, C.D. 1.

Representatives Cachola, Takamine, Garcia, Kanoho, Kawakami and Moses,
Managers on the part of the House.

Senators Hanabusa, Fukunaga, Levin, Kanno, Kawamoto, Taniguchi and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 161 on S.B. No. 1127

The purpose of this measure is to assess the health insurance industry for the costs incurred by the State in regulation of the industry by establishing a health insurance revolving fund.

Your Committee on Conference recognizes that an insurance regulation fund consolidating most of the Insurance Division's ("Division") special and revolving funds is being established in S.B. No. 1129, S.D. 1, H.D. 3, which will allow the Division to attain self-sufficiency, primarily through assessments and collection of fees.

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

- (1) Deleting the provisions relating to the health insurance revolving fund, since the insurance regulation fund is being established as stated above;
- (2) Providing a means of assessing most of the health care industry for the costs of regulating the industry, whereby the plans are assessed on a pro rata basis;
- (3) Establishing an assessment schedule where:
 - (A) For the fiscal biennium 2000-2002, a flat rate of \$10,000 for the first 70,000 private, nongovernment members and an additional assessment on a pro rata basis for any membership over 70,000; and
 - (B) For each year thereafter, on a pro rata basis;
- (4) Establishing a ceiling of \$1 million on the annual assessment;
- (5) Allowing the insurance commissioner ("commissioner") to suspend any assessment if the commissioner determines that the assessment may cause an entity to reach insolvency or other financial difficulty; and
- (6) Referencing the insurance regulation fund, rather than the health insurance revolving fund, to reflect the above.

Your Committee on Conference has provided the Insurance Division with a \$1 million ceiling to cover the actual costs of regulation and other general administrative duties. It is your Committee's intent that if the Insurance Division does not use the entire amount in any given year, the remainder shall be used to reduce the following year's assessment to reach the \$1 million ceiling.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1127, S.D. 1, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1127, S.D. 1, H.D. 3, C.D. 1.

Representatives Santiago, Menor, Takamine, Chang and Moses,
Managers on the part of the House.

Senators Taniguchi, Kanno, Fukunaga, Levin, Matsuura and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 162 on S.B. No. 1144

The purpose of this measure is to provide that an unspecified portion of the franchise tax revenues shall be dedicated to the Financial Institution Examiners' Revolving Fund.

Upon careful consideration, your Committee on Conference has amended this measure to provide that:

- (1) The sum of \$2,500,000 shall be dedicated from the franchise tax revenues by June 30 of each fiscal year to the credit of the Compliance Resolution Fund; and
- (2) This measure shall become effective upon its approval.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1144, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1144, S.D. 1, H.D. 2, C.D. 1.

Representatives Menor, Takamine, Herkes, Kawakami and Thielen,
Managers on the part of the House.

Senators Kanno, Taniguchi, Levin, Bunda and Nakata,
Managers on the part of the Senate.

Conf. Com. Rep. 163 on S.B. No. 1279

The purpose of this measure is to ensure the viability of universal telecommunications service in the State by precluding the use of moneys in the Universal Service Fund for purposes other than those related to the provision of universal telecommunications service. Specifically, the measure:

- (1) Establishes the Universal Service Fund as a special fund outside of the State treasury;
- (2) Exempts the Universal Service Fund from general fund assessments and administrative surcharges;
- (3) Authorizes a temporary loan from the Public Utilities Commission Special Fund to the Universal Service Fund; and
- (4) Appropriates \$800,000 out of the Universal Service Fund to fund the Universal Service Program.

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

- (1) Clarifying that the \$800,000 appropriation is for the Public Utilities Commission to carry out the purposes of the universal service program; and
- (2) Providing that the Universal Service Fund shall repay moneys borrowed from the Public Utilities Commission Special Fund when sufficient funds have been collected in the Universal Service Fund.

Your Committee on Conference is in accord with the intent and purpose of S.B. No. 1279, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1279, S.D. 2, H.D. 2, C.D. 1.

Representatives Herkes, Menor, Luke, Chang and Rath,
Managers on the part of the House.

Senators Taniguchi, Kanno, Fukunaga and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 164 on H.B. No. 162

The purpose of this measure is to enhance public service by agencies of the legislative branch by clarifying the scope of legislative powers and improving the functioning of legislative agencies.

Specifically, the measure:

- (1) Clarifies subpoena powers of state and county legislative bodies by removing obsolete references to the loyalty oath that was a part of the repealed Chapter 85, Hawaii Revised Statutes;
- (2) Provides funds to the public access room to increase its capability to provide public access, education, and support to citizens;
- (3) Funds a legislative media streaming pilot project to allow public access to legislative hearings on the Internet;
- (4) Transfers responsibility for statutory publications from the Lieutenant Governor to the Legislature to increase public access to these publications;
- (5) Funds replacement of the antiquated computer system of the Office of the Ombudsman to better service citizen complaints;
- (6) Provides initial funding for the Office of the Legislative Analyst to begin conducting a review and analysis of state economic conditions and fiscal matters; and
- (7) Providing funds to the Legislative Reference Bureau to study the feasibility of establishing and fostering a biotechnology and high technology industry in Hawaii.

Upon further consideration, your Committee on Conference has amended the measure by:

- (1) Deleting the section that appropriates funds to move the Public Access Room;
- (2) Deleting the section that appropriates funds for the Legislative Reference Bureau to conduct a biotechnology feasibility study;
- (3) Clarifying that the Legislature has sole jurisdiction over all publications of the Hawaii Revised Statutes;
- (4) Adding provisions to ensure the smooth and efficient transition of control of legislative publications from the Office of the Lieutenant Governor to the Legislature; and
- (5) Appropriating specific amounts to fund the projects contained in the measure.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 162, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 162, H.D. 1, S.D. 2, C.D. 1.

Representatives Kanoho, Hamakawa, Takamine, Ahu Isa and Halford,
Managers on the part of the House.

Senators Chumbley, Fukunaga, D. Ige, Ihara and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 165 on H.B. No. 1454

The purpose of this bill, as received by your Committee, is to clarify that a single, uniform fee of \$100 is to be applied to all probate actions involving a decedent's estate. Additionally, this bill increases the fee for civil district court filings from \$75 to \$100, and adds new fees to be assessed for administrative costs associated with processing of traffic offense citations.

Your Committee finds that the provisions of this bill will provide for the just administration of decedent's estates.

Your Committee further finds that the provisions of this bill will ensure that the costs of certain government operations will be borne by the users of services arising out of those operations. Your Committee finds that the provisions of this bill will generate additional revenue to fund needed judiciary services. Your Committee finds that it is not the intent of the legislature to have persons pay processing fees for traffic offense citations, when they are determined "not guilty" of those offenses.

Your Committee has amended this bill by:

- (1) Deleting the purpose section;
- (2) Adding language allowing an exception to the increased District Court civil filing fee, for temporary restraining order petitions filed under Section 604-10.5, Hawaii Revised Statutes;
- (3) Amending the proposed language regarding processing fees for traffic citations to clarify that those fees will not be assessed where an individual is determined "not guilty" of an offense for which they were cited, and to clarify that even traffic citations which do not require or result in arrest, are included in the types of citations for which processing fees will be assessed;
- (4) Adding a provision giving judges discretion to recover the actual cost of issuing a bench warrant by assessing a \$50 fine upon the person for whom the warrant is issued; and
- (5) Making technical, nonsubstantive amendments for the purpose of clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1454, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1454, H.D. 2, S.D. 2, C.D. 1.

Representatives Hamakawa, Yamane, Hiraki and Auwae,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Fukunaga, Levin, Ihara and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 166 on H.B. No. 1138

The purpose of this bill is to:

- (1) Allow the Department of Health (DOH) to update its ability to investigate significant causes of illness which threaten the public health and safety; and

- (2) Appropriate funds to DOH to conduct soil testing for Village Park and West Loch Fairways as a part of an epidemiologic investigation to determine if physical and learning disabilities of children are caused by the soil.

Your Committee on Conference has amended this measure by:

- (1) Appropriating \$220,000 for DOH to conduct a response action, which shall include soil testing at Village Park and West Loch Fairways; and
- (2) Making technical, nonsubstantive amendments for clarity and style.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1138, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1138, H.D. 1, S.D. 2, C.D. 1.

Representatives Santiago, Menor, Kawakami, Garcia and McDermott,
Managers on the part of the House.

Senators Chun Oakland, Chumbley, Matsunaga, Levin and Kanno,
Managers on the part of the Senate.

Conf. Com. Rep. 167 on H.B. No. 1146

The purpose of this bill is to:

- (1) Repeal the sunset date of Act 216, Session Laws of Hawaii 1997;
- (2) Increase from \$1 to \$3 the fee amount to be deposited into the Vital Statistics Improvement Special Fund (Special Fund);
- (3) Increase from \$4 to \$6 additional copies of certified birth, marriage, divorce, or death certificates; and
- (4) Require that copies of certificates be provided by the Department of Health free of charge to native Hawaiians, if provided directly to the Department of Hawaiian Home Lands or the Office of Hawaiian Affairs in connection with a claim or an entitlement.

Your Committee on Conference has amended this measure by:

- (1) Deleting fee increases into the Special Fund and for additional copies of certificates; and
- (2) Deleting the requirement that copies of certificates be provided free of charge to native Hawaiians if the certificates are to be used in connection with a claim or an entitlement.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1146, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1146, S.D. 2, C.D. 1.

Representatives Santiago, Takamine and Leong,
Managers on the part of the House.

Senators Chun Oakland, Fukunaga, Levin and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 168 on H.B. No. 170

The purpose of this bill is to create a state income tax credit for long-term care insurance premiums.

Your Committee on Conference has agreed to the language in the H.D. 2 version of this bill and has amended this bill accordingly by:

- (1) Including a legislative findings and purpose section;
- (2) Including a provision to further conform the Hawaii income tax law to the federal income tax law which will allow taxpayers to deduct the cost of unreimbursed long-term care services and long-term care insurance premiums subject to the current floor of 7.5% of adjusted gross income; and
- (3) Deleting the tax credit for long-term care insurance premiums.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 170, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 170, H.D. 2, S.D. 1, C.D. 1.

Representatives Arakaki, Santiago, Menor, Kawakami, Suzuki and Whalen,
Managers on the part of the House.

Senators Taniguchi, Kanno, Fukunaga, Levin and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 169 on H.B. No. 172

The purpose of this bill is to increase the availability of quality hospice care services by:

- (1) Requiring health insurers to cover hospice care services;
- (2) Allowing hospice homes in areas zoned for residential use; and
- (3) Authorizing the Department of Health to license and regulate hospice service agencies.

Your Committee on Conference has amended this bill by:

- (1) Requiring health insurers to reimburse costs of hospice room and board, as well as referral visits, rather than establishing a certain amount for reimbursement of room and board expenses;
- (2) Changing the content requirements and timing of the notice of hospice care coverage required to be sent by health insurers to their members and policyholders;
- (3) Moving the new definition of "hospice home" to section 321-15.1, Hawaii Revised Statutes; and
- (4) Making nonsubstantive, technical revisions for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 172, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 172, H.D. 1, S.D. 2, C.D. 1.

Representatives Santiago, Lee, Kawakami, Kahikina and Meyer,
Managers on the part of the House.

Senators Chun Oakland, Fukunaga and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 170 on H.B. No. 260

The purpose of this bill is to ensure that all of Hawaii's children will be safe, healthy, and ready to succeed in school by improving the affordability, accessibility, quality, and coordination of early childhood services.

With the passage of time, issues evolve, approaches to addressing issues are revised, and terminology changes. As education for young children has become more important, what was once known as "child care" is now commonly known as "early childhood education and care." However, state statutes and departmental rules may continue to use the obsolete term.

Your Committee on Conference urges the Department of Human Services (DHS) to review the Hawaii Revised Statutes (HRS) and its administrative rules during the legislative interim to identify inappropriate references to "child care." DHS is subsequently urged to change these references in its administrative rules to "early childhood education and care"; provided the changes do not jeopardize federal funding. In addition, DHS is requested to recommend prior to the 2000 Regular Session the necessary amendments to HRS in bill form to update the terminology.

Your Committee on Conference has amended this measure by deleting all appropriations provisions and inserting a means for early childhood screening when a child reaches the age of three.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 260, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 260, H.D. 2, S.D. 1, C.D. 1.

Representatives Arakaki, Santiago, Kawakami, Kahikina and Pendleton,
Managers on the part of the House.

Senators Chun Oakland, Fukunaga, Levin, Chun and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 171 on H.B. No. 274

The purpose of this bill is to improve Hawaii's child protective system by:

- (1) Mandating training for foster parents of licensed foster homes and guardians ad litem;
- (2) Providing for protective custody of a child without a court order;
- (3) Requiring reporting of child abuse and neglect to police and the prosecuting attorney;
- (4) Establishing new provisions for permanent place hearings for children residing outside the family home for extended periods of time;
- (5) Establishing a medical case management procedure for medical oversight of children in the child protective services system; and
- (6) Appropriating funds for fiscal year 1999-2000 and fiscal year 2000-2001 for foster parent training.

Your Committee on Conference has amended this measure by:

- (1) Deleting the requirement that the Department of Human Services (DHS) develop a medical and health case management procedure of managing medical and health needs of children in the foster care system;
- (2) Requiring DHS to establish a procedure governing the timely enrollment of foster children into an appropriate health insurance program;
- (3) Requiring that new special licensed or relative foster home care providers complete foster parent training within the first year following placement of the first child into the new special licensed or relative foster home;
- (4) Removing the requirement that DHS inform the Office of the Prosecuting Attorney of all child abuse and neglect reports received by DHS;
- (5) Providing that the name of the person who reports a case of child abuse may be released to the police department or the Office of the Prosecuting Attorney with the person's consent;
- (6) Deleting the requirement that all guardians ad litem successfully complete training;
- (7) Deleting additional provisions relating to proceedings for permanent plan hearings for children residing outside the family home for extended periods of time;
- (8) Deleting appropriations for fiscal year 1999-2000 and fiscal year 2000-2001 for foster parent training; and
- (9) Making technical, nonsubstantive revisions for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 274, H.D. 3, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 274, H.D. 3, S.D. 2, C.D. 1.

Representatives Arakaki, Hamakawa, Saiki, Lee and Whalen,
Managers on the part of the House.

Senators Chun Oakland, Chumbley, Matsunaga, Levin and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 172 on H.B. No. 326

The purpose of this bill is to require health insurance coverage for medical foods and low-protein modified food products for the treatment of inborn metabolic diseases.

Among other things, this measure allows public assistance recipients and their dependents medical assistance coverage for medical foods and low-protein modified food products.

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

- (1) Deleting coverage of medical foods and low-protein modified food products for dependents of public assistance recipients; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and style.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 326, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 326, H.D. 1, S.D. 1, C.D. 1.

Representatives Santiago, Arakaki, Menor, Yamane and McDermott,

Managers on the part of the House.

Senators Taniguchi, Kanno, Fukunaga, Chun Oakland and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 173 on H.B. No. 547

The purpose of this bill is to increase the supply of organs for transplant recipients by expanding educational efforts on organ donation and improving organ referrals between hospitals and the local organ procurement organization.

Your Committee on Conference has amended this bill by:

- (1) Setting out a legislative finding that a grant to the Organ Donor Center of Hawaii is for a public purpose;
- (2) Authorizing counties to retain up to \$0.20 of each donated \$1 to pay for administrative costs related to collecting the fee;
- (3) Postponing the effective date of the sections relating to voluntary donations collected by the county departments of motor vehicle licensing and deposited in the Hawaii Organ and Tissue Education Fund to allow the counties sufficient time to prepare new forms and processes to administer the program; and
- (4) Inserting an appropriation in the amount of \$250,000 for fiscal year 2000-2001 as a grant to the Organ Donor Center of Hawaii for the purposes set forth in the bill.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 547, H.D. 3, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 547, H.D. 3, S.D. 2, C.D. 1.

Representatives Santiago, Menor, Hamakawa, Yamane and Marumoto,
Managers on the part of the House.

Senators Chun Oakland, Chumbley, Matsunaga, Levin and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 174 on H.B. No. 1594

The purpose of this bill is to authorize the issuance of special purpose revenue bonds to assist the EV Community Development Corporation in financing the development and construction of an intergenerational care center at Kulana Malama, Ewa Villages.

Your Committee on Conference has amended this measure by:

- (1) Changing the appropriation in section 2 to \$15,000,000;
- (2) Providing that the bonds may also be used for the acquisition of the center; and
- (3) Providing that the bonds may be used for refinancing the costs of acquisition, development and construction of the center.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1594, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1594, H.D. 1, S.D. 1, C.D. 1.

Representatives Santiago, Kawakami, Kahikina and Fox,
Managers on the part of the House.

Senators Chun Oakland, Fukunaga, Levin and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 175 on H.B. No. 1663

The purpose of this bill, as received, is to:

- (1) Conduct soil testing for Village Park and West Loch Fairways to determine whether the soil is a cause of illnesses and the physical and learning disabilities of children and families living in these areas;
- (2) Require the Director of Health to adopt rules to establish an administrative process allowing the involuntary medication of psychiatric patients institutionalized at in-patient psychiatric facilities or the Hawaii State Hospital (HSH) to alleviate mental illness and restore competency while protecting the rights of patients; and
- (3) Require insurers, mutual benefit societies, and health maintenance organizations to pay an indemnity or reimbursement directly to the rural health care facility that provided services, regardless of the facility's participatory status with the insurer's, mutual benefit society's, or health maintenance organization's plan.

Since 1991, the State has been under the jurisdiction of the U.S. District Court to address a number of complex problems with HSH. These problems include clinical, operational, and managerial functions that involve both the hospital staff and administration. More recently, in January of 1999, the State was given a final deadline to improve problem areas at HSH.

By December 20, 1999, the State must show full compliance with a federal court order to comply with federal law relating to people with serious mental illnesses. Your Committee on Conference finds that if this deadline is not met, severe sanctions will be imposed by the federal court, which may include the potential appointment of a special federal master to administer HSH and the State's entire mental health system or fines of up to \$50,000 per day.

The appointment of a federal master will result in the State relinquishing all authority over HSH and the community mental health system. As such, the federal master would have unrestrained authority to require expenditure of State moneys without State input or control.

Your Committee on Conference finds that these recent developments at HSH have forced the Legislature to adopt a completely different approach to the treatment of the seriously mentally ill in Hawaii. Based on the foregoing, your Committee on Conference has amended this bill by deleting its substance and inserting provisions providing for the transition of HSH to a secure psychiatric rehabilitation facility. As amended, the purpose of this bill is to:

- (1) Transition HSH to a secure psychiatric rehabilitation facility for individuals who require intensive therapeutic treatment and rehabilitation, including appropriate acute care services;
- (2) Authorize the Director of Health to privatize functions currently performed at HSH as appropriate to the clinical needs of the population served in the least restrictive setting; and
- (3) Authorize the Department of Health to provide for comprehensive community-based programs and services for individuals discharged from HSH in accordance with this measure or individuals who might otherwise have been admitted to HSH. These programs, services, and individuals shall be reviewed and monitored by the Department of Health.

If the Director of Health decides to privatize the functions currently performed at HSH as authorized by this measure, it is the intent of your Committee that the Director of Health shall comply with the provisions of Act 230, Session Laws of Hawaii 1998.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1663, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1663, H.D. 2, S.D. 2, C.D. 1.

Representatives Santiago, Yoshinaga, Yamane, Arakaki, Kanoho, Nakasone, Leong and Marumoto,
Managers on the part of the House.

Senators Chun Oakland, Fukunaga, Levin, Chumbley, Chun, D. Ige, Nakata and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 176 on H.B. No. 1664

The purpose of this bill, as received by your Committee on Conference, is to strengthen the Hawaii Patient Bill of Rights and Responsibilities Act by implementing the recommendations of the patient rights and responsibilities task force.

After much discussion, your Committee on Conference has deleted the substance of H.B. No. 1664, H.D. 3, S.D. 1, and replaced it with provisions that establish two new special funds.

As amended, this bill:

- (1) Establishes within the Department of Health (DOH) a Hospital and Medical Facilities Special Fund (HMFS Fund) to offset program expenses of DOH's hospital and medical facilities branch;
- (2) Establishes within the State Treasury a State Health Planning and Development Special Fund to offset program expenses of the State Health Planning and Development Agency (SHPDA);
- (3) Amends section 321-11.5, Hawaii Revised Statutes, to require fees paid and collected from facilities seeking licensure or certification by the DOH to be deposited into the HMFS Fund.

Upon further discussion with SHPDA, the State Health Planning and Development Special Fund is expected to receive approximately \$30,000 annually.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1664, H.D. 3, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1664, H.D. 3, S.D. 1, C.D. 1.

Representatives Santiago, Menor, Takamine, Chang and Halford,

Managers on the part of the House.

Senators Taniguchi, Kanno, Chun Oakland, Fukunaga, Levin and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 177 on H.B. No. 1675

The purpose of this measure is to extend the time to process individual Hawaiian home lands trust claims and provide funding to compensate claimants who received favorable judgments from the Hawaiian Home Lands Trust Individual Claims Review Panel.

Specifically, the measure:

- (1) Extends the Hawaiian Home Lands Trust Individual Claims Review Panel and the process to resolve individual claims of breaches of the Hawaiian Home Lands Trust for two more years to the year 2001;
- (2) Adds language that establishes a special account in the Hawaiian Home Lands Trust Fund for the purpose of compensating successful claimants who were awarded a monetary judgment by the Hawaiian Home Lands Trust Individual Claims Review Panel under Chapter 674, Hawaii Revised Statutes;
- (3) Transfers the cash value credit (\$14,498,565) the State sought to obtain from the Department of Hawaiian Home Lands for lands conveyed by Act 95, Session Laws of Hawaii 1996, for settlement payments owed under Chapter 673, Hawaii Revised Statutes, to the special account in the Hawaiian Home Lands Trust Fund;
- (4) Authorizes the issuance of general obligation bonds in the amount of \$1,936,111, to cover the additional amount necessary to compensate successful claimants who were awarded a monetary judgment by the Hawaiian Home Lands Trust Individual Claims Review Panel under Chapter 674, Hawaii Revised Statutes;
- (5) Sunsets the special account on June 30, 2004; and
- (6) States that the awards authorized by the Hawaiian Home Lands Trust Individual Claims Review Panel in either their 1997 or 1999 report and settled under this measure shall not serve as a precedent for any other unresolved claims brought under Chapter 674, Hawaii Revised Statutes.

Your Committee on Conference finds that Chapter 674, Hawaii Revised Statutes, established a process to resolve individual claims of breaches of the Hawaiian Home Lands Trust. The process, as originally conceived, was supposed to be concluded by 1997. Due to complications and the sheer volume of claims to be filed, not all claims could be filed by the original closing date. To remedy these problems the Legislature enacted Act 382, Session Laws of Hawaii 1997, which in part, extended the claims resolution process until December 31, 1999, and required the Attorney General, the Director of Finance, the Chairperson of the Hawaiian Homes Commission, and the Chairperson of the Hawaiian Home Lands Trust Individual Claims Review Panel to convene and establish a revised formula by which to compensate claimants. In 1998, Circuit Court Judge Marie Milks opined that the composition of the group to determine a revised formula had the appearance of bias and, therefore, ruled that the group was unconstitutional, thereby further slowing down the claims resolution process.

Your Committee on Conference believes that justice must prevail for those beneficiaries who have faithfully and patiently waded through the complex claims resolution process only to be put off year after year. Unfortunately, with the recent Circuit Court ruling which has clouded the issue of the amount of compensation owed to claimants, your Committee on Conference believes that a further extension is necessary.

Your Committee on Conference additionally finds that since the enactment of Chapter 674, Hawaii Revised Statutes, the State has fallen on hard financial times. Although your Committee on Conference believes that the Legislature remains committed to resolving past breaches of trust with individual claimants, general revenues to fund such a compensation package are virtually nonexistent.

In order to find innovative alternatives to compensate successful claimants who have been awarded monetary judgments by the Hawaiian Home Lands Trust Individual Claims Review Panel established pursuant to section 674-3, Hawaii Revised Statutes, without adversely impacting on the State's general fund, your Committee has amended the measure by:

- (1) Extending the life of the Hawaiian Home Lands Trust Individual Claims Review Panel for one more year instead of two years;
- (2) Deleting sections 6 through 11 of the measure which provide specific methods of financing to provide compensation to claimants who received favorable judgments from the Hawaiian Home Lands Trust Individual Claims Review Panel;
- (3) Inserting provisions which establish a Hawaiian Home Lands Trust Individual Claims Compensation Commission to develop alternative solutions for compensating claimants; and
- (4) Requiring the Hawaiian Home Lands Trust Individual Claims Compensation Commission to report its recommendations to the Legislature prior to the regular session of 2000.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1675, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1675, H.D. 1, S.D. 1, C.D. 1.

Representatives P. Oshiro, Saiki, Hamakawa, Yamane and Marumoto,
Managers on the part of the House.

Senators Hanabusa, Fukunaga, Levin, Chun, Nakata, Tanaka and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 178 on H.B. No. 1693

The purpose of this bill is to authorize the issuance of special purpose revenue bonds for Honolulu Neighborhood Housing Services, Inc., a not-for-profit corporation that provides health care facilities.

After much consideration, your Committee on Conference has amended this bill to require developers to share their project plans and to solicit comments and concerns regarding such plans from surrounding residential and business communities.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1693, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1693, H.D. 1, S.D. 1, C.D. 1.

Representatives Arakaki, Kawakami, Kahikina and Pendleton,
Managers on the part of the House.

Senators Chun Oakland, Fukunaga, Kawamoto and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 179 on H.B. No. 634

The purpose of this bill is to create a temporary commission to support and coordinate the celebration of the centennial anniversary of the arrival of the Puerto Rican people to Hawaii.

Your Committee on Conference has amended the bill by:

- (1) Deleting the appropriation; and
- (2) Making technical, nonsubstantive revisions for style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 634, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 634, H.D. 1, S.D. 1, C.D. 1.

Representatives Takai, Schatz, Santiago and Fox,
Managers on the part of the House.

Senators D. Ige, Levin, Bunda and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 180 on H.B. No. 1017

The purpose of this bill is to improve the quality and the availability of housing by:

- (1) Authorizing the issuance of short-term bonds for the repair and maintenance of State-owned public housing;
- (2) Increasing the ceiling of the total amount of bonds that may be issued for the Hula Mae single family mortgage purchase program from \$1,775,000,000 to an unspecified amount; and
- (3) Authorizing the issuance of general obligation bonds of an unspecified sum and appropriating that sum to the Rental Housing Trust Fund (RHTF).

Your Committee on Conference has amended the bill by:

- (1) Specifying the amount of \$2,275,000,000 as the new ceiling for the Hula Mae single family mortgage purchase program;
- (2) Removing the provision authorizing the issuance of short-term bonds for the repair and maintenance of State-owned housing;
- (3) Removing the provision authorizing the issuance of general obligation bonds of an unspecified sum and appropriating that sum to the Rental Housing Trust Fund; and

- (4) Making technical, nonsubstantive revisions for style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1017, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1017, H.D. 1, S.D. 2, C.D. 1.

Representatives Arakaki, Kahikina, Stegmaier, Yamane and McDermott,
Managers on the part of the House.

Senators Tam, Levin, Buen and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 181 on H.B. No. 1575

The purpose of this bill is to ensure the safety and comfort of the delegates of the Millennium Young People's Congress (Congress) by making an appropriation to fund home stays in host family homes for the Congress delegates, and for planning, coordination, transportation, and family support stipends.

Your Committee on Conference has amended this measure by changing the amount of the appropriation to \$

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1575, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1575, H.D. 2, S.D. 1, C.D. 1.

Representatives Arakaki, Kawakami, Kahikina, Stegmaier and McDermott,
Managers on the part of the House.

Senators Chun Oakland, Fukunaga and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 182 on H.B. No. 522

The purpose of this bill is to improve the school-to-work opportunities pilot project (Project) by:

- (1) Making the school-to-work opportunities executive council (Council) advisory in nature; and
- (2) Transferring management of the school-to-work opportunities staff to the Department of Education (DOE).

Your Committee on Conference has amended the bill by:

- (1) Retaining the governance authority of the Council;
- (2) Changing the process of selecting the executive director from an appointment by the Superintendent to a process by which the Superintendent nominates a candidate and the Council approves or disapproves;
- (3) Deleting the requirement for the DOE to provide staff services for the Council;
- (4) Deleting the requirement for Project staff to provide intermediary services for employers and educational institutions;
- (5) Requiring the Council and the Superintendent to develop a transition plan and to agree upon it by July 1, 1999;
- (6) Deleting the appropriation for the operations of the Project; and
- (7) Making technical, nonsubstantive revisions for style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 522, H.D. 3, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 522, H.D. 3, S.D. 2, C.D. 1.

Representatives Ito, Yoshinaga, Catalani, Goodenow and Moses,
Managers on the part of the House.

Senators Nakata, D. Ige, Fukunaga, Chun Oakland, Taniguchi and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 183 on H.B. No. 854

The purpose of this bill is to reduce the maximum amount of general excise tax revenues that must be deposited into the state educational facilities improvement special fund, from \$90,000,000 per fiscal year, to an unspecified amount.

Your Committee on Conference has amended this measure to reduce the maximum amount that must be deposited into the state educational facilities fund, to \$45,000,000.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 854, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 854, S.D. 1, C.D. 1.

Representatives Takamine, Kawakami and Meyer,
Managers on the part of the House.

Senators D. Ige, Fukunaga, Levin and Sakamoto,
Managers on the part of the Senate.

Conf. Com. Rep. 184 on H.B. No. 765

The purpose of this bill is to:

- (1) Increase the rental motor vehicle surcharge tax from \$2 a day to an unspecified amount for the period of January 1, 2000, to December 31, 2001;
- (2) Exempt individuals renting a vehicle to replace a vehicle of the lessee that is being repaired from the rental motor vehicle surcharge tax for the period of January 1, 2000, to December 31, 2001;
- (3) Increase the tour vehicle surcharge tax to unspecified amounts;
- (4) Direct the Department of Taxation to deposit rental motor vehicle surcharge and tourist vehicle surcharge taxes to the credit of the state general fund in July 1, 1999;
- (5) Promote understandable and nondeceptive disclosure of airport concession rents and service permit fees paid to the Department of Transportation for access to public airports, while requiring U-drive lessors to provide annual reports showing how such expenses were computed and stating their total amounts; and
- (6) Allow the motor vehicle rental industry to receive commissions calculated in part from the sale of collision damage waivers.

Your Committee on Conference has amended this bill by:

- (1) Increasing the rental motor vehicle surcharge tax from \$2 to \$3 for a eight-year period;
- (2) Exempting persons renting a vehicle to replace a vehicle being repaired, provided that the repair order for the vehicle is retained by the lessor for four years for verification purposes;
- (3) Deleting the tour vehicle surcharge tax increase;
- (4) Deleting the provision depositing rental motor vehicle surcharge and tourist vehicle surcharge taxes to the credit of the state general fund;
- (5) Deleting the collision waiver provisions;
- (6) Designating state highway fund moneys to be deposited into the state general fund for fiscal biennium 1999-2001;
- (7) Making the effective date take effect upon approval; and
- (8) Making technical, nonsubstantive amendments for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 765, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 765, H.D. 1, S.D. 2, C.D. 1.

Representatives Hiraki, Menor, Takamine, Goodenow, Suzuki and Whalen,
Managers on the part of the House.

Senators Taniguchi, Kanno, Fukunaga, Levin, Bunda and Kawamoto,
Managers on the part of the Senate.

Conf. Com. Rep. 185 on H.B. No. 1198

The purpose of this bill is to create a mechanism to fund the Integrated Tax Information Management System by creating a special fund with revenues from the general excise tax.

Your Committee on Conference has amended the bill by:

- (1) Exempting the special fund from central services expenses;
- (2) Making the special fund responsible for its pro rata share of administrative expenses incurred by the Department of Taxation;
- (3) Inserting the appropriation amounts; and
- (4) Making technical, nonsubstantive revisions for style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1198, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1198, H.D. 1, S.D. 1, C.D. 1.

Representatives Takamine, Kawakami, Nakasone and Moses,
Managers on the part of the House.

Senators D. Ige, Fukunaga, Levin, Sakamoto and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 186 on H.B. No. 989

The purpose of this bill is to appropriate funds to:

- (1) Pay claims for judgments, settlements, legislative claims for relief, and other miscellaneous claims against the State;
- (2) Require that claims for legislative relief be made within six years from the date on which the claim for payment matured;
- (3) Require the Attorney General to consult with the Governor before entering into any settlement agreements for awards exceeding \$15,000 that are subject to legislative approval;
- (4) Require the Attorney General to develop and implement a procedure for advising its client agencies on how to avoid future claims; and
- (5) Require future claims for which money is required to satisfy a judgment or settlement agreement to be funded through the agency's departmental allocation and not by general fund appropriations when the agency fails to modify existing practices and procedures.

Your Committee on Conference has amended this bill by:

- (1) Removing the provision requiring certain claims to be paid out of the State Highway Fund and providing for payment of those claims out of the general fund;
- (2) Deleting the provision requiring future claims to be paid from the agency's departmental allocation instead of general funds when the agency fails to modify existing practices and procedures;
- (3) Requiring the Attorney General to consult with the Governor prior to entering into any settlement agreements for amounts exceeding \$75,000;
- (4) Requiring the Attorney General to report to the Speaker of the House of Representatives, the President of the Senate, and the chairs of the House and Senate Judiciary Committees no later than twenty days prior to the convening of each regular legislative session describing the claims and their attendant circumstances and containing the advice for corrective action rendered to the agency;
- (5) Requiring the Attorney General's report to reflect the remedial actions taken by the Attorney General or recommendations for remedial actions that should be taken by the Legislature if an agency fails to take corrective actions as recommended;
- (6) Deeming the Attorney General report confidential to prevent disclosure of confidential or privileged material pursuant to chapter 92F, Hawaii Revised Statutes;
- (7) Correcting a drafting error with respect to the Matsushima v. State settlement to reflect the correct civil case number;
- (8) Adding four additional claims as recommended by the Attorney General; and
- (9) Making technical, nonsubstantive amendments for purposes of clarity and consistency.

Your Committee on Conference believes that requiring the Attorney General to consult with the Governor on claims exceeding \$75,000 will result in greater accountability with respect to the settlement of claims against the State. Your Committee on Conference does not intend for this provision to require the Governor to sit on actual negotiations or settlement conferences but, instead, to merely review and approve those claims prior to the Attorney General's entering into any settlement agreement.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 989, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 989, H.D. 1, S.D. 2, C.D. 1.

Representatives P. Oshiro, Takamine, Hamakawa, Kawakami and Auwae,
Managers on the part of the House.

Senators Chumbley, Matsunaga, Fukunaga and Sakamoto,
Managers on the part of the Senate.

Conf. Com. Rep. 187 on H.B. No. 990

The purpose of this bill is to make an emergency appropriation to fund the legal services provided to the Department of Hawaiian Home Lands.

Your Committee on Conference has amended this bill by:

- (1) Appropriating \$97,216 to the Department of the Attorney General for legal representation of the Department of Hawaiian Home Lands;
- (2) Changing the effective date to July 1, 1999; and
- (3) Making technical, nonsubstantive amendments for purposes of style and clarity.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 990, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 990, H.D. 1, S.D. 1, C.D. 1.

Representatives P. Oshiro, Saiki, Hamakawa, Yamane and Marumoto,
Managers on the part of the House.

Senators Hanabusa, Fukunaga, Levin, Chun, Kanno, Nakata, Tanaka and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 188 on H.B. No. 157

The purpose of this bill is to reduce prison overcrowding by establishing and funding an integrated community sanctions program consisting of:

- (1) Drug treatment programs including making permanent the drug court program within the circuit court of the first circuit;
- (2) Community reintegration programs;
- (3) Residential work-furlough programs;
- (4) The Halfway In, Halfway Back" program for nonviolent inmates who are within the last six months of their incarceration;
- (5) Early parole programs; and
- (6) Post-release sex offender and substance abuse treatment services.

Your Committee on Conference has amended this bill by deleting all provisions except for the drug court and the "Halfway In, Halfway back" program.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 157, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 157, H.D. 2, S.D. 2, C.D. 1.

Representatives Hamakawa, Garcia, Saiki and Pendleton,
Managers on the part of the House.
(Representative Saiki did not concur.)

Senators Chumbley, Matsunaga, Fukunaga, Levin, Chun Oakland and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 189 on H.B. No. 1649

The purpose of this bill is to exempt from conveyance tax transfers of real property in connection with:

- (1) A merger or consolidation of entities; or
- (2) The dissolution of a limited partnership to a corporate general partner.

Your Committee on Conference has amended this bill by:

- (1) Limiting the chapters of the Hawaii Revised Statutes referenced in connection with a merger or consolidation to those chapters that specifically authorize mergers and consolidations;
- (2) Changing the effective date of the bill from July 1, 2010, to upon approval; and
- (3) Making technical, nonsubstantive changes to correct typographical errors.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1649, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1649, H.D. 2, S.D. 1, C.D. 1.

Representatives Menor, Takamine, Catalani, Kaho'ohalahala, Souki and Whalen,
Managers on the part of the House.

Senators Fukunaga, Levin, D. Ige, Taniguchi and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 190 on H.B. No. 104

The purpose of this bill is to change the composition of the Employer-Union Trust Concept Committee and to extend the scope of its mandated purpose by:

- (1) Providing that the Governor shall select the retiree member from a list of nominees submitted by the Public Employees Health Fund;
- (2) Clarifying that equal numbers of representatives from public employers and public employee organizations sit on the Committee and that a retired beneficiary of the Public Employees Health Fund be included among the employee members;
- (3) Extends the Committee's term until June 30, 2001; and
- (4) Requires the Committee to submit to the Legislature:
 - (A) Annual progress reports on November 21, 1999, May 15, 2000, and November 21, 2000;
 - (B) Annual action plans on November 1, 1999, and November 1, 2000; and
 - (C) A finalized proposal and implementing legislation no later than 20 days prior to the convening of the 2001 regular session.

Your Committee on Conference has amended this bill by:

- (1) Deleting reference to "employer-union trust concept" and replacing with "alternative concepts";
- (2) Deleting reference to "a suggested trust structure" and replacing with "suggested alternative structures";
- (3) Deleting reference to "trust structure" with "new structure"; and
- (4) Allowing any committee member or group of members to finalize a proposal to replace the existing public employees health fund with a system based on alternative concepts.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 104, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 104, H.D. 1, S.D. 2, C.D. 1.

Representatives Yoshinaga, Takamine, Catalani, Suzuki and Meyer,
Managers on the part of the House.

Senators Kanno, Taniguchi, Fukunaga, Levin, Nakata and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 191 on H.B. No. 499

The purpose of this bill is to amend provisions of the Employees' Retirement System (ERS) law by:

- (1) Allowing a conservation and resources law enforcement (DOCARE) officer to retire without penalty after twenty-five years of service;
- (2) Allowing the trustees of the Office of Hawaiian Affairs (OHA) to become class A contributory members of ERS, including certain qualified former trustees; and
- (3) Conditioning the provision of health fund benefits to the retired former trustees of OHA on OHA's reimbursement to the State for the employer's health fund contributions for such trustees.

Your Committee on Conference has amended this bill by:

- (1) Deleting the provisions regarding OHA and the OHA trustees;
- (2) Authorizing DOCARE officers to convert to class A membership in ERS upon filing an election form with the ERS Board of Trustees;
- (3) Designating as class C members, DOCARE officers who do not elect to become class A members;
- (4) Allowing DOCARE officers to receive reduced retirement benefits after ten years of credited service; and
- (5) Designating all DOCARE officers hired after June 30, 1999, as class A members of ERS.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 499, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 499, H.D. 2, S.D. 2, C.D. 1.

Representatives Yoshinaga, P. Oshiro, Takamine, Catalani, Goodenow and Moses,
Managers on the part of the House.

Senators Kanno, Taniguchi, Hanabusa, Fukunaga, Levin, Nakata and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 192 on H.B. No. 1416

The purpose of this bill is to amend the Employees' Retirement System (ERS) law to:

- (1) Allow deputy sheriffs to retire without penalty after twenty-five years of service;
- (2) Allow qualified contributory class members to convert their membership status to noncontributory and obtain a refund of their contributions in cases of financial hardship; and
- (3) Allow the chairpersons and members of the Public Utilities Commission, the Labor and Industrial Relations Appeals Board, and the Hawaii Labor Relations Board to become class A contributory members of ERS.

Your Committee on Conference has amended this bill by:

- (1) Deleting the provision allowing qualified contributory class members to convert their membership in cases of financial hardship;
- (2) Deleting the provision allowing the chairpersons and members of the Public Utilities Commission, the Labor and Industrial Relations Appeals Board, and the Hawaii Labor Relations Board to become class A contributory members of ERS;
- (3) Authorizing deputy sheriffs to convert to class A membership in ERS upon filing an election form with the ERS Board of Trustees;
- (4) Designating as class C members deputy sheriffs who do not elect to become class A members;
- (5) Allowing a deputy sheriff to receive reduced retirement benefits after ten years of credited service; and
- (6) Designating all deputy sheriffs hired after June 30, 1999 as class A members.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1416, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1416, H.D. 2, S.D. 2, C.D. 1.

Representatives Yoshinaga, Takamine, Catalani, Souki, Suzuki and Marumoto,
Managers on the part of the House.

Senators Kanno, Taniguchi, Chumbley, Matsunaga, Fukunaga, Levin, Ihara and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 193 on H.B. No. 1038

The purpose of this bill is to appropriate and authorize funds to the Department of Budget and Finance, the Judiciary, and the Hawaii Health Systems Corporation and pay the cost of items negotiated in collective bargaining agreements with the representatives of units 1, 2, 3, 4, 6, 8, 9, 10, and 13, for state officers and employees who are excluded from these units.

Your Committee on Conference has amended this bill by:

- (1) Appropriating funds for FY 1998-1999, FY 1999-2000, and FY 2000-2001 for the purpose of this Act; and
- (2) Deleting appropriations for the Office of the Auditor, the Ethics Commission, the Legislative Reference Bureau, the Ombudsman, and the Hawaii Health Systems Corporation.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 1038, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1038, H.D. 1, S.D. 2, C.D. 1.

Representatives Yoshinaga, Takamine, Kanohe, Kawakami and Moses,
Managers on the part of the House.

Senators Nakata, Levin, Fukunaga, D. Ige, M. Ige, Kanno and Slom,
Managers on the part of the Senate.

Conf. Com. Rep. 194 on H.B. No. 142

The purpose of this bill is to repeal existing public employment laws, specifically those laws relating to civil service, compensation, public service, leaves of absence, hours of work, in-service training programs, and incentive and service awards, upon the adoption of replacement legislation by the Legislature redesigning the civil service system.

Specifically, this bill requires the Director of Human Resources Development to design and effectuate a process for modernizing the civil service system in collaboration with all stakeholders, labor and management included; and to submit draft and recommended model civil service legislation for the modernization of the civil service system to the Legislature.

In addition, as received by your Committee on Conference, this bill:

- (1) Provides a lump sum voluntary severance benefit or a one-time special retirement incentive benefit to a dislocated employee in exchange for the employee's right to exercise any reduction-in-force policy, collective bargaining agreement, rule, and placement and bumping procedure under collective bargaining;
- (2) Abolishes the position held by an employee who is provided a voluntary severance benefit or special retirement incentive benefit upon the termination or retirement of the employee, and reduces the affected agency's personnel count by one full-time equivalent (1.00 FTE) position for each full-time benefit conferred;
- (3) Requires the Legislature to establish the number of positions to be eliminated each fiscal year, requires the Department of Human Resources Development to brief employees on any workforce reduction plan, and requires the State to liquidate the additional actuarial present value of special retirement incentive benefits over a period of five years;
- (4) Allows employees of the Hawaii Public Broadcasting Authority to remain state employees without the loss of employment benefits and privileges upon the transfer of the Authority's licenses, assets, responsibilities, and functions to the Hawaii Public Television Foundation; or to be offered retraining for another position;
- (5) Allows agencies to establish flexible spending accounts in order to operate wage and salary reduction benefit programs that allow employees to reduce their pretax compensation in return for the payment of eligible benefits--or "cafeteria plans", and to hold contributions, earned interest, and forfeited balances in these accounts in trust outside the state treasury; and
- (6) Allows the Department of Human Resources Development, with the consent of the appropriate public employees unions, to conduct demonstration projects to determine whether a specific change in human resource management procedures, methods, policies, or statutes would result in improved human resource management within the State.

Your Committee on Conference has amended this bill to incorporate the many changes agreed to by representatives of labor and management, and by managers on the part of the House and Senate. Most notably, your Committee on Conference:

- (1) Established an advisory panel within the Department of Human Resources Development and assigned to the panel the task of modernizing the civil service system; limited the membership of the advisory panel; and expanded the scope of the panel's discussions;
- (2) Added a provision to allow the recruitment of personnel above the first step of the pay range;
- (3) Added a provision to make salary and wage overpayments the subject of collective bargaining;
- (4) Deleted the provisions relating to voluntary severance benefits and special retirement incentive benefits;
- (5) Deleted the provision relating to employees of the Hawaii Public Broadcasting Authority; and
- (6) Deleted the provision requiring the Legislature to establish the number of positions to be eliminated each fiscal year.

More specifically, your Committee on Conference limited the applicability of the provision relating to flexible spending accounts only to state employees.

Your Committee on Conference wishes to thank the parties involved in crafting this bill for their civility and diplomacy--including their ability to disagree without becoming disagreeable, and for their willingness to compromise on contentious issues for the good of the State.

Your Committee on Conference is in accord with the intent and purpose of H.B. No. 142, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 142, H.D. 1, S.D. 2, C.D. 1.

Representatives Yoshinaga, Takamine, Catalani, Goodenow, Nakasone, Suzuki, Meyer and Moses,
Managers on the part of the House.

Senators Nakata, Fukunaga, Chun Oakland, D. Ige, Ihara, Taniguchi and Anderson,
Managers on the part of the Senate.

Conf. Com. Rep. 195 on S.C.R. No. 184

The purpose of this concurrent resolution is to request a study of Hawaii's laws relating to domestic violence.

Your Committee finds that over the past decade, the Legislature has made great progress in its efforts to recognize and prevent domestic abuse. These efforts have included the adoption of mandatory periods of separation between family and household members, mandatory sentencing and fines for domestic abuse convictions, and mandatory offender treatment and intervention. However, in attempting to address the myriad aspects of domestic violence, piecemeal changes have been made to the law resulting in ambiguous interpretations or contradictory application of the law. Therefore, your Committee agrees that a thorough review of Hawaii's laws related to domestic violence is necessary to identify loopholes and inconsistencies in the laws. Your Committee acknowledges that in order to fully comprehend the legal and practical application of these laws, various constituencies should be consulted in conducting the study.

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

- (1) Assigning the responsibility for conducting the study to the Legislative Reference Bureau (Bureau) rather than a task force;
- (2) Requesting that the Bureau consult with the constituencies formerly named as the task force; and
- (3) Making technical, non-substantive changes for the purposes of clarity and style.

Your Committee on Conference is in accord with the intent and purpose of S.C.R. No. 184, S.D. 1, H.D. 1, as amended herein, and recommends that it be adopted in the form attached hereto as S.C.R. No. 184, S.D. 1, H.D. 1, C.D. 1.

Representatives Arakaki, Hamakawa, Kahikina and Pendleton,
Managers on the part of the House.

Senators Chumbley, Matsunaga and Chun Oakland,
Managers on the part of the Senate.

SPECIAL COMMITTEE REPORT

Spec. Com. Rep. 1

Your Committee on Credentials begs leave to report that it has thoroughly considered the matter of the seating of the members-elect of the House of Representatives of the Twentieth Legislature of the State of Hawaii, Regular Session of 1999, and finds that the members-elect are duly qualified to sit as members of the House of Representatives as follows:

First District:	Dwight Y. Takamine
Second District:	Jerry L. Chang
Third District:	Eric G. Hamakawa
Fourth District:	Robert N. Herkes
Fifth District:	Paul Whalen
Sixth District:	Jim Rath
Seventh District:	Sol P. Kaho'ohalahala
Eighth District:	Joseph M. Souki
Ninth District:	Bob Nakasone
Tenth District:	David Morihara
Eleventh District:	Chris Halford
Twelfth District:	Hermina M. Morita
Thirteenth District:	Ezra R. Kanoho
Fourteenth District:	Bertha C. Kawakami
Fifteenth District:	David D. Stegmaier
Sixteenth District:	Bertha F.K. Leong
Seventeenth District:	Barbara Marumoto
Eighteenth District:	Calvin K.Y. Say
Nineteenth District:	Brian Y. Yamane
Twentieth District:	Scott K. Saiki
Twenty-First District:	Galen Fox
Twenty-Second District:	Terry Nui Yoshinaga
Twenty-Third District:	Ed Case
Twenty-Fourth District:	Brian Schatz
Twenty-Fifth District:	Kenneth T. Hiraki
Twenty-Sixth District:	Sylvia J. Luke
Twenty-Seventh District:	Lei Ahu Isa
Twenty-Eighth District:	Dennis A. Arakaki
Twenty-Ninth District:	Felipe P. Abinsay, Jr.
Thirtieth District:	Romy M. Cachola

Thirty-First District:	Nathan Suzuki
Thirty-Second District:	Bob McDermott
Thirty-Third District:	Tom Okamura
Thirty-Fourth District:	K. Mark Takai
Thirty-Fifth District:	Nobu Yonamine
Thirty-Sixth District:	Roy M. Takumi
Thirty-Seventh District:	Nestor R. Garcia
Thirty-Eighth District:	Marilyn B. Lee
Thirty-Ninth District:	Ron Menor
Fortieth District:	Marcus R. Oshiro
Forty-First District:	Paul T. Oshiro
Forty-Second District:	Mark Moses
Forty-Third District:	Michael Puamamo Kahikina
Forty-Fourth District:	Emily J. Auwae
Forty-Fifth District:	Alexander C. Santiago
Forty-Sixth District:	Colleen Meyer
Forty-Seventh District:	Iris Ikeda Catalani
Forty-Eighth District:	Ken Ito
Forty-Ninth District:	Cynthia Henry Thielen
Fiftieth District:	David A. Pendleton
Fifty-First District:	Kenny Goodenow

Signed by Representatives P. Oshiro (Chair), Hamakawa (Vice Chair); Lee, Takumi, Pendleton and Whalen.